

From tie-ups to manufacturing, A.T.E.'s giant leap for growth



A giant never sleeps. Neither does he rest on laurels! Like the A.T.E. It all began with agency tie-ups close to eight decades ago, ushering in new eras for the Indian textile industry, which now covers across the textile value chain. After having scaled new peaks in bringing in top-class technologies from Europe and elsewhere, now the group is doing a balancing act – having more than a toehold in manufacturing too!

“We have created a respectable niche for the textile industry in the last 80 years. Our commitment to the Indian textile industry is reinforced with the third generation of management headed by **Anuj Bhagwati** taking over the reins. The best of the technologies from leaders like Truetzschler, Fong’s and Karl Mayer have been brought into the country successfully. We have also got into manufacturing way back in collaboration with our principals and recently we also forayed into own manufacturing across different verticals” says **GV Aras, Director of A.T.E. Group**, spearheading the group’s mission in textile technology.

Some years ago A.T.E. took over the components division of SKF and converted it into the present TeraSpin outfit in Ahmedabad. TeraSpin manufactures precision components for the textile spinning industry, including weighting arms, top rollers, cradles, and spindles and spindle inserts for roving frames and ring frames. A lively R&D division has given it new wings for innovation and customised solutions.

Says Aras: “A.T.E. took a conscious decision to develop its own technologies. This direction was pursued when we took over SKF’s spinning components division – drafting products and spun it into the TeraSpin facility in Ahmedabad. HMX was one more step in that direction, with the focus on cooling through comfort conditioning. It helps in maintaining a cool and healthy working environment in factories, warehouses and retail outlets. The comfort conditioning involves two-stage evaporative cooling, which is healthier as it uses fresh air, unlike air conditioning. The greatest benefit is power consumption, which is upto 60 per cent less than the traditional air-conditioning. HMX has a big list of who’s who from the world including names like Amazon, Volkswagen, Tata Motors, etc. Our ‘Flow Technology’ division offers complete solutions for liquid transfer for different applications. Under ‘Energy Efficiency Solution’ business we have developed a solar dish concentrator for various applications. One of our



Truetzschler India Pvt Ltd

group companies, Valence, has its own technology in electrostatic discharge and printing ink management. EcoAxis, our group company operates in the area of Industrial IoT and remote monitoring of plants and equipment. All these group company products are sold all over the world, and in Bangladesh they are sold through own company A.T.E. Technologies (Bangladesh) Pvt. Ltd.

A.T.E. already is equipped with a broad spectrum of technologies. “From textile technologies, we forayed into utilities, wastewater management, which would complement the textile industry projects. A.T.E. HUBER Envirotech has a diversified portfolio in wastewater management. It’s a joint venture between A.T.E. and Huber, and Huber is a market leader from Germany, topping the company list in sludge management and wastewater treatment. In India, sludge is a big problem, and Huber’s patented technology uses solar energy and converts sludge into applicable products. This venture also has an immense scope in chemical and pharma industries, where it has already garnered a good market share over the years. Textile industry will have a good share in this business. From greenfield project to upgradation of existing infra in wastewater and sludge treatment, this joint venture offers all the latest technologies. Even in municipalities, the technologies and products from Huber will help in handling wastes, which today is a big issue the world over.”

Talking of a recent venture with Karl Mayer and Rabatex, Aras said: “Karl Mayer has a big presence all over the world in warp preparation and warp knitting areas. In the area of warp preparation, India holds a very high hope due to growing investments in weaving. Also, every mill cannot afford to import the high-cost machines in warp preparation due to the capital constraint. So, some years back, Karl Mayer already

started manufacturing some products like warpers in India under its Indian company Karl Mayer India, located at Ahmedabad. With a vision to expand its operation in India, Karl Mayer has decided to set up a new joint venture with Indian partners. Hence they roped in A.T.E, a long time associate, and Rabatex. So, the three-way joint venture will start manufacturing sectional warpers for high-end applications. This will be a wonderful opportunity for mills in India since top technology machines which were hitherto imported will be available in India, at an affordable price. Already customers are importing Karl Mayer machines from Germany and China. Now Karl Mayer can also build some specialised warping machines through this joint venture manufacturing at their own factory in Ahmedabad. With A.T.E’s marketing expertise and domain knowledge, combined with Rabatex’s local manufacturing experience and Karl Mayer’s technological innovations, this venture will be a win-win situation for the Indian textile industry.”

Another important area that A.T.E. pins high hopes for future growth is the storage management and material handling. Says Aras: “For this, we have tied up with Godrej Consoveyo for automatic storage and retrieval systems. These systems are fully automatic and for the textile industry, to enhance the storage and supply chain efficiency, such systems are a must. Godrej Consoveyo has a strong portfolio in this area, but they did not have a textile channel partner like A.T.E. earlier. Now, with A.T.E tie-up, Godrej Consoveyo offers customised solutions for every segment of the textile industry for optimised management of storage and warehouse. The relationship with Godrej group was further extended with a tie up with Godrej Boyce & Manufacturing for selling their material handling equipment including forklifts, small trucks, stackers, etc. to the textile industry.”

