

Kalpataru to expand output on Rs.150 mn outlay

The city-based Kalpataru Power Transmission Ltd, which early this month won the Dun and Bradstreet export excellence award, is augmenting its power transmission line capacity on an investment of Rs.150 million.

The additional fabricating capacity is being created at the existing fabrication plant at Gandhinagar, company general manager Bajrang Maheshwari told IANS.

The company, a 100 percent export-oriented unit (EOU), was the only winner from the large-size category. In all, there were 10 award winners, of which five including Kalpataru are Gujarat-based. The other winners from the state were Jaydeep Cotton Fibres of Rajkot, VNKC Agro, an Ahmedabad-based groundnut exporter, Shakun Polymers from Vadodara, and Palvi Power Tech Sales, a mid-size industrial chemical unit also based at Vadodara.

Kalpataru initially had a plant capacity of 54,000 tonnes. A 100 percent EOU with an annual fabrication capacity of 30,000 tonnes was commissioned in 2005 to cater to its growing export requirements.

As there is a surge in demand overseas, it is further augmenting capacity by 24,000 tonnes a year, making it among the largest tower manufacturing capacities at a single location globally.

The new capacity expansion at the main plant will be operational from September.

Kalpataru recorded a growth of 13 percent on gross revenues, amounting to Rs.17.68 billion (\$442 million) in the last fiscal.

However, its net profit after tax dipped to Rs.1.5 billion from Rs.1.6 billion in 2006-07, primarily due to increased competition in transmission projects, higher interest costs, and volatile commodity prices, the company has stated on its website

In the past one year, KPTL achieved a breakthrough in the US and Canada, securing orders from power utilities to supply transmission towers.

The international division continues to focus on emerging markets and consolidate its presence in Africa, West Asia, and South East Asia.

The company has now forayed into the fast-growing telecom sector taking up turnkey jobs.

The company's present order book position stood in excess of Rs.34 billion (\$850 million).

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