
JCB expects Indian market to shine in long term

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ET reported that pioneering earthmoving and construction equipment major JCB, which took a minor hit in 2008 owing to the slowdown, foresees a strong growth in the India market in the future. India is JCB's single largest market, accounting for 24% of the company's sales.

Mr Vipin Sondhi MD & CEO of JCB India said that "We do not see the present trend continuing, and end 2009 should see growth coming back."

However, the company's optimism is also based on the proposed outlay from the government and public private partnerships envisaged in the 11th plan for the infrastructure sector. As against an outlay of USD 201 billion in this sector in the 10th plan, the 11th plan has proposed expenditure worth USD 492 billion.

As per report, it is presently exporting excavators to the Middle East and South East Asia and has drawn up expansion plans that include enhancing the backhoe loader manufacturing capacity from 50 per day to 100 per day by the Q2 this calendar year.

Beside, JCB's machine sales increased from 10,860 in 2006 to 17,192 in 2007 before dipping to 13,470 in 2008. The revenues in 2006 were INR 2,100 crore, which shot up to INR 3,450 crore before declining to roughly INR 3,000 crore in 2008.

(Sourced from Economic Times)

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