



**RYING FOR A PIE:** (from left) Ravindra Sannareddy, Managing Director, Sri City, Kiyokazu Kuroda, Vice-President, Kobelco Construction Machinery Co., and Vikram Sharma, President and CEO, Kobelco India, at a press conference in Chennai on Thursday. — PHOTO: BIJOY GHOSH

## Japanese giant plans unit in Sri City

Special Correspondent

**CHENNAI:** Japanese major Kobelco Construction Machinery Co Ltd, part of the Rs. 11,200-crore Kobe Steel Group, plans to manufacture hydraulic excavators in India. It proposes to invest Rs. 45 crore in the first phase.

Vikram Sharma, President and Chief Executive Officer, Kobelco Construction Equipment India (KCEI), said KCEI, a wholly-owned subsidiary of Kobelco Construction Machinery, would be setting up its facility at Sri City, the multi-product Special Economic Zone (SEZ) and Domestic Tariff Zone (DTZ) at Tada in Andhar Pradesh. Mr. Sharma said KCEI would initially start manufacturing 20-tonne-class hydraulic excavators and subsequently produce other variants. The facility is scheduled to become operational in January 2011, with an initial

capacity of 1,200 units annually.

Kiyokazu Kuroda, Vice-President, Kobelco Construction Machinery, and Ravindra Sannareddy, Managing Director, Sri City, signed a memorandum of understanding (MoU) for the project.

Addressing presspersons here on Thursday after signing the MoU, Mr. Sharma said the company had set up sales and marketing office in India during 2006-07. It had sold 8,000 units last year.

Mr. Sannareddy said Kobelco was the first Japanese company to set up its facility in Sri City. He said Sri City had earmarked 300 acres for Japanese companies and also for creating a township for them. Around 20 companies had entered into an agreement with Sri City for setting up their units and 13 more were in the pipeline.