

## **Mahindra inaugurates its future-ready auto manufacturing plant at Chakan in Maharashtra**



**The Honourable Chief Minister of Maharashtra, Shri Ashok Chavan lights the inaugural lamp at the Chakan Plant in the presence of (Left to Right) Mr. Louis Pereira, CEO, Mahindra Vehicle Manufacturers Ltd. (MVML), Dr. Pawan Goenka, President, Automotive Sector, Mahindra & Mahindra Ltd. and Mr. Anand Mahindra, Vice Chairman & Managing Director, Mahindra Group & several other dignitaries**

### **Synopsis:**

- Mahindra Chakan facility set to create new benchmarks in automotive excellence, to put Chakan on the global auto map
- To manufacture Mahindra's full range of products under one roof in its 700 acre capacity
- To create significant employment opportunities
- Phased investment of appx Rs 5000 crore with an initial capacity of 3 lac vehicles per annum
- Plant to encapsulate several eco-friendly initiatives including use of Solar Energy

**Chakan March 13, 2010:** Mahindra & Mahindra Ltd., a part of the diversified US \$ 6.3 billion Mahindra Group, today inaugurated its new world-class auto manufacturing plant in the industrial hub of Chakan in Maharashtra. The plant was inaugurated by the Honourable Chief Minister of Maharashtra, Shri Ashok Chavan in the presence of Mr. Anand Mahindra, Vice Chairman and Managing Director, Mahindra Group and Dr Pawan Goenka, President, Automotive Sector, Mahindra & Mahindra Ltd.



The other eminent dignitaries who were present on this occasion included Shri Radhakrishna Vikhe Patil, Hon'ble Minister for Transport & Ports, Shri Ajitdada Pawar, Hon'ble Water Resources Minister, Shri Sachin Ahir, Hon'ble Minister of State for Environment, Government of Maharashtra, Shri Shivajirao Adhalrao Patil, Hon'ble Member of Parliament and Shri Dilip Mohite Patil, Hon'ble MLA and Chairman Estimates Committee, Maharashtra Legislature.

With a phased **investment of appx Rs. 5000 crore for the Chakan plant**, the project which is spread **across 700 acres** will set new standards for Mahindra and the automotive industry. The plant will have an installed capacity of 3 lac vehicles and would eventually be scaled up to meet global demand and standards. Mahindra Chakan will manufacture Mahindra's range of products from the 0.75 tonne Maxximo to the 49 tonne Mahindra Navistar truck. The company's new SUV and Pik-Up range and product line for the US market will also be manufactured at this facility.

"It gives me great pride to see one of India's largest auto plants set up in Chakan which is soon transforming into the Detroit of India. It will not only provide an impetus to industrial growth in the region but will also present significant employment opportunities to local residents. With its superior technological processes, large-scale manufacturing set up and eco-friendly focus, the plant is testimony to the Mahindra Group's far reaching vision and is sure to inspire corporate India to reach greater heights," **said Shri Ashok Chavan, Chief Minister of Maharashtra.**

"The Chakan story is characterised by the zeal, passion and commitment to create a factory of the future, a facility which will set new benchmarks in manufacturing excellence. This is clearly evident in its sheer scale and innovative manufacturing processes which is in line with Mahindra's vision to emerge as a leading full range player with the ability to compete against the best on the global automotive stage", **said Mr. Anand Mahindra, Vice Chairman & Managing Director, Mahindra Group.**

"Our new state-of-the-art facility at Chakan incorporates a flexible and agile approach to manufacturing which will ensure that it is future ready and able to respond rapidly to changing customer needs. Key focus areas include people, the environment, connected manufacturing and operational excellence. The plant has been envisioned as the hub of innovation and technology for the Mahindra Group, with several new products, including our new SUV and Pik-Up line rolling out from here. The Government of Maharashtra has worked closely with us to enable completion of this plant in a record time span of 22 months and may I thank them for their unstinted support" **said Dr. Pawan Goenka, President, Automotive Sector, Mahindra & Mahindra Ltd**

## **Mahindra Chakan – The Factory of the Future**

**Innovation** has all along been the strength of the Mahindra Group and the new plant at Chakan is all set to take this success story even further. Mahindra Chakan has been designed as a fully integrated facility for multiple different platforms from press to body to paint to General Assembly and the aggregates all coming up simultaneously. While it will manufacture the full range of the company's MHCV, it is also flexible enough to accommodate production of other models if required by the future market demand.

