India Again

Amidst large-scale social infrastructure investment by the new government, how does Tata Hitachi continue to enhance its share?
Indian economy is on the upswing. India’s GDP growth rate in 2014 and 2015 was in excess of 7% (7.2% and 7.6% respectively to be precise). Among BRIC nations, India has become the fastest growing economy as China slid to below 7% (6.9% ato be precise) in 2015. The lead actor in this plot is India’s 18th Prime Minister Narendra Modi, who catapulted into the national stage based on his achievements as the Chief Minister of Gujarat. PM Modi has revived the dormant infrastructure sector based on simple slogans like ‘Make in India’ and ‘Clean India’ and large-scale public investment.  As a result, the domestic construction machinery market is growing quite rapidly. Tata Hitachi boasts of an overwhelmingly dominant share for excavators in this market. Why is it that Tata Hitachi continues to enjoy nearly 40% share in a crowded market where MNCs jostle for their share of the pie? We tried to have a close look at the local initiatives.

### Budget allocation for India’s public investment

Ever since the new government came to power, important projects of public infrastructure investment have picked up momentum. Budget allocation has been made on priority for the development of traffic infrastructure such as roads and railways. Nitin Gadkari who became the Minister of Road Transport and Highways, has taken the long-standing priority area of road infrastructure development to the next level when he accelerated the previous government’s roads development plan of ‘20kms per day’ to ‘30 kms per day’. In addition, investment is also expected in development of leading ports and rural areas. Investment in infrastructure by the government in FY2016 was Rs. 2.2 trillion (About JPY3.7 trillion), a 22% increase over a year earlier. In addition, introduction of GST (Goods and Services Tax) which was pending for over a decade has been finalized and it is believed that prices will fall across states and encourage consumption once GST is rolled out.
Strongest lean production system realized by the blend of brand equity of ‘Tata’ and the, technical prowess of ‘Hitachi’, and the strongest line up with top-class shop floor leadership skills

Steep climb of construction machinery market

Markets other than infrastructure also expand

In the outskirts of the largest city in Eastern India, Kolkata Mr. P.K. Das, owner of P.S. Enterprise who has been running this agency since ‘TELCON’ (the predecessor of Tata Hitachi) days is feeling good about the response that was missing for the last few years.

The number of machines sold per month that averaged 20~25 until August 2016 has doubled to 50 since September. According to Mr. Das, “Investment in infrastructure by the government such as roads has increased and suddenly construction machinery market has started booming and machines have started selling.” He adds that it is not just the infrastructure related segments but also new segments that are also growing.

‘Public works in fisheries and construction of reservoirs have increased leading to sale of machines. In our case, we are selling small machines like EX70 and ZAXIS80 GI series in large numbers. It is because excavators are being used for brick manufacturing for buildings. Work which used to be manual earlier has got mechanized and one can expect this market to grow’. Shin Nakajima, Director Sales & Marketing at Tata Hitachi also feels the change in the air.

‘There were many public investment projects in India in the past also but all made slow progress. Their execution rate was about 15%. It was quite commonplace that the highway projects that were the topmost priority of successive governments ran way behind schedule. However, all that changed since September last year. Budget allocation and start of infrastructure building started everywhere’.

‘With the infusion of infrastructure investment, Indian construction machinery market is growing suddenly, as if the floodgates have opened up. Demand for excavators that grew by 13% in 2015 compared to a year earlier, surged by nearly 50% in 2016. Among them, Tata Hitachi boasts of the top share of 37% with the No. 2 manufacturer being less than half. Increase in turnover is also big and in 2016 it was 50% higher than a year before.’ (Krishna Kumar, Vice President of Sales & Marketing, Tata Hitachi).

Why does Tata Hitachi enjoy the top share in a crowded market where more than 10 global players jostle for space and has been able to achieve growth higher than the industry? Nakajima explains.

‘One reason is that we have 2 category line up of products—economy and premium. Global manufacturers have launched products in the premium class market but we have EX Series for the economy market and ZAXIS Series for the premium market. Especially EX Series is the Japanese EX model that we have customized for the Indian market over 20 years and we are confident about it. Along with its evolutionary version EX Super, it is so reasonably priced and sturdy that majority of Indian customers want and it is our top product that enjoys 50% share in the economy market.’

