

## INTRODUCTION



### About Visteon

Visteon is a leading global automotive supplier delivering value for vehicle manufacturers and shareholders through a family of businesses including:

- Halla Visteon Climate Control, majority-owned by Visteon and the world's second largest global supplier of automotive climate components and systems.
- Visteon Electronics, a leading supplier of audio and infotainment, driver information, center stack electronics and feature control modules.
- Visteon Interiors, a global provider of vehicle cockpit modules, instrument panels, consoles and door trim modules.
- Yanfeng Visteon Automotive Trim Systems Co., Ltd., a successful China-based partnership between Visteon and Shanghai Automotive Industry Corporation's automotive components group, Huayu Automotive Systems.

Through this family of enterprises, Visteon designs, engineers and manufactures innovative components and systems for virtually every vehicle manufacturer worldwide, and these businesses generated \$13.8 billion in sales in 2012, including unconsolidated operations. With corporate offices in Van Buren Township, Mich. (U.S.); Shanghai, China; and Chelmsford, UK; Visteon has facilities in 29 countries and employs through its various businesses, including unconsolidated operations, approximately 55,000 people. Learn more at [www.visteon.com](http://www.visteon.com).

### INDIAN OPERATIONS OVERVIEW

With four manufacturing plants, three engineering centers and more than 3,000 employees, Visteon's operations in India offer climate control, electronics, and interior products. Visteon has had a presence in India since 1993.

**Visteon subsidiary companies in India include Visteon Automotive Systems India Limited, Chennai & Pune, Visteon Climate Systems India Limited, Bhiwadi, Visteon Engineering Centre India, Pune, and Visteon Technical and Service Centre, Chennai.**

Its product portfolio includes Climate Products (Engine Induction, HVAC Systems, Power train Cooling, Compressors, and Fluid Transport); Interiors Product (Cockpit Modules, Instrument Panels, Consoles, Door Trim, Exteriors); and Electronics Products (Multi Function Displays, Audio & Infotainment, Instrumentation & Displays, Automatic Climate Control Panels);.

### PLANT

Visteon Climate Systems India Limited (VCSIL), is a joint venture between Halla Visteon Climate Control Corp. and Maruti Suzuki, and is the market leader in passenger car segment in India for radiators and engine cooling

modules. Based in Bhiwadi, Rajasthan, India, the 10,000 square meters ISO 140001 and TS 16949 certified plant designs, develops and manufactures Radiators, Engine Cooling Modules, Exhaust Gas Recirculation (EGR) coolers, Charge Air Coolers, and Fuel Delivery Modules for Indian and global vehicle manufacturers. Company also houses an engineering center where it does application engineering for its various products. Winner of many awards for quality, performance and safety from industry associations and Maruti Suzuki, VCSIL's more than 350 employees produce quality products which are used in some of India's best selling cars.

### The continuous improvement journey:-

Being rated as a high performing Plant since its inception, continuous improvement has always been the way of life at VCSIL. *Our Vision is 'Be a multi product multi customer best value manufacturer of automotive products in India while retaining leadership status in engine cooling products'*. Our Vision is supported by a meticulously designed strategy, which bases itself on a strong focus on Lean management throughout the Organization. Our yearly objectives are based on our strategy and the Asia Pacific Climate Product Group targets. We use VSM to chart out the desired future state and identify projects to accomplish them. The VSMs are revised twice a year, and projects monitored every month through the 'Continuous improvement review' meetings attended by the Top Management, where any lag in the cycle of improvement is discussed and action taken and every achievement is appreciated and applauded.

### RECOGNITIONS

#### 2011-12:

- Overall Excellence – Silver Award (Maruti Suzuki)
- Incoming Quality Improvement Certificate (Maruti Suzuki)
- Warranty Improvement Shield (Maruti Suzuki)
- Awarded silver trophy for Manufacturing Excellence by ACMA
- Leading the Way award for Maruti Suzuki Swift / Ertiga ECM & CAC launch (Awarded within Visteon)
- CII Cluster Championship Award- Energy Management-Silver
- Best Environment Friendly Green Company from Rajasthan State Industrial Development and Investment Corporation Ltd.

