

Autoline buys stake in US firm

The company has acquired 51 per cent for \$7.65 million

BS REPORTER
Pune, 13 May

Autoline Industries Ltd—manufacturer of sheet metal components for automobiles has signed a memorandum of understanding with Troy, Michigan (US)-based Detroit Engineered Products Inc (DEP) to acquire 51 per cent stake in the latter for a consideration of \$7.65 million com-

prising \$2.4 million cash and the rest in shares.

The \$3 million (2006) DEP is an advanced engineering software development and engineering services company providing automotives and aerospace industries both consulting services and mechanical design software products. It will be renamed Autoline DEP Inc after acquisition of a majority stake by Autoline.

The deal will also bring into Autoline's fold Nuvent Technologies—DEP's wholly-owned Indian subsidiary based in Chennai. Autoline DEP will hold about 5 per cent stake in Autoline.

Autoline Chairman Gopal Patwardhan told reporters here that the company will now be able to leverage the computer-aided engineering capabilities of DEP to pitch with clients in the automobile

industry in India and abroad for tooling design and also tooling manufacturing business. "We will utilise DEP's present customer base which includes major automobile makers in the US, Japan and Korea to get an immediate footprint in these markets," he added

Autoline also has a wholly-owned subsidiary Autoline Dimensions which is in the

engineering services space. "The three entities will together offer the customer a spectrum of design, development and manufacturing of components," Patwardhan said. The coming together of Autoline and DEP will also accelerate DEP's software development for other industry verticals like aerospace, heavy machinery and consumer goods, he added.