Another reason is ‘the failure’ to meet the sudden surge in demand.

‘It was the coal market that recovered first in April 2016. At that time, we could not meet the sudden surge in demand and we dropped our share to 30% in that month. Based on soul searching, we

Expansion work for elevated tracks of metro is in progress in Bangalore, one of the 4 major metropolitan cities of India, where the Head Office of Tata Hitachi is located. Construction work on railroads, roads and high-rise buildings is underway all over the city. The Modi government has appointed those members as ministers who have delivered outstanding results during his Chief Ministership and hence, has been able to resolve issues that earlier governments could not in an accelerated manner. Other infrastructure projects are also progressing at a 4 times faster pace. In the backdrop of such increase in projects and expected shortening of construction period, it is expected that demand for high performance premium class ZAXIS series will increase.'
reviewed the supply chain over the next one year and pursued various improve-
ments and reforms big and small and built the system to supply the product when-
ever the customers wanted.’ (Nakajima)

Not just increasing the numbers, We focused on the market share
As a result, we deployed the production plan to the shop floor on daily basis to cope with sudden changes in the market and were able to control production more intricately. In order to ascertain everything from market demand estimation to production facilities are inadequate could not catch up with demand. Leveled production was ‘leveled production’. Leveled production is ‘Heijunka’. It means making the irregularity in produc-
tion in a given month uniform and make the supply stable. Earlier Tata Hitachi could not do it sufficiently and hence could not catch up with demand. Leveled production is the biggest initia-
tive for now. It improved dramatically in the last 6 months,’ says Toru Takatani, Head of Production and Alternative Direc-
tor, Tata Hitachi.

We had to overcome a problem in order to establish the lean production system. It was ‘leveled production’. Leveled production is ‘Heijunka’. It means making the irregularity in produc-
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Earlier production was concentrated at the end of the term, month or week. For instance, if we divide a month into 4 weeks, the 4th week accounted for 40% and the 1st week was about 10%. If this variation is averaged to the maximum weekly production, number produced in a month can be increased considerably. ‘Presently, (10% of January) produc-
tion is about 35% in the 4th week and the 1st week has improved to 15% (Takatani) it may be hasty to think of achieving %10 — improving leveled production is not as simple as it appears. Takatani opens his heart and says ‘it is a deep-rooted problem unique to India’.

For instance, even if we are thinking of improving the availability rate of the fac-
tory in a week, line will be idle if parts cannot be procured. Even if you tell the vendors how many parts are needed by when, unless their production capacity is improved, parts cannot be procured. And then vendors were unable to cope with frequent changes in the production plan of Tata Hitachi. Moreover, there was prob-
lem in making payment to the vendors by Tata Hitachi on time due to procedural delays and payment was not being made in a suitable time span.’ (Takatani)

Improvement in productivity by over 50% based on enhanced technical capability of human resource
There is also a need to enhance the skills of employees to improve productivity. For enhancing the technical level of people, Tata Hitachi has been implement-
ing ‘Shuttle project’ since 2010 wherein employees of Tata Hitachi receive training ranging from several weeks to several years at Hitachi Construction Machinery Head Office, Tsuichiya factory or suppli-
ers. As on February 2017, 167 persons have completed training and now are playing a leadership role for each section and vendors. Ashraf of HR Division says proudly ‘Level of technicians is definitely improving. Last year in the technical skill competition in which representatives from Hitachi Construction Machinery group participate, we had the first winner from Tata Hitachi.’

India Again
As a result of government invest-
ment in infrastructure, there is a genu-
ine feeling that business is looking up. Public works even in rural areas have picked up momentum and there are many individuals who are buying excavators and entering civil con-
struction business. However, due to low literacy rate, there is a customer segment where DM does not work at all. Therefore, we carry out demon-
strations using actual machines, hold roadshows and have lunch with cus-
tomers or hold spares in exhibitions etc. During the rainy season we hold free diagnosis of machines. Such ser-
cvice camps are effective as word-of-
mouth is quite effective in India. Thanks to dealer meetings involving their top management that we have been able to hold such events with confidence. We are able to get advice for improvement like increasing the contact points with key customers and obtain replies to the problems we have been facing and thus able to grasp the direction in which Tata Hitachi is heading. We also under-
stand Tata Hitachi’s stance to train dealer human resource by strengthen-
ing the support. We want to challenge whatever we can do step-by-step.

