

“ Celebrating 25 Years of Delivering Reliable & Quality Products ”

An Exclusive Interview with Mr. G. K. Dave, Managing Director, Indian Transformers Company Ltd.

Q Please brief us about Indian Transformer Company Ltd. and share some of your achievements.

This company was started 25 years ago, by me, an Electrical Engineer & MBA by qualification & my elder brother Mr. C. K. Dave, a Structural engineer who also is the Chairman of the company. We started this company for manufacturing specific type of transformers. Our core competency remains in manufacturing of Instrument Transformers and not the other transformers like distribution & power transformers. Instrument Transformers are mainly used by the electricity boards for 1) Metering & 2) Protection Purpose.

In many cases, metering purpose of the transformer coincides with collecting the revenue which is achieved by connecting the electric meters with these transformers. These transformers are also used for the protection of the system & to maintain stability of the same. Hence it is essential for the equipment to be reliable & secure. Keeping in mind this motive in the year 1978 we decided to set up this company. We finalized a location near Mumbai since we were born & brought up in Mumbai.

As time went by and our product was being established in the market, our company started growing and slowly and gradually we increased our product range in planned phases. Over the years we have managed not only to increase the product range from 11 kV to 132 kV but also increased our competitive strength by increasing production levels and improving production quality. In 1998 we started manufacturing Instrument Transformers in the voltage class of 132 kV and in a relatively short span of only 7 yrs we have managed to install more than 5000 Nos. Today, considering over 60,000 Nos. installation & the orders in hand for over 6000 Nos. we believe our strong emphasis on quality is the only



reason for the confidence our customers have had on us. We strongly believe that we are the No.1 Company into manufacturing of the Instrument Transformers. I would also like to mention here that “We are completing our 25 years of commercial production on 15th February 2006”.

Q Can you please briefly tell us about the approach of your company?

We are in process of extending our product range from 132 kV to 220 kV, 400 kV and so on. Thus we want to expand the scope of our business without diverting from our core competency i.e., manufacturing of instrument transformers. As our

focus is to manufacture high voltage instrument transformers, we always like to emphasize on the quality & cost aspect of our products. We intend to give our customers the Best Product at the Best Price.

Q Could you brief us on Indian and Global scenario of transformer industry?

At this juncture I would like to appreciate the good work done by the NDA government and subsequently carried forward by the UPA government as well. The government policy of “Power for all by 2012” has lead to it working towards deregulation i.e., giving more autonomy at the State Level resulting in different boards for Generation, Transmission & Distribution.

This has lead to increasing the Generation capacity of power as well as reducing the huge T & D losses. The tariffs are also amended from time to time in order to maintain the change momentum. All these factors have lead to a tremendous increase in the demand for our products and we now believe we are self sufficient in terms of skills & technology to fulfill this demand. As of now we are providing the products as per the IEC specifications to suit the global market. There is



definitely a cut-throat competition due to the large presence of MNCs but we are in a good position to tackle the same. As far as the global scenario is concerned it varies from country to country.

There are many countries which are under developed, which have poor infrastructure in terms of power like the African countries, also South Asian countries like Bangladesh, Burma. Due to the support from the World Bank and the right initiatives at the local level the demand for our products in these countries is steadily increasing.

Q Who are your main customers and what are the steps taken to improve your company's position in the market?

Up till 1995, we were primarily focusing on the western zone of the country like GEB (Gujarat Electricity Board), MSEB (Maharashtra State Electricity Board), Goa electricity Authority. However, as a policy decision we decided to cater to the requirements of the other State Electricity Boards as well. We have successfully supplied to the utility and private customers in the Southern region (TN, AP, Kerala, Karnataka) and also in the Northern (J&K, Punjab, Haryana, HP, Uttaranchal) & N E (Meghalaya) regions of the country.

Our customer focus and quality products have ensured a significant share of our products in each of these markets. We have also maintained a healthy ratio between our Domestic Markets and Export Commitments. Within Domestic Markets, our emphasis has been the utility departments but we have consistently delivered to private customers like ABB, Alstrom, BHEL, CG, L & T, Reliance Energy, Shreem Capacitors, Siemens. We continuously strive to give a superior product to our customers and these are the concrete steps in order to ensure a good customer base.

Q What are the branding activities which you have planned for your company?

Our products are tailor made i.e., strictly as per the customer specification. What we have to offer to the customer is the reliability & good performance of our products. We strongly believe that reliability & performance of our products alone creates a strong brand for our company. However, as a part of our customer awareness program we regularly take part in Exhibitions and other industrial fairs in order to highlight the improvements in our jobs and our processes. We believe in spreading our know-how with the customer and understanding them and their requirements.

Q Please brief us about the quality policy of your products:

As I mentioned earlier our products have to be reliable as well as stable because it has to ensure important activities of the power system i.e., showing the right parameter for revenue purpose & timely tripping of the protection circuits. In order to ensure the highest quality we believe in "No Compromise". Irrespective of the tight budget constraints or quick delivery schedules we follow our stringent quality procedures. In order to maintain the quality of the final job we take care from its design stage & material stage itself.

We do not compromise on the quality of the products in terms of raw material, its consumption or the construction of the product. We use the best quality of the raw material and adopt the strictest quality procedures to give value for money. ISO 9001 certification from DNV (an International Certification Agency) is a vindication of the procedures we adopt and quality which we assure.

Q What are the customer's requirements? How do you encounter it?

Today the customer is very well informed and keen about quality of the products. They are particular on meeting the specifications, quality & price aspect of the products. Customers are demanding the "Right Product at the Right Price".

As a commitment towards the same ITCL has changed and adopted new methodologies from time to time so our customers get "The Best Product at the Best Price".

Q According to you what are the factors affecting the transformer business?

It is most unfortunate part in our country that when there is high demand for the equipments there is

shortages of the raw material to produce these products. As a result of which the raw material prices are mounting eventually affecting the production rate. We are unable to understand why this shortage is persistent this time.

What are the key technological trends that are driving the transformer business

The specification changes from ISS to IEC is what I think is the key technological change & also the transmission line that were upto 400 kV earlier, today that has increased to 765 kV hence we have to work hard towards upgrading our technology to a higher voltage class.

What is your vision for the company?

Our vision for this company is to be No.1 Company in the business of manufacturing Instrument Transformers covering the entire range from 11 kV to 765 kV with the indigenous technology.

What are the issues you need to address that are related to your Industry?

It is sad that in India till date silicon steel is not manufactured. This steel is one of the prime materials being used to manufacture any kind of transformer. We have to heavily depend upon other countries for the imports of silicon steel. Now the price of the silicon steel which is imported has increased 5 times in the international market because of the large demand from India & China.

Our government in association with various steel manufacturing companies should seriously look for the domestic production of the silicon steel at a lower price. The 60-70% shipment of silicon steel is supplied to China; the rest 30-40% is shipped to India which has created the shortage of the raw material which is eventually affecting our country's power development programmes. Government should encourage the private players or business community for the manufacturing this special steel in order to fulfill the huge demand.

Can you brief us about your company's social initiative?

We at Indian Transformers Company Ltd. encourage upcoming entrepreneurs to start new units & assist them in terms of technical know-how & engineering. We endeavor to work for the betterment of environment around us and are actively seeking ISO: 14001 Certification.