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Hyosung may buy small stake in Garware Motors

Duo to assemble, export 150cc, 250cc Korean brand bikes

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GARWARE Motors, a wholly owned subsidiary of Garware Bestretch plans to sell a minority stake to its South Korean partner S&T Motors. Garware assembles and sells S&T's Hyosung branded super bikes in India. "The talks are at a preliminary stage. But we'd like to retain majority stake in the firm," said Diya Garware Ibanez, MD, Garware Motors.

Garware Motors and S&T Motors are also in talks to assemble and export Hyosung motorcycles in the 150cc and 250cc category from India. The Korean major would thus make India a hub for catering to the international markets where it already exports or plans to export. "They want us to export the mass segment motorcycles from India to other markets as well as new markets," said Ibanez. As of now Garware does not assemble or sell these 150 & 250 cc bikes in India.

S&T Motors is seeing its business interest in India rise. "They now have a lot of business here and in Sri Lanka, Bangladesh, Nepal and they export to over 60 countries. Our plan is to launch a range of Hyosung products in India by increas-



EXPANDING HORIZONS: Garware Motors is also setting up a greenfield assembly facility with an investment of Rs 25 crore that will be capable of assembling 30 motorcycles per day

ing localisation and see how plans go, what prices are like. So after that if they want to buy from us, we welcome them and we may also look at a joint venture," she added.

The company is working on localising some of the components required for the high end 650cc and 700cc motorcycles in the country as well as working on increasing the localisation for the to be launched 250cc Hyosung motorcycle in the country. "We are looking to increasing the localisation from 20 per cent which we have for the higher cc super bikes to around 30-40 per

cent for the 250cc motorcycle. We are focusing on 250cc to enter the high volume segment," said Hyder Ali Khan, chief operating officer at Garware Motors.

"We are open to anything, we have to work. It has to be win-win situation. We would want majority stake in the joint venture. We are looking at listing the company on the stock exchange that maybe in a year or two, as the volumes grow," said Ibanez.

Garware Motors on Thursday launched second variant of Hyosung GT 650R called the GT 650N (Naked) in Mumbai. GT650 N, the

650cc fully open sports bike from sides is priced at Rs 4.39 lakh, ex-showroom-Delhi and Rs 4.6 lakh, ex-showroom Mumbai, including octroi.

The company is also setting up a green field assembly facility with an investment of Rs 25 crore that will be capable of assembling 30 motorcycles per day. The plant will be operational by March-April 2012. Garware Motors has sold over 325 units of 650cc -GT650R and the 700-cc ST7 in six months expects to break even by end of 2012-13.

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