The various innovative features of Mahindra Chakan include *inter alia* the following:



**Press Shop** - The plant features a high tech Press Shop **set up by Schuler of Germany**. It also incorporates a cross bar feeder mechanism which is the first installation of its kind in India, link driven presses and an acoustic enclosure which ensures substantial sound deadening, leading to a worker-friendly working environment. A synchronized scrap conveying system conveys scrap directly to the truck, improving operational efficiency.

**Paint Shop** - The Paint Shop which has been set up has common facilities that have been design protected for water base painting which is an environmental requirement of the future. Salient features of the Paint Shop include a combined cab and cargo unit on common skid for pre-treatment electro deposition and top coat, as against separate units. Elevated painting robots ensure better reach for the rocker panel, lower portion of the vehicle body and dirt control. Special under body application robots are capable of catering to a high speed line (1.28 min TACT), while ensuring uniform spray and better reach.

**An integrated colour changer** in the painting robots reduces wastage of paint and thinner, thus reducing the amount of volatile organic compound. This is the first time this technology is being used in India. Other new technologies deployed in the Paint Shop include a Superator for oil removal at the pre-treatment line and use of electric stirrers and hydraulic pumps in the paint circulation system.

### **Creating a Talent Pool**

As part of its initiatives to enhance skill sets, Mahindra recently signed a Memorandum of Understanding (MOU) with the Government of Maharashtra for the development of two **Tribal Industrial Training Institutes (ITIs)**. These ITIs at Ghodegaon and Manikdoh, under the Public Private Partnership (PPP) scheme are approved by the Union Government. By providing relevant training to both students and faculty of these institutes, Mahindra will play a major role in creating required skill sets. The MoU will also result in employment creation as students will be able to effectively leverage their skills in both the auto industry as well as have the opportunity to work at the Chakan plant.

### **Green Plant**

Towards its initiatives of creating an eco-friendly environment, Mahindra Chakan also boasts of several eco-friendly initiatives which not only mitigate environmental degradation but also reduce waste. **Solar energy** and waste heat from the oven exhaust are used to reduce the consumption of LPG and electricity in the paint shop, leading to reduction of 3500 tonnes of Carbon Dioxide / annum at full volume. A cluster of 70 solar dishes heats water which is used to cool the paint used for ED on the vehicle bodies, via a vapour absorption machine.

Recycling of waste water through reverse osmosis and multiple effect evaporation ensures that Chakan is a zero discharge plant. **Reverse Osmosis** rejects the dissolved salts in the water and the residual water is equivalent to the raw water supplied by the MIDC to the Plant.

The plant management has also taken a conscious effort to increase the green cover in the vicinity by aiming to **plant approx. 7,000 trees across the entire plant area**.



### **About The Mahindra Group**

Mahindra embarked on its journey in 1945 by assembling the Willys Jeep in India and is now a US \$6.3 billion Indian multinational. It employs over 1,00,000 people across the globe and enjoys a leadership position in utility vehicles, tractors and information technology, with a significant and growing presence in financial services, tourism, infrastructure development, trade and logistics. The Mahindra Group today is an embodiment of global excellence and enjoys a strong corporate brand image.

Mahindra is the only Indian company among the top tractor brands in the world and has made an entry in the two-wheeler segment, which will see the company emerge as a full-range player with a presence in almost every segment of the automobile industry.

The Mahindra Group expanded its IT portfolio when Tech Mahindra acquired the leading global business and information technology services company, Satyam Computer Services. The company is now known as Mahindra Satyam.

Mahindra's Farm Equipment Sector is the proud recipient of the Japan Quality Medal, the only tractor company worldwide to be bestowed this honour. It also holds the distinction of being the only tractor company worldwide to win the Deming Prize. The US based Reputation Institute ranked Mahindra among the top 10 Indian companies in its Global 200: The World's Best Corporate Reputations list.

Mahindra is also one of the few Indian companies to receive an A+ GRI checked rating for its first Sustainability Report for the year 2007-08 and has also received the A+ GRI rating for the year 2008- 09.

### **For further enquiries, please contact:**

Roma Balwani  
Sr. VP & Head - Corporate Communication  
Mahindra & Mahindra Ltd.  
Tel: (+91-22) 2490 1441  
Fax: (+91-22) 2490 0830  
Email: [balwani.roma@mahindra.com](mailto:balwani.roma@mahindra.com)<<mailto:balwani.roma@mahindra.com>>