
Rane Group to invest Rs 500-600 cr over 3 years

Rane Group, the automobile components maker, plans to invest Rs 500-600 crore over the next three years.

Group chairman [L Ganesh](#) told this newspaper the expected growth this financial year was 11-12 per cent, from an annual eight to nine per cent over the past three years. Sales of the Chennai-based group were Rs 3,610 crore last year.

Group [companies](#) cater for passenger and commercial vehicles, farm tractors, two-wheelers, three-wheelers, railways and stationary engines. They make steering and suspension systems, friction material, valve train components, occupant safety systems, die-cast products and aerospace-grade wiring harnesses. Last year, they began making airbags.

The planned investment is to expand Rane Madras, Rane NSK (this is a joint venture with NSK of Japan) and on localisation to reduce import content. The major portion will go towards Rane Madras, for a doubling of capacity from the current 900,000 of steering gear a year.

Rane NSK, manufacturing steering columns for vehicles, is to also expand capacity. The group plans to expand the capacity for airbags and seat belts. It has got export orders from Kia Motors, a sister concern of Hyundai, and the company will export these products to Korea.

Its aluminum die-casting business would also look up, with emission controls getting tighter and many customers looking at light vehicles. Ganesh said they were open to opportunities for joint ventures or partnerships for technology that could address the newer emission norms.

There is also a plan for a facility in Gujarat, to cater to Maruti Suzuki's new factory. The group currently has an assembling facility in the state.

Last year, the company consolidated its manufacturing operations. For instance, engine valve plants were brought down to five, from the original seven. One in this city was shifted to Oragadam, 55 km away. Three old plants were consolidated, said Ganesh.