



## Is Westport About to Hit it Big in India?

### Description

**Westport Innovations** (TSX:WPT)([NASDAQ:WPRT](#)), a leader in advanced natural gas engines and vehicles, has just announced a new partnership with Indian manufacturer Tata. Under the agreement, Westport will provide its technology and components to Tata, which will roll out the two new engines in the rapidly expanding Indian market.

Tata is India's largest automobile manufacturer. It is also the world's fifth largest truck manufacturer and fourth largest bus manufacturer, totaling \$34 billion in annual revenues. This gives Westport the best option available to make a noticeable push into India.

### The 5L diesel natural gas hybrid

The first engine is a next generation 5L dual-source powered by Westport's GEMDi technology. Designed for buses and medium-duty trucks, this engine combines conventional diesel technology with natural gas, without a loss in power, allowing companies to use both sources in a country heavily dependent on imported oil. This will allow users to make a gradual shift to natural gas as the infrastructure is built up — the engine will also have the ability operate without natural gas. Westport is advertising the typical use of the engine to be 60% natural gas and 40% diesel.

### The 3.8L turbo spark

The second engine announced is a 3.8L spark ignited turbocharged natural gas engine featuring the Westport WP580 Engine Management System. This system has a broader range of configurations and can be used in many types of smaller vehicles.

This is only the first engine that will use Westport's WP580 EMS as a 5.7L engine, which will target the medium duty market. It is also slated to be introduced this year.

### Indian potential

The biggest draw for this deal is the size of the available market in India, which is the largest bus and truck market in the world. Projected 2014 sales nationwide for heavy-duty trucks and buses are

expected to reach 289,000 units, and is projected to climb to 478,00 a year by 2022.

In the medium-duty natural gas bus and truck category, sales are expected to be 12,000 units in 2014, and climb to 60,000 units by 2022. In the light-duty category, which is the target of the 3.8L WP580 EMS, Navigant research projects that the market opportunity in 2014 is 204,000 units.

### **Foolish bottom line**

With these new advances in technology and this partnership with Tata, Westport has positioned itself very well. In India the idea of investing in natural gas alternatives has a huge potential upside, as it is one of the world's largest importers of oil, and the fourth largest energy consumer worldwide.

The growth of natural gas is inevitable as the nation is looking to boost production by 66% over the next three years. With a growing supply and infrastructure, India could prove to be an excellent opportunity for Westport.

### **CATEGORY**

1. Investing

### **TICKERS GLOBAL**

1. NASDAQ:WPRT (Westport Fuel Systems Inc.)

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1. Investing

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