

JV structure for EV project to be finalised soon: Hindustan Motors

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HINDUSTAN MOTORS, THE ERST-WHILE maker of the iconic Ambassador car, is planning to finalise the "structure" of a proposed joint venture for manufacturing of electric vehicles (EVs) after completing financial and technological due diligence for the project, which is expected to be completed by October this year.

It had earlier signed a memorandum of understanding (MoU) and was in initial discussions for a JV with an European auto company working on EVs.

"The positive takeaway of the company is that it is going in the

The maker of Ambassador car told shareholders it has reduced accumulated losses and paid off most of its liabilities despite an adverse situation in the last few years

right direction. The company is investing its resources in the future technology, ie, electric vehicle," Hindustan Motors director Uttam Bose, who chaired the company's annual general meeting (AGM) here on Wednesday, told shareholders.

"Both the financial and technology partners are completing

their due diligence (for the proposed EV project) by next month. After that, the technical evaluation and the structure of the JV would be finalised," he said.

Initially, the plan is to launch two-wheelers, and then, depending on the success of the project, four-wheelers would be launched.

The crisis-ridden automaker stopped producing Ambassador cars in 2014 as sales had dwindled. The brand was eventually sold to French automaker Peugeot.

"Even though for last few years, the situation was adverse, the company has reduced accumulated losses and paid off most of the liabilities other than a few employee liability," Bose said at the AGM.

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