Dealing with the number one issue of customer satisfaction...
It is not just sending people for training to Japan but engineers are also being brought here to train people. Their total number as on February 2016 was about 220, higher than the number of trainees under the Shuttle Program. They not only train people at the 3 factories of Tata Hitachi but they even visit vendors and freely share the technology.

Besides engineers, marketing and service personnel are also being sent to Japan or experts from Japan are being brought to India to improve the marketing and service capabilities.

Starting with leveled production, thanks to various improvements and reforms across the supply chain, production increased by 50% over the previous year.

Global managers who have more knowledge about Japanese manufacturers than even the Japanese

These achievements are due in a large part to the versatile management capability of the MD Sandeep Singh. Sandeep worked for 23 years with the local subsidiary of Toyota and also has the experience of heading the Marketing Division. He also has the experience of working with the Vice President Ramesh and both have even developed a new car together.

‘He is a rare talent who knows about Japanese manufacturing such as Kaizen [PDCA] [Choka] [Nemawashi] [Why why analysis] etc. time and again from Sandeep.

Since taking over as MD in 2014, I have aimed at 3 strategies namely, [Expansion of production], [Quality improvement] and [Improvement in the level of dealers] and have carried out various kaizen under the consensus of all the senior executives. I introduced the Obeysa [large room] system and did away with the walls between divisions and pursued SGA [Small Group Activities]. We conduct daily, weekly and monthly meetings at various levels and periodically feedback information to employees, dealers and vendors and made the PDCA culture take roots.’ (Sandeep)

There has been no big revamping of the organization or introduction of the most advanced IT systems. It has been just extremely Japanese style solid and continuous improvement.

The base has been thorough motivation of the concerned people. Problems are made ‘visible to the eye’ in all the meetings, KPIs (Key Performance Indicators) are set to articulate the role to be performed by concerned people both inside and outside the company. And then finally whatever is the decision of the top management is conveyed to everyone in a meeting. It may be something trivial but a firm commitment is born through such approach.

I tell them ‘I will take the final responsibility for everything. You perform your role with confidence.’

One more characteristic of Sandeep’s management style is to follow a process for everything.

‘It will take one more year to achieve the 3 challenges I have launched’ asserts Sandeep.

Of course, taking into account continuous increasing demand for construction equipment, environmental restriction that gets underway from 2022 and the emerging second hand machine market etc. ‘We need to anticipate the infrastructure demand, but curtailment of construction period is also needed. Going forward, premium machines that have high productivity will undoubtedly be the main battlefield. We need to enhance the quality of vendors if we are to capture the share in the premium market. Currently, we are focusing on increasing the number of vendors that are quality certified (GI certified) for premium machines. We have also built the training center to acquire state-of-the-art technology. Since we already have the model in Japan for environmental restrictions, we have dispatched the R&D Head to this center and are developing it together. We will share the advanced parts produced in Japan and will achieve it on time using the Kharagpur plant and the R&D Centre. We already have projects in place for second hand machine market and leasing of machines. We also need to increase the turnover from wheel loaders. We will strengthen our exports. There are many challenges ahead. I believe that if there is change of mindset of people and PDCA culture has taken roots, we can definitely realize those challenges.’

MD Sandeep said that going forward the key to winning in the market is going to be the vendor technology. There is a huge vendor park in the hinterland near the Kharagpur factory. One of the vendors located here is Accropoly Ninomiya Industries Co. Ltd, which is the partner vendor of Ninomiya Industries Co. Ltd back home supplying carburetors for excavators to the Tochihara factory. Under the guidance of Ninomiya Industries, it has built equipment, layout and processes exactly similar to those in the Japanese factory and has realized ‘Made by Hitachi’ quality carburetors.

Takatani, Director Tata Hitachi has high hopes when he says ‘It is a big thing that a leading vendor like Ninomiya Industries has set up its factory in this vendor park. Besides contributing to enhancement of technological level of Indian vendors, it will contribute to inventory-less lean production, as earlier we were getting carburetors from a vendor in Jamshedpur factory located 150 kms away. It was lot supply but now it is possible to have the numbers required. At present there are only 4 vendors located here but once the environment is created, we will bring more vendors.’

