

## **Mahindra signs MoU with Maharashtra Government to invest an additional Rs 1500 crore in Chakan**

*Auto*

*Author : mahindraadmin Category : Auto Published : 3/31/2008*

**MUMBAI:** Mahindra & Mahindra, the leading Indian multinational, reputed for its association with the Indian automotive industry for 62 years, today signed a Memorandum of Understanding (MoU) with the Government of Maharashtra to further boost their investment at its upcoming Chakan Greenfield project. The company will invest an additional Rs. 1500 crore to the already earmarked Rs. 2500 crore. The total sum of Rs. 4000 crore will be utilized towards the development and production of all vehicles slated to be rolled out from the proposed Greenfield.

M&M's Greenfield at Chakan will house the manufacture of medium and heavy commercial vehicles, to be produced by joint venture company Mahindra International and other products slated to hit both the domestic & global markets at strategic timelines.

A memorandum of understanding to this effect was signed today by Mr. V K Jairath, Principal Secretary (Industries), Government of Maharashtra and Dr. Pawan Goenka - President Automotive Sector, M&M in the presence of Mr. Vilasrao Deshmukh, Honourable Chief Minister, Government of Maharashtra, Mr. Keshub Mahindra Mahindra Group Chairman, Minister of Industry, Mr. Ashok Chavan, Mr. Johnny Joseph, Chief Secretary, and other dignitaries.

Shri. Vilasrao Deshmukh, Hon. Chief Minister of Maharashtra, said "I am extremely pleased to announce that the state is taking its enduring relationship with Mahindra & Mahindra forward with this world class facility. It is one more step in the development of Maharashtra as India's prime automotive hub."

Reiterating the state's commitment to the automotive industry, Mr. Ashok Chavan said, "Maharashtra has always been at the forefront in industrial development and have provided superior infrastructure to companies especially in the automotive sector. We extend that promise to Mahindra and ITEC's maiden foray into the commercial truck segment while assuring the project government's full support."

Mr. Keshub Mahindra, Chairman of the Mahindra Group, said "M&M's new investment at the upcoming Chakan facility, besides contributing to the state's economic growth will also produce jobs for the locals in that region. We have always been at the forefront to add value to the Indian automobile industry. This project is in keeping with this tradition of mutual growth."

Dr. Pawan Goenka, President, Automotive Sector - M&M said, "We are very pleased to expand our activity in the State of Maharashtra. We had decided to make the state the launch pad for our commercial vehicles. The additional investment plan of Rs 1500 crores, will allow us to create a worldclass manufacturing facility for 300,000 vehicles. The Chakan Greenfield is a significant step for us to contribute to the Indian automobile industry."

Mr. Johnny Joseph said, "We welcome Mahindra's initiative of adding more value to the investment at their proposed Chakan Greenfield facility. The additional investment of Rs. 1500 crore reiterates the fact that Maharashtra does not cease to be the favourite investment destination for leading automobile manufacturers like Mahindra & Mahindra."

Mr. Jairath said, 'Mahindra's additional investment is not only a boost to the economy of the state but also a fillip to Maharashtra as the sought region for strategic automotive forays. I welcome this move and assure complete assistance on behalf of the Government of Maharashtra.'

### **About The Mahindra Group**

The US \$6 billion Mahindra Group is among the top 10 industrial houses in India. Mahindra & Mahindra is the only Indian company among the top tractor brands in the world. Mahindra's Farm Equipment Sector has recently won 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. Mahindra is the market leader in multi-utility vehicles in India. It made a milestone entry into the passenger car segment with the Logan.

The Group has a leading presence in key sectors of the Indian economy, including the financial services, trade and logistics, automotive components, information technology, and infrastructure development.

With over 62 years of manufacturing experience, the Mahindra Group has built a strong base in technology, engineering, marketing and distribution which are key to its evolution as a customer- centric organization. The Group employs over 50,000 people and has several state-of-the-art facilities in India and overseas.

The Mahindra Group has ambitious global aspirations and has a presence on five continents. Mahindra products are today available on every continent except Antarctica. M&M has one tractor manufacturing plant in China, three assembly plants in the United States and one at Brisbane, Australia. It has made strategic acquisitions across the globe including Stokes Forgings (UK), Jeco Holding AG (Germany) and Schoneweiss & Co GmbH

(Germany). Its global subsidiaries include Mahindra Europe Srl. based in Italy, Mahindra USA Inc. and Mahindra South Africa.

M&M has entered into partnerships with international companies like Renault SA, France, and International Truck and Engine Corporation, USA. Forbes has ranked the Mahindra Group in its Top 200 list of the World's Most Reputable Companies and in the Top 10 list of Most Reputable Indian companies. Mahindra has recently been honoured with the Bombay Chamber Good Corporate Citizen Award for 2006-07.

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