

Marsons pioneers the Franchise Model in the transformer manufacturing sector - already operationalises two new units in Pune and Kolkata

Marsons Limited, the largest transformer manufacturer in all of Eastern India including the NER, has developed an innovative solution to cater to the entire country's rising demand for distribution transformers. Marsons has introduced the franchise model wherein the company has already operationalised two units, one in Pune and the other in Kolkata through different franchise partners. The underlying principle is in line with Marsons' vision to develop the brand into the largest name in the transformer industry. The company, which is primarily engaged in power transformers upto 160 MVA 220 kV Class, is now planning to expand its presence in the distribution transformer segment with equal vigour. This unprecedented move is well timed to capitalise on the humungous demand for distribution transformers that has arisen following the government relentless efforts to provide 'power for all'. Essentially the concept follows the simple 'hub and spoke' model wherein Marsons (the hub) will act as the strategic centre of the network providing technological and marketing support to all its franchisees; the franchise partners (the spokes) will help the company reach out to different local and regional markets, which are often out of reach due to the logistical difficulties and capital constraints. The company has already signed 2 more franchisees in Alwar (Rajasthan) , and Dumka (Jharkhand) respectively and plans to have at least 10 operational units by the end of this fiscal year.

Our Chairman Akhilesh Kotia adds, ' We are indeed the first in the world to introduce the franchise model in the transformer manufacturing sector. The basic concept is to create a nationwide presence with small manufacturing units located strategically across the country without incurring any direct capital expenditure. This model fits right into our growth strategy to expand our market presence and to achieve inorganic growth rates for our organisation. This model also includes an upfront franchise fee, which in itself will provide a great stimulus to our growth in the future. Furthermore, we would like to inform you that the shareholders of the company has also approved the proposal for issue of 20 million shares on preferential basis at a price of Rs.30/- to the creditors against their dues.

MARSONS LIMITED



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