Accropoly Ninomiya Industries Co. Ltd. (Housed inside the vendor park)

‘Made by Hitachi’ quality carburetor supplied by vendor partner from Japan

Before joining Tata Hitachi, I worked for 23 years with the subsidiary of Toyota and was mainly into marketing.

During my tenure at Toyota, I worked with Mr. Ramesh, the Vice President. He was the leader of Production engineering and we together developed a highly successful compact car. That is why I understand his way of thinking well and vice versa.

Toyota always tries to grasp things in a structural and analytical manner. The starting point is repeating ‘Why-why’ regarding the actual facts happening on the shop floor, find out the root causes and carry out continuous improvement.

They attach more importance to the process than the result. It is because even if the result is good but if the procedure is not followed, kaizen will not progress. If the process is thorough, kaizen will progress step by step. In other words, evolution is possible if the PDCA cycle is rotated thoroughly.

Toyota-style manufacturing is nothing but developing the human resource.

Tata Hitachi has a wide variety of products, product quality is good and relation with customers is also extremely good. Above all, human capabilities are high. However, they were not being used systemically. It will grow further if communication ability and PDCA culture are firmly established.

Motivate all the people related with supply chain and establish the PDCA culture. That is our mission.

Managing Director
Sandeep Singh
Tata Hitachi will become a World-class company

Pre-owned machine market and rental market — Indian market is full of potential

Environment for the growth of the strength of Tata Hitachi

Role of customer support will become increasingly important

### Key person

**Have a mesh-like dealer network to cover the entire country. ‘Micro marketing strategy’ to capture the customers**

**Vice President/Sales & Marketing**

A Krishnakumar

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**T**oday construction machinery manufacturers from all over the world are here. Amidst such circumstances, we are trying to expand our market share. It is tough but in my opinion it is quite possible. Presently, various projects ranging from large-scale infrastructure to irrigation facilities for agriculture are underway by the Center and State Governments and since we have products ranging from mini to large-sized and economy to premium, we can cater to all of these projects. The key is the dealer. We are currently pursuing ‘micro-marketing strategy’ to have an elaborate dealer network. Contact points with customers increase if the number of dealers is more and it becomes easy to communicate the attractions of our products. It is especially effective for capturing new customers. We are also pursuing dealer Human Resource development separately for each function such as attending key account customers, developing new customers and marketing. The role of marketing depends on to what extent it can reflect the customer voice in products and services. In my opinion, close coordination with Customer Service is also important.

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**3-fold increase in production capacity in 3 years**

**Review of the entire supply chain changed the production shop floor**

**Plant Head-Kharagpur**

N C Mahapatra

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**T**he foremost task before the plant is how to increase productivity, as the market continues to expand. Production capacity of Kharagpur plant has increased 3-fold in last 3 years. Our other initiatives such as opening of the Vendor Park is also bearing fruits but the biggest enhancer has been review of the entire supply chain by our MD Mr. Sandeep Singh. Visualization of information about the whole company has progressed with the introduction of Obeya system and views and feedback from various divisions other than the plant on productivity improvement have started flowing in. Analytical ability of people has improved and so has the teamwork. As a result, many kaizen big and small such as introduction of ‘kit system’ i.e. arranging the parts used in a kit in advance or PBA system where parts are painted before assembly are taking place and production efficiency has improved and cycle time has been curtailed. Excellent engineers have also been nurtured through the Shuttle Project. The long pending R&D (Research and Development)Center has also opened. Going forward, we intend to further improve the product development capabilities, enhance production capacity and deliver products that match the Indian market.

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**Environment for the growth of the strength of Tata Hitachi**

**Director**

Shin Nakajima

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**T**ata Hitachi grabbed market share in the rapidly expanding construction machinery market and also enhanced its productivity. To put it straightforwardly, Tata Hitachi has come to have a profitable culture. There are many more things to do. For instance, in India majority of construction machines are scraped due to high operation rate but there are also machines that are not scrapped. If new machines get sold, the pre-owned machinery market is also likely to expand rapidly. If seen globally, India’s market environment is tilted towards cheaper machines but used machines are not being exported. It means that there can be possibility of export of pre-owned machines. The rental business market is also beginning to emerge but still the scale is small. Going forward, types of construction work will increase and naturally, the need for attachments is also likely to diversify. Markets and structural changes are never so far are emerging in quick succession. We have of course started our initiatives to capture such markets. The stage to use ‘Tata Hitachi’ brand equity and Hitachi’s knowhow nurtured in the Japanese market is gradually expanding.