#### 2010-11

- Overall Excellence (Maruti Suzuki)
- Incoming Quality (Maruti Suzuki)

#### 2009 -10:

- Manufacturing Excellence Award (Maruti Suzuki)
- Cost Down Focus Model Award (Maruti Suzuki)
- System audit rating (Maruti Suzuki)

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## Achievements - Quality

**At VCSIL we demonstrate our commitment to Quality at every step. We begin our day with a 'Fast Response meeting' focusing on issues at the customer end, and discuss about internal quality and Supplier quality in the Accountability meeting. We measure our Poka Yoke coverage and have yearly targets to improve upon them. We lay great stress on Problem solving through QC circles & Six sigma methodology. Some of our achievements are outlined below**

- ISO TS 16949 certified company.
- Continuous decreasing trends in Customer PPM with a 60% fall from 2009.
- Customer Written concerns has reduced by 100% since 2009.
- 95% reduction in Warranty claims since 2009.
- Significant improvement in Internal quality. Stress on increasing First Time Through (FTT) levels to 4 $\sigma$  levels. Currently 6/7 lines are more than 4 $\sigma$  levels.
- Poka yoke coverage for failure modes - 80% - 90%
- Recognized as Six Sigma high priority Plant in Visteon globally. All technical professionals' Green belt trained. 1 Black belt trained and 14 Green belt professionals certified till 2012. Remaining targeted this year.
- A 12 fold increase in Vendor rank of our main Customer – Maruti Suzuki since 2009

## Safety, Health, Environment and Social Responsibility:-

**Safety, Health and Environment are engraved in our DNA as a basic culture and way of life. The Top Management starts its day with a 6S walk (5S & Safety) Any injury, however small is registered as an FTOV (First time occupational visit), and corrective action taken accordingly. A comprehensive medical checkup of all employees is done on a yearly basis. Similarly environmental incidents are taken care of. The ETP area was rated as one of the best 5S zones in VCSIL. As a part of Corporate Social responsibility, we work with community around; annual plan is established as part of company objective & reviewed monthly. Blood donation, donation of old computers to Special schools, etc are some of the CSR initiatives.**

- No Lost time case (LTC) since the last 13 years. Number 1 in Visteon in safety in terms of # of safe days.
- ISO 14001 & OHSAS 18001 certified Organization.
- 57% reduction in environmental incidents.
- 29% reduction in ground water usage by using treated water for irrigation purpose.
- 7-8 EMP projects per year

## Productivity, Delivery performance and cost reductions.

**Our Objectives outline the various business related Goals we need to achieve and VSM is an important tool to identify the bottlenecks and improve the Flow. It has been one of our initiatives since 2009. Our Operations are categorized into different Product families based on Product –Process matrix mapping, and we select Products out of the families to map our VSM. Each VSM has an owner, whose prime responsibility is to improve the flow of the product. Some of the achievements are as follows.**

- 100 % increase in Units produced/man-hour in ECM Assembly line since 2009
- 33% increase in Units produced/man-hour in Radiator Core building lines since 2009
- 57% increase in Units produced / man-hour in FDM lines since 2009.
- 16 % increase in 'Processing time' in Climate Product group and 15% improvement in FDM since 2010.
- 21% saving in Energy cost since 2009.
- 35 % saving in Variable Cost as a % of Sales revenue.
- No Customer line stoppages and quantity defaults since the last 10 years.

## Employee Morale

**We in Visteon believe People are our core strength, and hence strive to create an atmosphere of belongingness in the Organization. Our policies and practices are tuned towards respecting people and their diversity, valuing their talent and investing in their competencies. Some of the practices we follow are:-**

- Promoting Kaizens. A 3 fold rise in kaizen/man/month since 2009 is seen.
- A strong competency assessment and training need identification process. Our competency framework is divided into both behavioral and technical competence. Training hrs per person per year has increased by 100% from 2009.
- A strong 'Leadership development program' developed with the objective of grooming leaders for the future. Every individual has an 'Individual Development Program' (IDP), a mentor, and an 'Action Learning project' (ALP) for developing their leadership qualities.
- Career development is another important facet in VCSIL. This is done through an 'Organizational Development Committee' (ODC) comprising the Senior Visteon Leadership. Key positions and High Potential candidates are identified and career plans developed.
- Employee satisfaction is measured every year and key issues are identified and worked upon. A resounding 83% of hourly professionals and 73% of Professionals have given a favorable response for various parameters like Employee Development, Business and Customer focus, Communication, Organizational effectiveness and Supervisory effectiveness in 2012.