

WE EXPECT TO CROSS RS 3,000 CRORE IN REVENUE BY 2020: ASAHI INDIA GLASS

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The uptake in the auto industry was already visible in the company performance as, after three years of posting net loss, AIS posted a net profit of Rs 50.21 crore in FY15. This is up from a loss of Rs 40.22 in FY2014, a growth mainly attributed to . The automotive segment revenue increased to Rs 1,208 crore in the last fiscal from Rs 1077 crore a year ago.

"We have performed very well in the automotive segment. While While 13-14 was slow, there was uptake in FY15," said Vikram Khanna, COO - Consumer Glass, CIO & CMO, Asahi Glass India. "In FY16, we are hoping for a growth of about 8 percent and we can already see the positive signs." He informed they have experienced around 12 percent increase in the first quarter of this fiscal.

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Apart from the automotive glass, the Delhi-based company is also a major player in the architectural glass and solar glass in India.

The overall revenue of the company, however, fell in this fiscal as compared to FY14. The de-growth was mainly attributed to the poor sales in the architectural segment because of shutdown in its Taloja plant. "It was a planned shutdown as the furnace in the plant had reached its end of life. We are yet to decide on future actions on the plant, whether we will go for cold repair of the furnace or not."

Started as a tripartite joint venture between Maruti Suzuki, Asahi and Labroo &

Associates in the year 1987, it started by providing automotive glass to Maruti Suzuki. Today, the company claimed that it supplies to all passenger car manufacturers present in India, except the three German luxury auto maker, Audi, BMW and Mercedes Benz.

"At present, all the three carmakers import the glass from their home country. But we are looking to get them as well onboard as all of them have been increasing the level of localisation. Besides, transportation of glass is particularly expensive," said Khanna.

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Khanna said that one of the biggest change that they have seen in the auto industry is the move up the value chain in technology. "The level of changes that we have seen in this industry in the last few decades, will now happen in the next few years.

Some of the technologies that AIS is working on are the acoustic glass, water repellent glass, solar control glass and windshields built for heads-up display.

In automotive, AIS is planning to increase its capacity substantially to meet the expected return of volumes in the auto industry. Currently, the company manufactures 5.5 million windshields which it plans to increase to 6.5 million in the next two years. The tempered glass capacity too is being increased to 4.7 million units, up from 4.3 million currently. All other windows, except the windshield (which is the laminated glass) have tempered glass.