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**Pre-owned machine market and rental market — Indian market is full of potential**

**Director**

V. Ramesh

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I was heading Production Engineering in subsidiary of Toyota where MD Sandeep worked and I have also worked with Suzuki. I was happy when I joined Tata Hitachi because there were many areas of improvement needed. Tata Hitachi’s technology and process control are wonderful but problems were not made visible. Data was being fed in the computer but no one was able to use it. There was no root cause analysis of problems. Therefore, even if there was a problem with the project, no attempt was made to solve it within a given time. Rather the time line was being extended. Capability to communicate was also weak. Since the objective i.e. ‘for whom and for what’ was unclear, it was unclear where the responsibility rested. Above all PDCA was not being done properly. If Tata Hitachi absorbs best practices, it can become a world-class company.

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**Role of customer support will become increasingly important**

**Alternate Director**

Toru Takatani

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P roduction capacity has increased after starting leveled production. Going forward, main battlefield will shift to the premium market, as customers will demand productivity. The crux will be how to handle the premium and economy segments. Ideally, the performance and quality of EX model would be improved and integrated with the premium class but it is not that simple. The base in my opinion is to train the human resource first. We want to build the training center for plant employees, send them to Japan to acquire the technology and knowhow nurtured in the Japanese way.

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**Environment for the growth of the strength of Tata Hitachi**

**Head-Human Resources Development**

Shahid Ashraf

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I level of our Human Resource is surely increasing and is contributing to improvement of productivity. Especially, effect of the Shuttle Project is big. In the beginning, it was 6-month program for engineers but today training up to 3 years in 5 categories is possible. We bring specialists having diverse skills to India and they provide guidance not just in the plant but also to vendors. Such programs are also being deployed in non-manufacturing divisions like marketing. We are trying to enhance the level of the entire supply chain including dealers. In recent times, competition from South Korea and China has intensified and head hunting of employees is also happening. However, it is not happening in our company. It is because we have put in place an environment where employees can enhance their values. We explore the competency of each employee and offer them the forum to acquire technical skills and knowledge and enhance their skill. Developing human resource is indeed the starting point for MONOZU. We believe that providing an environment where people can grow is the strength of Tata Hitachi.

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**Role of customer support will become increasingly important**

**Head-Customer Support**

Vijay Kumar

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I ndian construction machinery market will shift to premium models from here on. The role of customer support from the viewpoint of stable machine uptime is likely to increase. In fact, customers of premium models have all taken ‘CostCut’ package that ensures stable uptime of machines. Problem is the customers whose warranty period is 3-5 years and do not opt for paid repair. And the balance gets non-standard spare parts in case of any problem. There is a need to make such customers understand the merits of genuine parts and paid repair. Spare parts market is not small. We have formed specialized teams called SPP (Spare Parts Engineers) and SPP (Spare Parts Planner) and they carry out health check of machines of customers whose warranty has expired free of cost. If we can build a good relationship with customers through this, it can lead to purchase of spare parts and can even lead to purchase of new products. Everything starts after a machine is delivered to the customer. We also need to change our mindset in a big way.
**Widen the possibilities with blue metal**

**Contractor for road infrastructure development**

In India, where infrastructure investment is picking up momentum, the need for aggregate used as roadbed material is also increasing. On visiting the granite ‘blue metal’ quarry in Karnataka, we could hear the sound of the crusher everywhere.

Jyothi carries 2 aggregate plants in this mining area and is an aggregate manufacturer having 50 years history of producing lightweight blocks besides the blue metal. Presently, it produces 30000/day of aggregate on 3-shift basis. According to its CEO Rakesh, ‘Restriction on blue metal quarrying is becoming stiffer and stiffer’. In a quarry, you need 2 licenses 1. Crushing rights to use explosives and 2. Quarrying rights to collect stones but the former is difficult to obtain due to environmental and safety reasons.