A few years back, A.T.E. entered the area of automation, working together with Softech, Pune. With high cost of capital, many companies opt for machine upgradation. “Recently, we built a new team for automation and upgradation which consists of software and project implementation specialists. We undertake upgradation of machinery in weaving preparation and processing besides manufacturing fancy yarn attachments for ring spinning. We have done successful projects in automation in the past for many companies including Arvind Mills, JCT, Nahar Group and Premier Mills. The growing business potential in automation and machine upgradation area prompted us to create a separate Automation division” says Aras.

Talking about the past year and the textile industry’s performance in general, Aras says: “The FY 2018-19 was a year of many challenges for the global and also the Indian textile industry. First, on the demand side,



Teraspin full product range.

there has been a slackening. The raw material prices were at a higher level for some time. The impact of the GST was very much there, especially on the small and medium scale units which did not come out of the impact for a longer time. It took a lot of time for this sector to settle down. In the textile value chain, a lot of intermediate as well as final products are manufactured by the MSME sector. This led to some temporary disruption in the value chain. One of the most critical reasons affecting the industry was the liquidity crunch. Wherever the companies had plans to invest for new projects or expansion, the banks were not forthcoming, and they dragged their feet. Even the approved loans were not disbursed. Banks went slower in processing of funds requirements, especially for the textile companies. This led to some customers facing working capital issues, and this was one of the biggest problems last year.”

Recounting the various issues, Aras says: “If one looks at the value chain, it was spinning which got badly affected. There has already been a heavy capacity built-up in this segment, and the supply exceeded the demand, with the result a crisis loomed large. But in weaving, there has been a gap in technological upgradation and capacity creation. Hence some companies, including from the decentralized sector, did invest in weaving preparation and weaving, though it was on a lower scale. In finishing also, some activities were seen. However, overall, the textile industry did not have a completely cheerful time in 2018.”

Dwelling on the global situation, A.T.E. Director says: “Globally, last year was the best opportunity that happened to countries like Bangladesh, Cambodia and Vietnam. Because China vacated certain areas of low value manufacturing including garmenting, these countries could do some quick thinking and occupy those space. Unfortunately, India failed to capitalise on this opportunity since our capacities are smaller compared to these nations. Besides, the industry is highly fragmented and could not commit huge orders. Many Chinese companies have created capacities in Vietnam as they sensed the developing situation way back. Bangladesh did extremely well. Its success was mainly due to the fact that it invested in backward integration by going for big projects in spinning,

knitting and finishing, which propped up their garment industry. Bangladesh does not have its own raw material, but their success has come from their solid garment background. If you see exports, India’s has virtually stagnated, and in some areas it is negative.”

Talking of A.T.E.’s performance last year, Aras says: “A.T.E. did okay during the year, but compared to the previous year, it was a slightly lower performance in 2018. The real troubled time was between May and December 2018, when liquidity dried up, and companies started postponing their investments. There was a lean patch for many machinery manufacturers and the import also got affected due to the liquidity issue and the Rupee depreciation. But fortunately, things started gradually improving from January onwards in FY 2018-19. The liquidity position is slowly improving. Overall, I hope, 2019-20 would be a good year, and we are looking forward to it”.

Touching upon A.T.E.’s ITMA participation, he says: “A.T.E. represents many big foreign companies like Truetzschler, Savio, Karl Mayer and Fong’s Group, etc. We are planning an ambitious participation this year. For instance, companies like Truetzschler, Karl Mayer and Fong’s are gearing up for a big show. There is a promise of innovations in areas like Industry 4.0, IoT, digitisation and smart factory, etc. We expect a lot of Indian customers to visit ITMA since it comes only once in four years. Our own group company, TeraSpin, is participating with own stall. Besides, some of our Indian principals like Luwa, ELGI, MAG, etc., will also be participating. In association with the global giant, Huber, A.T.E. Huber Envirotech, will have a big role to play at this ITMA, having put its own stall. We will have around 25 stalls to attend to and A.T.E. will be sending a fairly big contingent from India to cater to all the customers visiting these stalls.”

If you ask the A.T.E. Director, “what’s the secret of A.T.E. success story, pat comes the reply: “Relationship building, with principals and customers is the first mantra. The fact that our tie-ups with Truetzschler and Karl Mayer is still going strong after 60 years in itself speaks volumes of our commitment to ‘relationship’. Values and culture is the second mantra. In this transparency is our forte. This has strength even in times of trials and tribulation. Employees get a lot of opportunities and so they stay longer. A strong after-sales service is a big strength for us. Customer satisfaction is our focal point which we evaluate from time to time through focused surveys. Our aim: A.T.E. should stay as the most-preferred technology solution provider for the industry for many more years to come.”

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- SAMUEL JOSEPH