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Pune, Jan 31: Auto component manufacturer RSB Transmissions aims to make auto components for car mak-

ers and is actively considering a foray into this segment. So far, the company has been supplying components to commercial vehicle (CV) makers. "The company has

RSB Transmissions mulls making parts for carmakers

received from trial orders and would like to tap this segment. We would be aiming at new companies that have set up base in India such as Skoda, Volkswagen and General Motors. This could either be a greenfield project or even a JV with some overseas player," RK Behera, chairman, RSB Transmissions said. "The passenger car segment is growing and so far our company has not had a presence in this sector. The company is still evaluating strategies and a strategy should be in place by the end of this next financial year

since establishing a base in this sector takes a longer time," Behera said. "The greenfield unit could come up at Pune or Chennai which are the hubs for passenger cars," he said. "RSB Transmissions is also considering acquisitions either in Europe or US in the passenger car au-

30% even as the industry expects to grow at the rate of 15% in the passenger car segment and 10% in the CV segment. "The CV segment where we have a presence has not been impacted by the slowdown and car sales are also beginning to grow with the softening of the interest

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to parts segment or CV automotive components segment since it would be easier to tap customers from these markets," he said. This could be in the range of \$80 million-100 million.

RSB is a manufacturer of propeller shafts and components, an array of axles, including front axle, trailer axle, tractor axle and dummy axle, fully finished gears and shafts and transmission components like differential cases, yokes and carriers.

In the construction equipment segment, it is a manufacturer of heavy fabrications and aggregates like frames, arms, booms and buckets. The company has manufacturing bases at Jamshedpur, Pune, Dharwad, Chennai, Pantnagar, Cuttack, Homer in USA and Belgium.

Agreeing that the \$ 30 billion auto components industry has been going through a lean phase, Behera however, was quick to point out that the company would continue to grow at the rate of 25% to

rates," he said.

"The focus will be on the domestic sector but we would also be working on developing the export market. The company has begun supplies to Fiat plants in Brazil and Italy. At present exports constitute 12-15% of the total revenues," he said.

"In 2010-2011, the company reported a turnover of Rs 1,050 crore and by March 2012, the target is to touch revenues in the range of Rs 1,350 crore to 1,400 crore," he said.

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The Mexico plant would cater to companies including American Axle, Eaton, Magna, Getrag, GM and Chrysler who are already RSB's customers in the US. It also intends to export to the principals of the above companies in the US and Canada. There are also plans to use the Mexican facility to export to Fiat in Brazil and Argentina, which are customers of RSB India.

The Tata Group, John Deere, Fiat, Ford, Allison Transmissions, AAM, Eaton, Magna, GKN, Caterpillar, Terex, Leyland, Komatsu, GE, Mahindra Group and Hitachi are RSB's customers both in India and abroad. Trial orders have been coming from Nissan, Daimler, Ashok Leyland, he said. In the coming year, the company plans to invest Rs 150 crore for expansion at its Cuttack foundry and a forgings unit. "This would chiefly cater to the internal requirements of the company," he said.