



Gabriel India *plans ahead*

Story Kiran Bajad and Amit Panday

The company is mulling an expansion of its Dewas plant. Meanwhile, parent, Anand Automotive shows increasing ambition.

Gabriel India, part of the sprawling Anand Group, has its hands full with orders from the CV industry. The suspension components maker has already received Ashok Leyland's mandate with respect to the U-Truck, even as it has commenced supplies to Mahindra Navistar Automotives Limited (MNAL). 'We expect orders from Daimler

India Commercial Vehicles (DICV) too,' reveals Arvind Walia, MD, Gabriel India. To go with the growing order book, the company, is keen on expanding its manufacturing footprint in Dewas, MP. The plant, which was established in 1992 has a current production capacity of 4 million units. It supplies suspension components to Tata Motors' Jamshedpur facility. The

facility is also capable of manufacturing advanced components such as heavy duty struts for railways. Walia estimates that products produced at the Dewas plant constitute around 95 percent of sales revenues for the Gabriel India from the CV segment. The expansion would kick off within three months. The capacity would be increased by 50 percent in the first phase, and will



Arvind Walla, MD Gabriel India believes the company is well-positioned to cater to the rising demand from CV segment.



The company manufactures shock absorbers and struts for passenger cars and CVs and heavy duty struts for railways.

be eventually doubled in three years. The land bank adjacent to the facility would be deployed for the expansion. Gabriel India would receive a capital inflow of Rs 400 crore,' says Deepak Chopra, Group CEO, Anand Automotive.

Gabriel India manufactures shock absorbers and struts for passenger cars and CVs. In addition to this, the company puts out front forks for motorcycles. Established in 1961, Gabriel India began life supplying auto components to Mahindra & Mahindra (M&M). A series of international alliances ensued. Most notable was the one with US-based Arvin Meritor, which lasted over 30 years. The first plant was established in Mumbai. It catered to M&M as well as Bajaj Auto for a long duration before being forced to shut down on account of labour issues. Currently, Gabriel India has six facilities across India to ensure just – in – time (JIT) deliveries of components to OEMs. The total production capacity across all plants, including those dedicated to passenger cars and two-wheelers amounts to 20 million units.

The company has two plants primarily dedicated to passenger cars; one each at Chakan, Pune and Gurgaon, Delhi NCR. However, with increasing demands from

the CV segment, the company has established a production line for CV components at the former plant. The line rolls out components for Tata Motors and Bajaj Auto.

Similarly, the company's plant in Parwanoo, Himachal Pradesh also caters to the CV sector. 'Set up in 2007, our Parwanoo, plant caters to aftermarket requirements. The plant has the capacity to produce products for two-wheelers, passenger cars and CVs,' added Walla. The plant houses a production line to cater to CV makers such as Tata Motors, Ashok Leyland and TVS Motors who are located at the same state.

ALL DISC DESIGN

Walia believes that the company has become self-reliant over its journey of more than five decades. As testimony to this assertion, he cites that the Chakan facility employs 45-50 people in the in-house R&D and product engineering departments. In sync with developing cutting edge technologies, the company is moving towards having the All Disc Design (ADD) technology on its shock absorbers. Explaining the concept, Walla states, 'essentially, our products operate on the principle of oil movement. Such movement converts physical energy into heat energy, cushioning the damping

force. When there are disturbances on the road, the shock absorbers have to adjust quickly in order to offer a smooth ride. This means that the oil has to be regulated very quickly. This is achieved by having in place holes which ensure the movement of oil in and out of the absorbers. The holes can be opened or closed through magnetic, electronic technology, through spring action or disc valves which operate through pressure flaps. In our opinion, the last approach →



Deepak Chopra, Group CEO Anand Automotive is eager to achieve the turnover target of over 2 billion over the next 3 years.

The Anand Group has been following the operating engineer model (OE model) for the last 15 years to ensure better labour relations.



following the operating engineer model (OE model) for the last 15 years. The model basically entails employing workforce from various regions, who possess diverse qualifications. In addition to this, the Anand University (also called Anand U) promotes education through various training courses and employs candidates who pass out. 'The OE model ensures consistent change in the workforce with time and therefore prevents labour issues. We are happy to report that many of our employees have started from the shop floor and have risen to the level of plant managers over time,' explains Chopra. Relying on this approach, the Anand Group looks forward to increasing its current workforce of 8,000 to 13,000 employees by 2014.

brella, the Group operates 14 joint ventures and 8 technical licenses and manufactures over 150 different auto components.

Chopra discloses that the group has set a target to achieve Rs 9,000 crore in turnover by 2014 as against the current turnover of Rs 4,200 crore. To this end, it plans to pump funds worth Rs 1,400 crore over the next 4 years to leverage opportunities across the spectrum. 'Out of the total planned invest-



Gabriel India has an 80 percent market share in the shock absorber space.

is the most efficient.' While designing a shock absorber, the manufacturer has to design the product diameter, length, damping force and pressure bearing capacity. 'Shock absorbers are load bearing components. The development requires an understanding of how they would behave under various circumstances of motion or even while being stationary,' underscores Walia.

GROWTH TRACK

'Gabriel India enjoys a share of around 80 percent in the shock absorber space for CVs in India. Approximately 13-14 percent of revenues come from CV specific components,' calculates Walia. The company raked in a turnover of Rs 670 crore during the last fiscal. Walia anticipates a total turnover of around Rs 880 crore for the current fiscal.

HUMAN RESOURCES

Learning from the ill-effects of labour issues on production at Gabriel India's Mulund facility, the Anand Group has been

Gabriel India is one chapter in the success story that is the Anand Group. The conglomerate with 19 companies is spread across 44 locations in India. Under its um-

ments, Gabriel India would receive funds worth Rs 400 crore for capacity expansion while Rs 300 crore and Rs 250 crore would go towards group companies, Spicer India and Mahle Filter Systems respectively,' reveals Chopra. ■

Gabriel's Dewas plant will see a 50 percent increase in capacity from the current 4 million units.