Earlier we were using river stones as roadbed material but it cannot be used any longer. In this mining area, there are a total of 25 companies (including us) active in quarrying. Since we are being closely monitored with GPS, if we go beyond the area earmarked, we have to pay a penalty. Moreover, due to Modi government’s policy of ‘Clean India’, environment restrictions against dust is quite rigid. We cannot continue our business if we do not obtain environment certification every year. If buildings come up nearby, it will be difficult to quarry. Mining license is for 20 years but considering environment restrictions, one does not know what is going to happen.

The aggregate market is expanding but since cash settlement is practically restricted due to demonetization by the government, it is witnessing a slump of late. ‘In our business, since cash settlement is practically impossible, we are not going to happen.’

However, there is no doubt that it will grow in the future. ‘Our products include aggregates of 6mm~20mm size and the processed sand, but turnover of all the products is increasing. Since we have in-house quality control team with rich experience, our product quality is good. That is why half of the products from this factory are being sold to other aggregate manufacturers. Especially, [MS Sand], the processed sand is popular and its demand for concrete for housing and building is increasing.

That is why we are so particular about machines that have high reliability. ‘We use 2 ZAXIS220 and 1 EX200 Super in this quarry. We have been using Tata Hitachi machines for the past 15 years. Once we found the first EX200Super that we inducted to be an excellent machine, we inducted ZAXIS next. ZAXIS model is even better. Its working speed is fast and in terms of processing per hour, excavation amount and loading on to the dump in tons are both high. Both reliability and performance are perfect. We have never owned competitors’ machines and we decided on this after after having compared well. On top of it, service of Tata Hitachi is good. They carry out periodic inspection and replace parts also on time. We have nothing more to say.”

We started manufacturing ready-mixed concrete 4 years before.

‘We offer high quality ready-mixed concrete to the construction industry and its demand is also increasing. In addition, we are also thinking of setting up a company to sell lightweight blocks for buildings and housing and steel structures. We brothers have our respective specialization and our business is growing. We think we will focus on infrastructure related fields. For that we need good machines. We plan to induct 2-3 more machines.’

Mr. Rakesh who manages this business founded by his grandfa - ther along with his 2 brothers. He studies urban engineering at the university and is passionate in structural mechanics from the University of Scotland.

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**Customer Voice**

**Indian infrastructure market on the up**

Not just PM Modi but all his predecessors have allocated budget for rural infrastructure development. On the outskirts of Bangalore, widening of national highway from Edyu To Gubbi a total length of 55 kms was being carried out.

Construction job has been assigned to DRN Infrastructure Private Limited a local company having 2nd highest turnover in Karnataka.

It is a leading civil construction company focusing on infrastructure such as road construction, rivers, dams and power plants. ‘We have got busy suddenly after Modi government has come to power. We have more of road and river construction work but all kinds of works are increasing’, says Mr. Chandrashekar the site supervisor. ‘Presently, our company has a total of 15 projects. But road projects have increased. Things changed in a big way from November 2015. Till then government’s target was to build 11 kms of road per day but it suddenly increased to 30 kms per day. In road construction, we increased the number of EX200 Super from 7 to 15 and also increased the number of operators.’

Its work site has 2 shifts from 6AM to 2PM and 2PM to 8PM. Number of persons deployed has been increased from 14 to 30 and it has 2 more persons as replacement.

‘The construction period for this site is from 2015 to December 2017 that will full operation the 2nd shift sometimes continues till 10PM. Speed is the key for now.’

One may feel that it is difficult to increase the operators due to sudden surge in demand but ‘Our company is quite popular that does large-sized projects for the State also. Therefore, people come whenever we recruit. Everyone aspires to work for us. But we do check their capabilities.’

DRN uses only Tata Hitachi machines. ‘We have a total of 100 excavators. 5 years ago we had 10 machines of other Japanese manufacturers also but since we had frequent breakdown of sensors, based on recommendation of the site staff and Maintenance In charge, we replaced them with Tata Hitachi machines. EX model is robust and movement is smooth. The clinching factor was that Tata Hitachi’s service is fast. We get bucket reinforcement done at the dealer but depending on the location, our in-house engineering customizes it.

We also have 10 wheeler loaders and 6 dozer loaders and all are Tata Hitachi machines. As of now, EX200 Super is sufficient but going forward if our orders increase, we may need to have the premium model considering productivity. We want ZAXIS model but since we have Maintenance In charge, market supervisors, and veteran engineers, senior management will take a final call based on their opinion. Depending on the situation, we may go for rental machine.’

