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KSPG expanding its presence in India

KSPG, the auto-industry supplier and member of the Rheinmetall Group, is further expanding its market position in the growing automotive market of India. For this purpose the company has now acquired the plain bearing operations of Kirloskar Oil Engines Ltd. (KOEL), Pune, India. KOEL is, among other things, the country's largest manufacturer of plain bearings which it chiefly sells into the domestic market.

In addition to the currently acquired activities KSPG is already manufacturing emission-control components and pumps for the Indian automotive industry at an own facility in Pune. KSPG Group has for years now held a 20 percent stake in the Indian piston producer Shriram Pistons & Rings Ltd., New Delhi. It also has a licensing agreement for the development of cylinder heads, crankcases, bedplates and other castings with Jaya Hind Industries Ltd.

KOEL's experience in bearing production goes back over 60 years. The company's bearing business generated annual sales of some €20 million in the fiscal year 2010/11 and has a workforce totaling 600 at the Ahmednagar and Pune locations. KOEL's plain bearing lineup comprises engine bearings, bushings and thrust washers chiefly for light and heavy-duty automotive applications as well as agricultural equipment. Customers include Maruti, Mahindra & Mahindra, Tata Motors, as well as Hyundai, Ford, and Honda. The products are also supplied to the aftermarket.

Total sales by KOEL in the fiscal year 2010/11 added up to €370 million and were largely accounted for by diesel engines of various sizes destined for a variety of applications ranging from small 2 HP pumps and offroad machines in the construction industry to marine propulsion units. KOEL, in turn, belongs to the Kirloskar Group established in 1888.

KSPG's Plain Bearings division has plants in Germany, North America, and Brazil. Annual sales in 2010 totaled €187 million. The company has altogether some 1,000 employees and is part of the KSPG Group which has a workforce of 10,800 located at over 30 production plants worldwide. Annual sales in the fiscal year 2010 amounted to some €2 billion.