

By 2020, we are targeting to reach Rs 2300 crore: **SK Behera**

RSB Transmissions, manufacturer of wide range of transmission components plans to enter into new segment to fuel its growth. The Vice Chairman and Managing Director of RSB Group, SK Behera told Bhargav TS on the companies immediate priorities and technology initiatives taken by the company. Excerpts from the interview:

Q: With 2015 drawing to a close, how do you visualise RSB Transmission's roadmap for the future?

Behera: We will maintain RSB's leadership in Indian market by expanding the product portfolio, building new OE relationships, and strengthening existing partnerships. We will continue to offer improved Technology products using in house R&D and alliances with world leaders . we hope to achieve a turnover excess of Rs 1400 crores .

Q: What are the latest developments driving growth for the company?

Behera: We have inked a pact with Andhra Pradesh Government to set



Robotic Welding



up a state-of-art facility at Sri City with an investment of Rs 50 crore to manufacture latest generation of propeller shafts and other products. This proposed unit will cater to southern based OEM's like Ashok Leyland, Bharat Benz, Isuzu India and others. For propeller shaft, we have an ongoing collaboration with Eugen Klein GmbH, Germany and a new tie up with Jidosha Buhin Kogyo Co. Ltd. (JBK), Japan. State-of-art Ferrous foundry has gone into operation in Mania, Cuttack.

Q: What are the core capabilities of RSB Transmission and how is it benefitting the India market?

Behera: RSB is a Deming Company and with a uncompromising quality standards in every process and operation with continual focus on improvement. Our products are segment leaders due to innovative design and enduring ruggedness. Due to these strengths we are able to successfully serve leading domestic clients such as Tata Motors, Ashok Leyland, Daimler, Renault, Nissan, Volvo-Eicher, Volvo and Fiat. We also cater to other market segments like Agri Tractors & construction equipments.

Q: After bagging the Deming award, how the face of the company has changed?

Behera: Offering innovative solutions with established TQM practices in the auto divisions, practice is now expanded throughout RSB. Further, in order to improve equipment efficiency TPM practice is also started.

Q: In India, we are seeing an evolution in automotive technologies. How do you see the transformation of transmission technologies in India? And are you working on offering low-cost automotive transmission components in this sphere?

Behera: Being a Deming Company, our continual improvement projects focus strictly on value for money

principle and we invest in latest intelligent automation and state-of-art technology. Evolution and transformation is a routine and continual process at RSB in consonance with changing scenario.

Q: What is India's growth potential and how important is the Indian market for RSB Transmission? Are you looking at expansion?

Behera: With the 'Make in India' initiative, we already anticipate a growth in the auto component industry. With the increasing FDI and more numbers of global OEMs setting shops in India, growth acceleration is possible.

Q: What are the various transmission components that RSB Transmission makes in India and the ones you plan to make in India soon?

Behera: Presently, we have 13 manufacturing plants spread over 7 locations in India, each in Jamshedpur (Jharkhand), Pune (Maharashtra), Dharwad (Karnataka), Chennai (Tamil Nadu), Pantnagar

(Uttarakhand), Cuttack (Orissa) and Lucknow (Uttar Pradesh); and one each in Homer (USA), Silao (Mexico) and a partnered venture at Brazil. We operate in 2 verticals, namely Automotive and CMI (Construction, Mining & Infrastructure) Equipments & Aggregates.

In the automotive vertical, RSB is a leading global manufacturer of propeller shaft and components, an array of axles including front axle, trailer axle, tractor axle, dummy axle and banjo axle beam, fully finished gears, shafts, hubs and sleeves and passenger car transmission gears components like differential cases, yokes and carriers for medium and heavy commercial vehicles, passenger cars, tractors and light commercial vehicles and gear box for SCVs, machined automotive castings. In the CMI segment, we are the leading manufacturer of heavy fabrications and aggregates like frames, arms, booms and buckets for excavators, back hoe loaders and front end loaders.

Q: What are all the new global

Propeller shaft assembly



COVER STORY

technologies that you will bring to India?

Behera: New technology will be brought in time based on the market and the customer needs.

Q: Apart from the current product portfolio, will you be exploring any new segment in India?

Behera: We will expand into SUV, SCV and LCV segments also.

Q: In order to reduce the weight of the components, does RSB use any new technologies to reduce weight? Is it using metal alloys, aluminum or polymers instead of metals/steel?

Behera: Our subsidiary, I-Design Engineering Solutions, works on this issue from time to time and it is a continual affair. We were able to launch new lighter series propeller shafts with improved reliability.

Propeller shaft
assembly line

Q: RSB recently inked a pact with the Andhra Pradesh Government to setup a facility in Sri City. What is the update and when are you planning to kick start the production there?

Behera: Project is expected to go on stream some time in 2017.

Q: What is RSB Transmissions' goal for 2020 and what are the key steps that you have planned to achieve it?

Behera: By 2020, we are targeting to reach Rs 2300 crore. Plans to achieve the same will be appropriately timed vis-à-vis market scenario.

Q: What is the ratio of domestic and overseas business for RSB's auto business? Do you see it changing by 2020?

Behera: Presently around 6% of our revenue comes from exports and

will be increasing it to 12%-15% in the next 3 years due to anticipated increase in volumes, and favorable fiscal and other positive measures and FDIs.

Q: How is India placed compared to other BRIC countries and emerging economies?

Behera: India is favorably poised. In fact we are one of the shining stars of BRIC.

Q: How was FY2014-15 for RSB Transmission and how do you see market growth going forward?

Behera: Fairly a good recovery after having witnessed a depressed economic scenario. With a shift to 'Make in India' strategy, we will focus on expanding pan India operations through collaboration and enter into more segments hitherto untapped. **ACI**

