

“Effective localisation will move our needle of growth”

Mr Sanjay Handu, Director of TE Connectivity, Aerospace, Defence and Marine Unit, tells Bhargav TS about his company's position in India and its future plans. Excerpts from an e-interview:

What are the products that you offer?

TE Connectivity provides innovative solutions in connection and interconnection products for commercial airline industry right from the initial stages of aircraft design to aftermarket support. In military aerospace, TE caters to the market demand for fixed and rotary wing aircraft with connectors, wire, fibre, harnessing components, power switching and speciality products. We have recently launched high-speed copper cables to increase networking performance in harsh environments. It offers reduced size and weight, shortened engineering time, and rugged signal integrity.

What are your priorities in India?

Since India is transforming itself from being a regional power to a global player, the aerospace and defence sectors are increasingly occupying more space in the country's long-term strategic planning. Controlling aircraft design and operation costs are the two areas of continuous development in the aerospace industry. In this segment, the process of transformation has begun and potential opportunities (both public and private), in the “design to build” lifecycle are tremendous. India's engineering workforce, its rapidly developing engineering services/R&D expertise and its geo-position in South East Asia, positions it as a potential global hub for both manufacturing and MRO.

Estimates indicate that Indian Air Force will have more than 1000 fighter jets and around 60 squadrons by 2030 (According to a recent CII-KPMG report). So, opportunities are immense for component players like TE. However, these engagements have a long lead time, which spans through many years. Also, TE products have to be specked in at the design stage for it to become indispensable for at least many years. We work with DRDO in India for many such projects.

Can you elaborate on your R&D facility and future plans?

We have a strong team focusing on the Aerospace, Defence and Marine segments with more than 30 engineers working on



Mr Sanjay Handu, Director- Aerospace, Defence and Marine, TE Connectivity

global and local technology platforms from product concept and design to validation and manufacturing for Indian needs. They engage early with customers on smart connectivity and sensors, high performance relays and solenoids, sealed and screened harness solution, engineered high performance wire and cable, engineered polymer solutions, mil-aero connectors and rugged fibre optic products.

The team has been successfully engaged and contributed technology on several strategic and tactical projects related to Indian defence and would be looking forward to continue technical collaboration with DRDO, PSUs and private players in India.

An aerospace park is coming up in Bangalore; will you be setting up any new facility there?

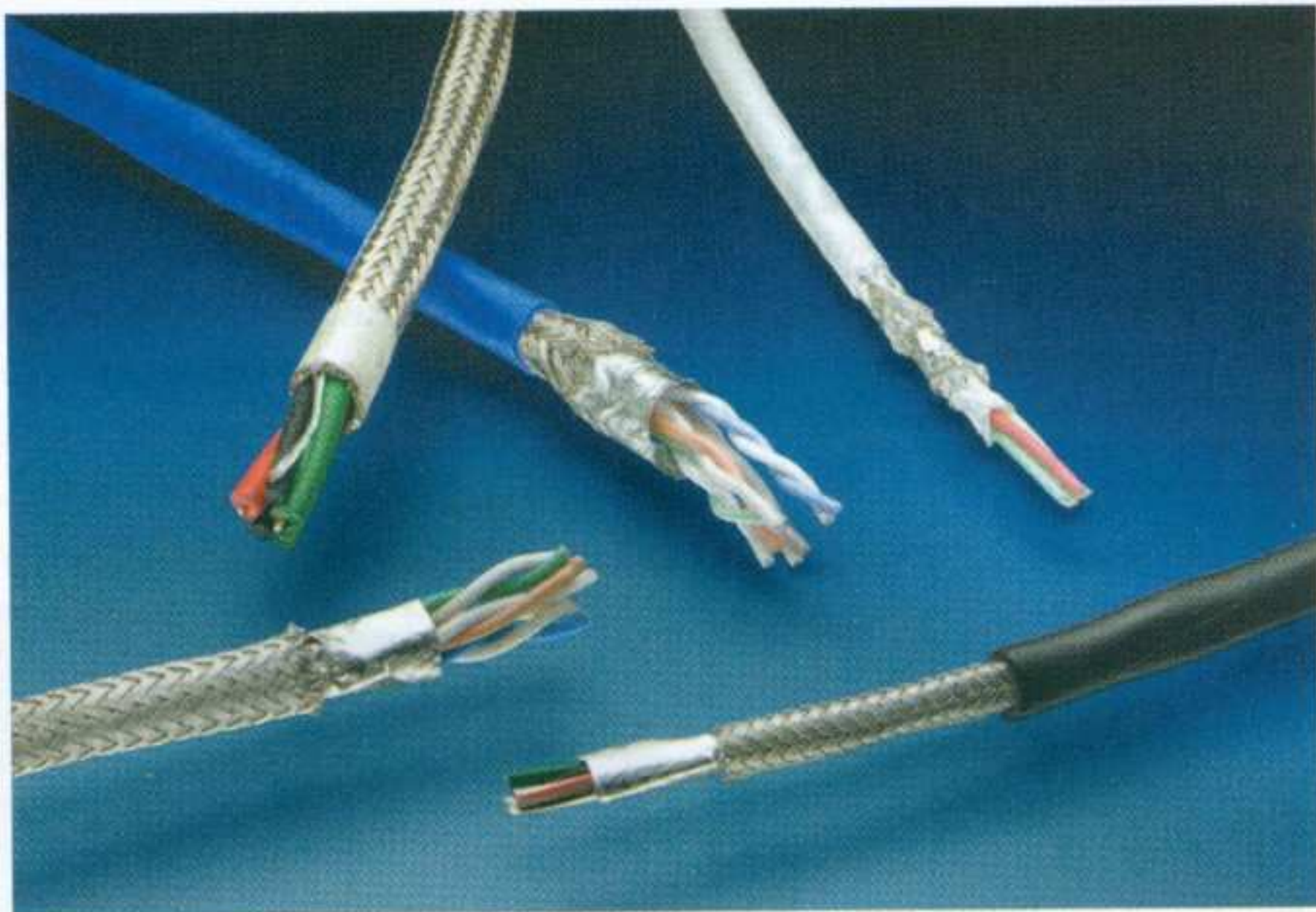
We have already invested Rs 600 crore in India and an additional investment of Rs 300 crore would be made to set up an integrated manufacturing plant in Bangalore. At the new plant, TE would design and manufacture next-generation connectivity solutions for multiple industry verticals, including automotive, aerospace, defence, marine, enterprise networks, telecom, data communications, industrial, energy, consumer devices, appliances, circuit protection and relays.

