

Kolkata, March 6 (IANS) Auto component manufacturer Kiswok Industries will invest Rs.120 crore on a new foundry with an integrated machine shop, a top company official said Saturday.

The company supplies brake drums to Tata Motors' commercial vehicles plant at Jamshedpur in Jharkhand. It is expanding the production capacity of its existing foundry in Kona Expressway, a Kolkata suburb, from 48,000 tonnes a year to 60,000 tonnes a year within the next two-three months.

Once the new plant, the site of which is yet to be finalised, is commissioned, the city-based company's capacity would double to 120,000 tonnes a year by 2011-12, the official said.

"We may go for long term loans of about Rs.40-45 crore for the new planned project or may also go for an IPO (initial public offer)," company chairman S.S. Kejriwal said at a press meet to announce the completion of the expansion project.

The company expects to earn Rs.110 crore in 2009-10 and plans to raise this to Rs.200 crore in 2010-11.

About 70 percent of Kiswok's revenue come from supplies to Tata Motors.

"We are in talks with other auto makers as prospective customers and also foreign technical collaborators for our new foundry project," Kejriwal said.

Mayank Kejriwal, the technical director of the company, said the company had developed and supplied 25 new products for Tata Motors this financial year. "The entire new range of trucks & buses which Tata Motors is introducing like the World Truck Novus, JNNURM buses have Kiswok Industries' brake drums," he said.

The company also produces fittings for ductile iron pipes used mostly in civic infrastructure.

The company's traditional markets are the US and Europe, now hit by recession. But it has more than made up by scaling up exports to the Middle East, where Aljabor Trading of Qatar is its largest customer.

<http://www.sindhibidoy.net/news/2113080.htm>

09-03-2010 10:04:07 AM

---