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**Chooses ZAXIS450H because of harsh environment**

It belongs to the same Tata group as Tata Hitachi but since Tata has strict self-discipline, it does not induct Tata Hitachi machines just because it is a group company. According to Mr. Choudhury of Tata Steel, ‘We chose Tata Hitachi simply because the machines have to operate under harsh environment, such as high temperature slag and high dust level, and high durability is needed. It is a standard machine which is not customized to our requirement yet it is perfect.’

Tata Steel has in-house maintenance staff but ZAXIS450H is easy to maintain. Of course we get the required maintenance done by Tata Hitachi but it is accurate and speedy. We are satisfied.’
that day everyone performed splendidly. Anyone could have won. But that day it was ‘my day’. Last year, as a representative of Tata Hitachi, I came first in the Assembly Competition in the 13th International Skills Competition at HCM. It was the first time that an Indian representative had won the Divisional competition. A total of 81 contestants from Japan, China, Indonesia, Holland, Russia etc. participated in the competition and among them there were 10 contestants from the Assembly Section. Each one of them was a strong contender, as they had cleared a tough domestic selection process. For instance, selection in India was carried out over a period of 9 months and over 100 contestants from 3 plants in India contested in the written test, interview and practical skill hurdles designed in a phased manner and finally only 10 candidates were selected to be representatives from India. Moreover, in the competition, in addition to the practical skill of assembly, appropriateness of hydraulic piping seal and ‘ORS feeling’ test where judgment is made based on eye-and-hand feeling were added for the first time in the competition. Thus, an even higher skill level was expected.

I became aware of this international skills competition when I came to Tsuchiura factory for 6 months technical training under the ‘Shuttle Project’, a program aimed at the exchange of Human Resource with Japan and training of employees being implemented by Tata Hitachi. I was inspired seeing the accuracy, speed, strict time management and strong passion of engineers working in Tsuchiura factory. I feel ‘I must hone my skills’.

However, at that time I just wanted to get closer to the level of Japanese engineers and did not think of participating in the competition.

After returning to India I came to know that my seniors had participated in the competition and I too was suddenly motivated to participate and started preparing for participation in the next year. However, finally only 2 persons get to participate. Therefore, I started practicing rigorously besides my work and thought of ingeniosity ideas and lacked like changing the position of tools to be able to do the work more precisely and efficiently. Chance to study in Japan of course came very handy.

That practice bore fruits and I was selected as the representative but it was even tougher from there on. Representatives had to practice hard for the main competition using the skill competition kit for 4 months.

Since I was fully aware of the gap with Japanese engineers based on my experience, I laid down stricter conditions for myself. Especially as the difference in speed was big, I tried doing it in 2 hours against the 3 hour time allotted in the test where judgment is made based on eye-and-hand feeling were added for the first time in the competition. Thus, an even higher skill level was expected.

I overawed by the speed and accuracy when I went to Japan but today India’s level is also not bad. It will evolve even further from now on.

The competition because I thought that if I do not put up a fight in the Japanese environment.

In this 4 months training, I was assigned to a person who checked my practice every day and besides giving me advice, the Advisor from Japan also gave ideas on the working system and various people taught me techniques and method of kaizen. My colleagues also cooperated with me. Due to my zeal to live up to those expectations I practiced a lot and there was a time when I even fell sick.

For that reason, I was really happy when I won the competition. This victory was not possible due to my efforts alone – cooperation from my colleagues at the workplace and also my family is behind my success. After I decided to participate in the competition, I did not have any time to give company to my wife and 3 children but my wife did not complain even once as I was not giving enough time to the family. Even my children never complained.

I could not go to college because of financial reasons but now I have attained a level where I can be a model for others. My parents are proud of me.

There is a chemical change around me. My speed has become the benchmark for Indian plants and is providing stimulus to others in the factory. People wanting to participate in the International Skills Competition are increasing. They have started to have confidence in themselves. I feel very glad about it.

I was overawed by the speed and accuracy when I went to Japan but today India’s level is also not bad. It will evolve even further from now on.

