

Mitsubishi, M&M unit ink ₹1,800-cr deal for AC factory

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Mahindra Industrial Park Chennai (MIPCL), a joint venture between Mahindra World City Developers and Sumitomo Corporation of Japan, has signed a lease agreement with Mitsubishi Electric India to set up a plant to manufacture air-conditioners and compressors.

The plant will be spread across 52 acres at the Origins industrial park of Mahindra in Chennai. The new factory will be Mitsubishi Electric's first air-conditioner (AC) and compressor manufacturing facility in India.

The unit will cater to the growing AC demand in the domestic market and is expected to begin operations by October 2025.

With an investment of about ₹1,800 crore (\$222 million), the plant will help Mitsubishi Electric achieve an annual production capacity of 300,000 units of ACs and 650,000 compressors, once fully operational. The plant will be equipped with the latest technology, adhering to the highest quality and safety standards.

"We have leased out around

65 per cent of the project and are in the process of leasing out the balance land in phase-1. Our sales and marketing teams are making extensive outreaches to attract both Indian and overseas companies, especially in sectors like auto, auto ancillaries, electrical and electronics," said Rajaram Pai, chief business officer-industrial, Mahindra Lifespace Developers.

In the industrial space, the company has four parks — Mahindra World City Projects in

Jaipur and Chennai, and Origins in Chennai and Ahmedabad.

The first phase of Origins by Mahindra, Chennai, spread over 307 acres, is a preferred industrial destination for sev-

eral customers, including those from Japan and Taiwan.

"The new manufacturing unit is expected to strongly support stable product supply...It will also strengthen development capacities to meet local demand. It would provide product life-cycle solutions, incorporating air conditioning and refrigeration equipment," said Kazuhiko Tamura, managing director, Mitsubishi Electric India. Origins is located on NH16 (part of the Golden Quadrilateral).

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