

Michelin's Chennai unit on track

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BERLIN: The manufacturing facility of French tyre major Michelin in India near Chennai is on track and the first phase of operations will commence from 2012 November, Michelin's Head of global operations for the truck tyre business Pete Selleck said on Thursday.

Rs.4,000-crore plant

The Rs.4,000-crore plant near Chennai for truck tyre production is among the three major global expansion projects that the company has taken up, the other two being in China and Brazil. "Though the plant will have an annual capacity for two million tyres, we will start production of about 3 lakh tyres initially," Mr. Selleck told presspersons on the sidelines of 'Challenge Bibendum', a sustainable mobility event organised at the historic Templehoff Airport in Berlin.

The plant would ultimately employ about 1,500 people, he said, adding that it was meant to cater to the Indian market. "About 100 engineers of the 250 appointed in India

The plant will have an annual capacity of two million tyres

are being trained at various facilities across the globe".

"We will continue to import truck tyres to India till 2015 after which the company will meet its requirement locally," he said.

Indian operations presently contribute to about one per cent of Michelin's income worldwide, and is expected to contribute to the company's revenue substantially in the next ten years, Mr. Selleck, added.

According to Mr. Selleck, the current rate of radialisation of truck tyres in India is about 15 per cent while it is about 50 per cent in the other two major emerging markets — China and Brazil.

"We are currently talking to original equipment manufacturers in the country to expand the market reach and expect a significant share from the replacement market".