My desire is to make my Dharwad plant No. 1 in India. And I am confident that we can do it. That can happen if we as a leader do not utter a word and each worker thinks ‘What is the objective of Tata Hitachi?’ on his own and while being aware of cost reduction, produces excavators that lead to high customer satisfaction. If such workers increase, we can become No. 1. And I am also thinking of producing the next winners in the International Skills Competition from among them. I too do not want to be just the leader but want to hone my skill further along with others on the shop floor.

Today I am being interviewed because Tata Hitachi and HCM have invested generously on me. That is why I want to repay it back. We can raise the skill level of Indian factory. We can make people grow.

We can make Indian factory No. 1. And that in my opinion is my repayment of the obligation.
India still has low literacy rate. It is even worse in the rural areas or poverty stricken areas. It is also the long-cherished desire of parents and the local society to provide place for education to the children.

According to Tata Hitachi policy, Tata Hitachi promised to extend support. Tata Hitachi has been continuously offering facilities and teaching materials since 2008.

Education techniques adopted in this primary school in Rupnarayanpur village is unique. Based on the experience of teachers themselves, dialog is held with children and they are made to think by themselves. One more characteristic is enlightenment based on visualization. On the walls of each classroom, pictures are painted in line with the curriculum of each class and these pictures are quite diverse such as environmental problems, religion, arithmetic, child helping an elderly person cross the road holding his hand and so on. ‘We want children to realize the importance of thinking on their own, and learn manners as a member of the society.’

Tata Hitachi is carrying out CSR activities through various opportunities available to contribute to the society. It is because Tata Group has been devoted to CSR in India since inception over 150 years ago even before the term CSR was coined not based on social request but voluntarily, as it holds that ‘It must carry out reasonable CSR as a global company’.

This mission can be ascertained from the background to the launch of world’s cheapest (JPY200,000) ‘Nan’ car about 10 years ago by Tata Motors, a group company. It has one wiper and 1 rear view mirror. It is an ultra-compact car with about 600cc engine for 4 passengers without AC. It was ridiculed in Japan’s automotive sector as ‘Something that cannot be called a car’. However, Tata Motors had a reason behind launching this car.

Nan was a project that was close to the heart of Tata group’s Chairman Ratan Tata. Mr. Tata on seeing 4 members of a family traveling on a bike thought of making a people’s car so that everyone could travel safely without getting drenched in rain. This emotion is linked with the emotion of the founder of Tata group, Jamshedji Tata who some 150 years ago when he became independent at the age of 28 thought of devoting himself to the social and industrial development of India.

In fact, Kharagpur plant was also started based on such corporate ideal of the Tata group. The premise of the Tata group for setting up this plant was providing employment to local people including landowners. Hitachi Construction Machinery that was the JV partner also agreed to it. In other words, like the other 2 plants (Sharad and Jamshedpur) of Tata Hitachi employed people from land giver families.

The management of Hitachi Construction Machinery and Tata Motors trained people who had no previous experience of working in the industry from the scratch and today it has been developed into a leading plant in India that exports to Middle East, Africa and neighboring countries.

Kharagpur plant has an Operator Training School (OTS) where construction machinery operators are trained and it was established with the objective of increasing employment in the state of West Bengal that has high unemployment rate. After completion, civil construction companies are employing most of the trainees but it is also possible for them to get employment with dealers of manufacturers other than Tata Hitachi. It is also being done not for own benefit but give priority to contribution to social development.

OTS became a government certified training school few years ago. CSR is a standardized function of the Tata group. Group has a holding company called ‘Tata Sons’ but its 66% shares are held by the ‘Tata Trusts’ which is a charity organization operated by Tata. A fixed amount from the profit of the group companies is allocated for charity within India every year through Tata Trusts and especially it is used in rural and economically poor regions.

Tata’s brand equity in India is enormous. It is not because it is a big conglomerate with a history of 150 years producing everything from tea to steel, it is for the emotion of Jamshedji Tata having been embedded as a function of the Tata group and it has unmistakably contributed to the growth of India.

Biren Paul, the Principal of the primary school in Rupnarayanpur Village guided us to a corner of the first floor of the school building. Here construction of e-learning center using network was in progress. According to Mr. Gautam in charge of KGP ‘Here, soon learning based on live videos and images using Google’s huge tablet ‘Jam Board’, the first ever in India, will become possible.’

‘These sparkling eyes of children will also be able to see the images of TOKYO’

Emotion of Jamshedji Tata the founder of Tata is being inherited even after 150 years.