The new plant, which will measure 280,000 square feet, will create new jobs in the areas of assembly, packaging, moulding, stamping, tooling machine components, copper wire, optical fibre and cable processes. The new facility in Bangalore will become the design, engineering and manufacturing centre for TE in India, serving customers globally and locally.

Have you bagged any new orders recently in India?

Yes, we have bagged a few contracts from both Government and private players. But due to the nature of projects, cannot divulge the details.

What is your current localisation level and how do you plan to increase it?



Currently, 26 per cent of our products are designed and manufactured in India. Over the next five years we hope to make this 60 per cent. We believe that as you localise content you would be able to effectively localise capabilities and this will move our needle of growth.

Manufacturers are looking at low-weight components to increase efficiency, how is TE Connectivity gearing up on this front?

Miniaturisation is the need of the hour in our industry today. TE products are specifically designed for operation in extremes of temperature, shock, vibration and altitude. For this, we also work closely with customers to design, build and qualify lightweight power distribution units that combine relays, contactors, circuit breakers and sensors into compact, cost-effective modular solutions.

For marine use, our C-Lite cables use advanced thin-wall insulation and jacket technology to dramatically reduce the size and weight of cables without reducing the electrical or mechanical properties. Compared to traditional cables, our lighter and small sized cables install quicker into a ship or Module permit tighter bend radii and require smaller cable trays and ancillaries, thereby allowing more equipment to be connected within the same space. Additionally, the reduced weight of our cables delivers more freedom to provide additional production equipment on the installation.



Are you looking at alternate materials to manufacture your products?

TE's core strength is material science and we have developed several materials and technologies that are widely used by major OEMs for decades. We will continue to work on materials. We have a dedicated team working on advanced technologies.

Of your overall production, what percent do you export? Are you looking at any new markets?

Currently, we export 75 per cent and continue to look for new markets and expansions.

What is the trend in the marine industry? What is the outlook for the next five years?

The Indian Navy has plans to acquire new warships over the next decade, including frigates, destroyers, corvettes, offshore patrol vessels, landing platform docks, survey vessels, and submarines.

The Indian Coast Guard too is all set to double its force and manpower in the next few years and triple it in the next decade. With recent changes in policy guidelines, some defence shipbuilding work should also be shifting to private shipyards like Pipavav, L&T & ABG, etc, some of whom have also been issued licenses for warship building and are understood to have been forming JVs with Government-owned shipyards like MDL, Mumbai. Some of the products we have specialised are cable ties and sealing products, dipping sonar cables, high performance relays and contactors, high-speed copper cables, maintenance and marine specific repair Kits. We also supply marine wire and cable (esp. control, instrumentation (including Engineering Proposal Design – EPD), Rugged Optics, Signal and Power Connectors, Subsea Cabling solutions, Terminals, Splices and Tubing etc.

Commercial marine and offshore equipment must operate safely and reliably under harsh conditions. Downtime is expensive, failures can be dangerous, and repairs can be difficult. At TE Connectivity we are addressing the key issues in making offshore facilities more productive, reliable and safe. ■