

Avtec to manufacture gensets and gears components

■ **Nabeel A Khan**
New Delhi

Avtec is planning to enter gensets and off-highway segments by setting up dedicated lines at the company's Pithampur facility. 'We will be manufacturing gensets and off-road engine components from our Pithampur plant and we are looking to notch around ₹400 crore turnover from these new businesses over the next two to three years,' said Chief Executive Officer and Managing Director, Avtec, Prabhakar Kadapa in a recent interaction with *Auto Monitor*.

The company currently earns

around 60 percent of revenues from automotive and 40 percent from off-highway segments. 'We are entering into a new segment of gears and gear boxes for off-highway equipments. The gensets are targeted at various applications including powering air-conditioning for buses,' he elaborated. He added that the company will also be supplying engines for Daimler's new LCV expected to be launched in the first half of 2012.

Avtec is looking at a 40 percent growth over the next two to three years with a target of touching ₹1,400 crore revenues by 2013. The company is also planning to diversify into aerospace busi-

ness and is aggressively looking for acquisition opportunities in India and overseas, according to Kadapa.

The company notched up a turnover of ₹500 crore in FY10 and is on track to touch ₹600 crore this fiscal. It is expected to achieve ₹1,000 crore in FY12 and ₹1400 crore by FY 13. 'We are looking at ramping up capacities further and entering new product lines to realise our growth plans,' Kadapa said.

Avtec is a part of the CK Birla group with interest in automobiles, bearings, powertrain for auto and off-highway segment. The company currently has four

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facilities in India for separate components and OEMS. 'We are planning to start third shift by March at our Hosur plant from where we supply transaxle to Ford Figo. Ford is also exporting the transaxle from this plant' Kadapa added. Currently, around 10,000 units are manufactured every month from Hosur plant and after adding third shift, the production will be go upto 12,500 units.

The company manufactures off-highway hauling transmissions (both automatic and power shift), in technical collaboration with Allison Transmission and cycling transmissions for off-highway, material handling and locomotive segments, which are designed in-house at its Hosur unit. It also manufactures, on a contract basis, transmission for global automobile manufacturers.

The company's Pithampur facility is categorised into two streams comprising contract manufacturing and proprietary products. This facility supplies various components including cylinder heads, cylinder blocks, crankshafts, connecting rods for engines and gears, sleeves, shafts and transmission cases. Additionally, the company also supplies engines to Tavera Euro III from Pithampur plant. The company's Kharagpur plant supplies transmission components required for small cars and heavy trucks. **AV**