

# Hyundai, vendors set to line up ₹10,000 cr for Talegaon plant

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Hyundai Motor India (HMIL) is likely to invest ₹5,000 crore in General Motors India's (GMI's) Talegaon plant in Maharashtra, and its vendors are also lining up investments worth ₹5,000 crore near the site, according to sources close to the development.

Once the labour-GMI management tussle is sorted out, HMIL and its associates are expected to invest ₹10,000 crore in the automotive plant, which has the capacity to produce 130,000 units a year.

In August, HMIL signed an agreement to acquire the "land, buildings, certain machinery, and manufacturing equipment" of GMI's Talegaon plant. HMIL plans to commence production at this facility by 2025.

"The completion of the acquisition and assignment of the Talegaon plant is subject to the fulfilment of certain conditions precedent and the receipt of regulatory approvals from relevant government authorities and relevant stakeholders," HMIL stated in August.



## SIMILAR DEALS

▶ **Tata Motors and Ford India signed deal for the latter's Sanand unit for ₹725 cr in 2022**

▶ **Ford's Sanand plant had a capacity of 300,000 units per annum**

▶ **MG Motor India acquired GM India's Halol plant in 2017 for an undisclosed amount**

▶ **Ford is looking for a buyer for its Chennai plant**

Once the automotive plant and the vendors' facilities begin operations, around 4,500 direct and indirect jobs are expected to be created, sources have revealed.

A senior government official involved in the discussions between GMI, HMIL, and workers stated that

the South Korean automotive major is expected to invest ₹5,000 crore, and its vendors and associates will invest another ₹5,000 crore.

"This investment, however, is expected to occur in phases, with the bulk of it planned by 2028.

# Talegaon...

“This has the potential to create jobs for the local youth, and the government is working to resolve the differences between former GMI workers and the company,” said the official.