

Publisher: The New Indian Express

Date: Saturday 31.10.2009

Edition : Chennai

Page : 4 (Express Estates)

IN BRIEF

Kobelco to set up excavator plant near Chennai



(from left to right) Tadahiro Akihara, Director, Kobelco Construction Machinery Co., Ravindra Sannareddy, Managing Director, Sri City, Kiyokazu Kuroda, Vice-President, Kobelco Construction Machinery Co., Vikram Sharma, President & CEO, Kobelco Construction Equipment India and Takeshi Akiyama, Manager, Global Manufacturing, Kobelco Construction Machinery exchange the Memorandum of Understanding in Chennai

CHENNAI: Japanese earthmoving equipment company Kobelco Construction Machinery will invest around Rs 46 crore (\$9.85 million) to set up a hydraulic excavator factory in the Sri City industrial estate, 55 km from here. "We will be making 20-tonne excavators as it commands nearly 50 per cent of the 8,000-unit per annum market," said Kobelco India president and chief executive Vikram Sharma. "We will continue to import other capacities like 14-tonne, 35-tonne and 50-tonne excavators," Sharma said. The plant, to come up near the Andhra Pradesh-Tamil Nadu border, will manufacture 1,200 units annually. The Indian subsidiary, said Sharma, is targeting a turnover of Rs.200 crore this year. Maintaining that the Indian excavator market was logging a 36 per cent growth before the slowdown hit the economy a year ago, he added: "Prospects are better now and it is a matter of time that the sector logs similar growth rates." The company has around 40 dealers across the country and a local production unit will assure customers of faster delivery of components.