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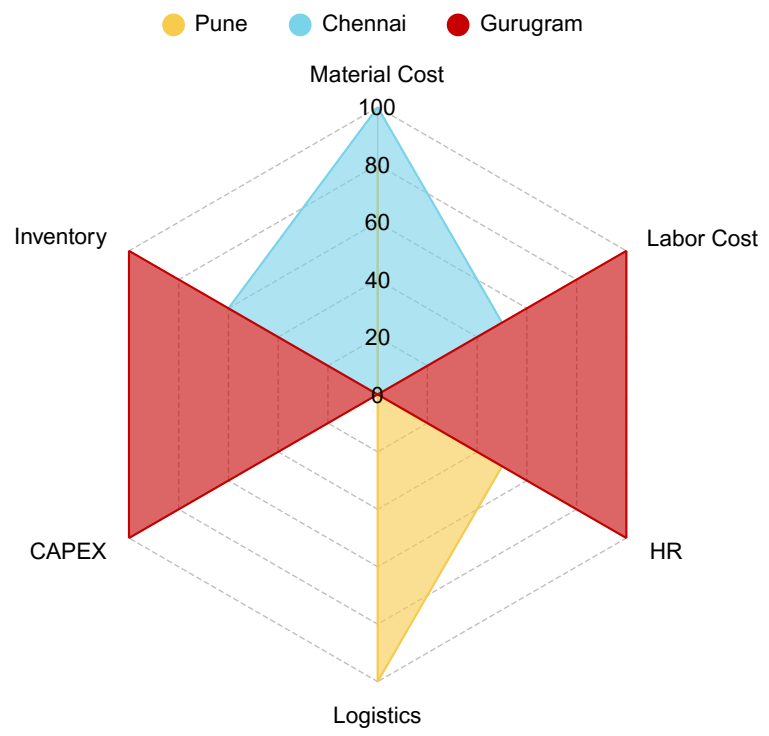
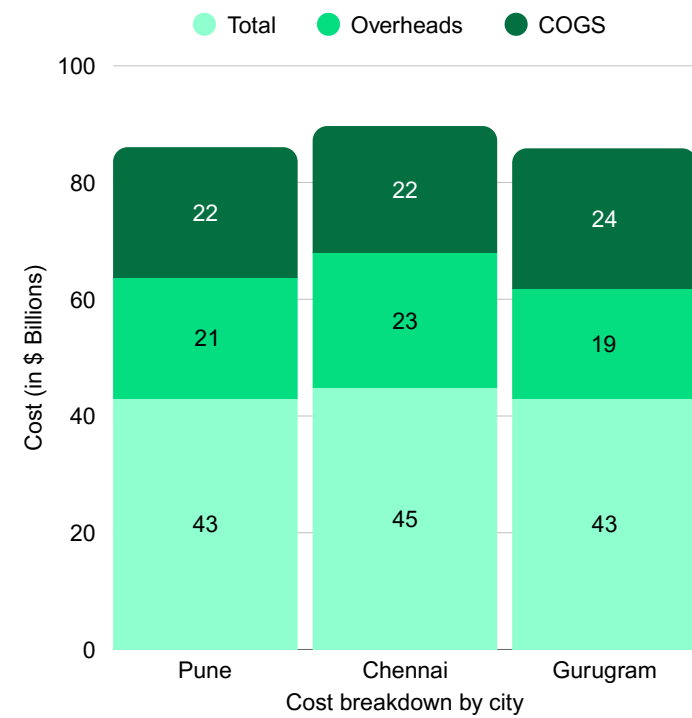
Brainwars 2025 Round 1 submission

Team Blitz – KIIT
Vinayak Pathak
Sumit Sahu
Zorba Nandi
Pranav Sharma



Optimal Production Facility for Nexus Motors

Gurugram



In 2027, our detailed analysis shows that while Chennai benefits from lower direct material costs, its high HR & admin expenses and CAPEX depreciation significantly drive up overall costs. Pune offers a balanced profile with strengths in logistics but is offset by higher labor costs. In contrast, Gurugram’s lower direct labor and overhead costs—despite slightly higher material expenses—result in the lowest overall cost per car.

→ **Despite higher raw material cost, savings in key areas yield lowest total cost**

Post-AutoAI acquisition, projected procurement synergies—such as up to a 10% discount on raw materials and 5% on factory labor—further strengthen the case for Gurugram. These discounts, combined with its inherent cost efficiencies, solidify Gurugram as the optimal choice for Nexus Motors’ production facility.

A comprehensive evaluation using normalized cost metrics confirms that Gurugram outperforms both Chennai and Pune. Its superior performance in direct labor, HR & admin, CAPEX depreciation, and inventory management translates into a clear competitive advantage. Gurugram’s cost structure positions it as the most efficient location for setting up the new production facility.

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THANK YOU!

