

Pennar to set up CDW tube plant, double output

₹65-crore unit to go live by June 2020

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Value-added engineering products and solutions company Pennar Industries on Tuesday said it was setting up a greenfield plant near Hyderabad for manufacturing cold drawn welded (CDW) tubes.

The facility, to be established with a capital expenditure of ₹65 crore and expected to become operational by June 2020, will double the company's CDW manufacturing capacity.

Pennar has an installed capacity to manufacture 1,500 tonnes per month of CDW tubes at the plant in Isnapur on the outskirts of Hyderabad. The new facility in Velchal, near Vikarabad, which will take the capacity

to 3,000 tonnes a month, will produce CDW tubes of up to 150 mm diameter and thickness of 10 mm.

In a statement, K.M. Sunil, vice-president – corporate strategy, said: “The new CDW facility will cater to hydraulic cylinder tube requirement of the consistently growing construction and earth-moving equipment sector, including propeller shafts for high pay load heavy vehicles. The precision ERW tubes from the same plant will be supplied to structurals for airport, stadia, idlers for conveyors, axles for LCV and HCV.”

Pennar, which has sales and marketing offices in the U.S. and Europe, will be exporting about 30% of its CDW volumes.