

RARRING **to** **go**

As a member of the Birla clan, **Vedant Birla**, the chairman and managing director of Birla Precision Technologies Ltd (BPTL) lives up to his celebrated surname. Young, dynamic and motivated, BPTL has seen remarkable growth under his leadership.

Text * **Joseph Rozario**

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he inception of Birla Precision Technologies Limited, of which Vedant Birla is the chairman and managing director, goes back to pre-Independence years. Founded in 1937, the company at the time was into the manufacture of cutting tools and was a pioneer in the field in India.

Forging ties

Birla Precision's journey began with the vision of Vedant Birla's grandfather, Ashok Birla, who foresaw very early on that technology would come to India mainly through foreign collaborations. Nation-building being the burning desire of the illustrious Birla clan back in those days, Ashok Birla went on to form joint ventures with several overseas players, and in diverse fields. Among them were Birla Yamaha, which resulted from a joint venture with Yamaha (Japan) for diesel engines and gensets; Birla 3M, which was a joint venture with 3M (USA) for glue and telecommunication tower equipment; South Pacific Viscose, a joint venture with Lenzing (Austria) for viscose staple fibres; Dagger Forst, a joint venture with Forst (Germany) for gear cutting tools; and Birla Kennametal, a joint venture with Kennametal (USA) for manufacture of machine tool accessories.

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To further build on Ashok Birla's legacy, his son Yash Birla too entered into a joint venture with Perucchini (Italy) later to produce auto parts. As for Vedant Birla, Yash Birla's son, the scion holds much promise as a successor, being the man at the helm of affairs at Birla Precision Technologies today—the company born out of the amalgamation of the Birlas' joint ventures with Kennametal (USA) and Perucchini (Italy).

An early start

“I joined Birla Precision in 2014, as Business Head,” says Vedant Birla, who has a bachelor's degree in accounting and finance and an MSc in general management. Before joining the family business, however, Birla had acquired experience in the fields of education, healthcare and steel pipes, having started to work at the age of 17. Apart from these, he also acquired work experience through summer internships at Hindustan Unilever Limited (HUL), IBD, Phillip Capital and Heron International, the last two being in the UK. While at HUL, his work involved visiting *kirana* stores along with the manager to sell Knorr brand products.

These grassroots experiences, no doubt, stood Vedant Birla in good stead, as they prepared him for the more responsible role he would go on to play later at Birla Precision, a publicly traded engineering company boasting several divisions and four plants across the country. “In the first two years after I joined Birla Precision, one-third of every month would be spent between its four plants,” says

*Facing page:
Vedant Birla*

Birla. "I would also always shadow my father Yash Birla at his meetings, to be guided in the areas of strategy and organisational planning."

On one occasion, Vedant Birla reminisces, he had made an error in allocation of responsibilities by recruiting too many people for too many micro responsibilities. Later, father Yash Birla advised him to decentralise a few functions and spread more work over lesser executives, giving them more autonomy.

Diverse interests

Birla Precision today has five divisions with Vedant Birla managing them and spearheading overall growth. These five divisions comprise Indian Tool Manufacturers (ITM), which has been a cutting tools division since 1937. ITM has 500 distributors and 11 branch offices. It also has the highest market share in India for drills and a gamut of government clients like HAL, BHEL, the Defence, the Railways, and others. The second division is the erstwhile Birla Kennametal—started as a joint venture with Kennametal USA—which is into the manufacture of machine tool accessories. Birla Kennametal exports to over 20 countries worldwide. The third division is the erstwhile Birla Perucchini—formed as a result of a joint venture with Perucchini (Italy)—which is a foundry and is into auto components (and of late hydraulic parts as well). The fourth division is a forward integration of the foundry and manufactures machined castings for marquee customers like Honeywell and Cummins. The last of the five divisions is the precision components division, which manufactures fuel injection systems and other small automotive assemblies.

For all these, Birla Precision has three plants in Aurangabad, one in Nashik and a fifth one that is coming



Top: The Precision Components Division, Aurangabad
Bottom: The Foundry Division, Aurangabad

up at Chalisgaon, Maharashtra, to cater to some of its new products. All these plants have been set up either through foreign joint ventures, employing state-of-the-art equipment and systems, or with the help of the company's in-house R&D facility. They employ a total of around 1,000 workers.

Pioneering role

Almost all of Birla Precision's divisions stand out for being pioneering facilities in their respective domains in India, a case in point being the Indian Tool Manufacturers division which, apart from having the largest market share of drills in India, also has the widest distribution network. In terms of quality too, Birla Precision's products are considered superior to those of its competitors by the market. "We have a strong heat treatment process which is unique and which gives top quality to our tools," says Birla. Recently, a test study was conducted internally, he informs, with their products and products of the top five manufacturers of the world, where their drills stood at No 2 in terms of the lowest CPC (cost per component), which is a measure of the 'value add' for the customer in the engineering industry.

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Top: The Casting Machining Division, Aurangabad
Left: The Tool Holder Division, Aurangabad
Bottom: Engine parts from BPTL's Automotive Division



New avenues of growth

Thanks to Vedant Birla's inner drive and quest for growth and expansion, the company has recently launched high-performance brands like 'Panther' and 'Ninja' which are in line with global trends and are of superior quality and design. Plans are also on of going on to the next level of technology and expanding into carbide tools (from steel tools only currently).

Considering that the auto industry is cyclical in nature, rather than depend on it fulltime, Birla Precision has decided to branch out into hardware. It has recently launched its 'Hathyar' brand accordingly, which caters to various industries like carpentry, construction, marble cutting, masonry and the like. Birla feels that since

infrastructure is likely to remain a boom industry in India, this was a strategic and good decision taken by the company and has been working well for them.

As for future plans, Birla says that in the next five years, Birla Precision will branch out into three distinct lines for its cutting tools division. Also, they are in the midst of setting up subsidiaries in Germany and USA, both of which will have local teams. These teams, in fact, are in the process of being recruited. The company thus looks to becoming very active globally from next year onwards. Birla's vision is to be among the top four players in the world in whatever space they are in. Given his ambition and dynamism, he could well achieve that goal. *