



EX 210 Super +

Our excavators are manufactured keeping in mind customer needs

Tata Hitachi Construction Machinery Company's consistent growth and success has been built on the foundation of the company's ability to understand customers' needs and provide equipment alongside support solutions that increase profitability and competitiveness. **SANDEEP SINGH, MD, TATA HITACHI CONSTRUCTION MACHINERY COMPANY PRIVATE LIMITED** speaks to **CONSTRUCTION OPPORTUNITIES**, about the excavator market, cutting edge technology used, aftermarket services and the future path ahead.



TATA HITACHI

Reliable solutions

Briefly give us an overview of the excavators industry. What are the types of excavators currently most in demand?

India's infrastructure sector is poised to grow significantly with the increasing demand for development of key infrastructure projects such as:

- Roads and highways,
- Rural connectivity,
- Railway expansion,
- Urban infrastructure including metro rail projects,
- Ports and airports,
- Industrial corridors (DMIC etc.),
- Water & Sanitation
- Smart city projects, etc.

The Government has initiated various steps for accelerating infrastructure development and is focusing on putting India back on a growth trajectory after a period of declining GDP growth rate. Investment and implementation of key projects along with corrective measures and industry friendly policies of the Government are helping



ZX400



EX70 Super +



EX200 Super +



EX130 Super +

the infrastructure development in our country. Several critical projects have been announced in the last year opening new avenues for the construction machinery industry.

All these have aided the demand for excavators.

Given this large-scale investment in transportation infrastructure – led by roads and highways – the demand for excavators has surged in the last 5 years. This demand driver also has the highest penetration of construction equipment as a % of spend among all demand drivers with large investment of over 1 Lakh Cr per year.

For large-scale excavation, the 20T excavator is the most popular choice of customers and now constitutes nearly two thirds of demand of the entire excavator range. It has also become a preferred entry level segment in excavators for those who have exposure to the sector. The other application of excavators is for use in specific sectors like rural & state roads, small stone quarrying, real estate, mining, irrigation etc. Here, the 7T – 35T class makes up almost 30% of the rest of the market.

Tell us about the range of excavators offered by you, in terms of types, capacities and applications

Our comprehensive range of Excavators include 2T to 40T hydraulic excavators for the Infrastructure sector, 45 to 120 tons for the mining sector and the ultra large 190 to 800 ton excavators for specialized heavy duty mining.

These products, amongst others, are a part of our latest EX super+ series and the technologically advanced ZAXIS GI series.

Products are manufactured keeping in mind customer needs.

Cutting edge technology featured in your machines. What distinguishes your excavators from competitors?

We use regenerative hydraulics that reutilizes the returning pressurized flow through a regenerative circuit and channelizes

this to areas with high demand of oil. This helps to deliver greater flow to circuits that are performance intensive without spending more power. This improves the productivity of the machines without incurring additional fuel expenses.

We also have ConSite in our ZAXISGI series of machines and Insite in our EX Super + series of hydraulic excavators – these give recommendations and help identify the areas for improvement in production by pointing out wastages in operations and in power utilization. This helps in improving productivity and reducing fuel consumption.

Factors such as safety, operator comfort, ease of operations are crucial in any excavator. What are the steps undertaken by you for providing the same.

A safe and happy operator is a productive operator. This is the premise on which Tata Hitachi has approached operator comfort and safety. Tata Hitachi has designed wide open access areas to the work space, roomy seating with high visibility, building a strong cabin where an operator feels safe. The seat, one of the most comfortable available, has been carefully selected. The controls are placed ergonomically to prevent fatigue even in long hours of work. Automatic climate controlled air-conditioners are provided, to make the workspace comfortable in tropical whether conditions. Even in non-AC machines, the overhead hatch (which can be opened), the removable front glass and open able rear sash offer cross ventilation to elevate the experience of comfort.

The prospects are getting better for global practices like equipment leasing, rental and used equipment to become main stream in India. How do you look at these opportunities as a player in the Excavator market.

Our experience is that refurbished machines have a great potential in future and is expected to grow. In countries like China and Japan, as high as 30% sale is through used equipment. Here in India,

EXCAVATORS

customers are ready to pay at least 10 to 15% extra for the value they get, when a machine is refurbished by an Authorised Dealer's Workshop, backed up by limited warranty, mandatory services, etc, from OEMs like us. Due to the nature of application, short tenure of work or situation where attachments are fitted on the machines, many end-users still prefer used / refurbished machine, than a new machine due to lower capital investment. Major buyers of such machines are small and medium sized local contractors and rental companies who leverage low-cost inputs to offer low affordable rates for their services. Lately, many large construction companies have also started procuring second-hand units, due to some of the above reasons.

Aftermarket services as a strategic differentiator.

The Customer Support Division of Tata Hitachi is focused to improve customer satisfaction in Parts and service, and is driven by three important guiding themes, viz., right product and services at right time, fix it right the first time & Deliver Quality services.

Enhancing better customer services to customers, Tata Hitachi adopts various strategies rendering value added services through parts and service offerings. Tata Hitachi's engagement with customers throughout the life cycle of the equipment offers valued services through annual service contracts, post warranty services, mobile workshops, Field Diagnostic Vehicles, REMAN, customer and operators' trainings etc., Tata Hitachi also operates Full Maintenance contracts with customers for mining Equipments. With the objective of meeting customer expectations and improving response time to customers, Tata Hitachi has introduced Call center services to facilitate customers to avail prompt services leading to timely deputation of service engineers to address their problems.

In addition to this, we offer various special attachments for versatile applications to meet the end customer's requirements. Our wide range of attachments include Rock breakers, Quick couplers, Augers, crusher etc., As a pillar of the Parts support strategy a new Regional warehouse at Dharwad and Kharagpur has been set up to provide faster and speedy availability of parts to customers through dealers, in addition to the central warehouse at Nagpur.

New modified Tooth points in 20 Ton & 45 Ton class with improved metallurgy/design and offered with competitive pricing, offers customer a higher life cycle with minimized downtime and low operating cost.

Tata Hitachi Supremo grease increases equipment greasing intervals up to 3 times with increase life of pins/bushes by 30-40 % Customized filter kits, Value Kits and Value Plus kits across various models helps customers in easy scheduling of periodical maintenance with necessary replacement parts.

With Tata Hitachi's engagement throughout the life cycle of the equipment, customers enjoy and experience Tata Hitachi services offered through various forms. The sale ratio largely depends upon the fleet of the machines available with the customer and the age



of the equipment.

Your strategy to play in a price sensitive market.

We understand that today, our customers realize that they need to be extremely competitive in the marketplace – and to be competitive, they need to reduce operating costs and improve efficiencies. Keeping this in mind we have developed a two pronged product strategy – one addressing the value segment and the other the premium segment.

The value segment:

The EX Super+ Series excavators – combining advanced technology and low running costs - to enable a high return on investment. The superior design of products in this series ensures ease in serviceability leading to a lesser downtime for maintenance. This series comes with our telematics solution - InSite - that gives detailed data on the performance of the equipment at job sites. The Super + series of hydraulic excavators work in a wide variety of applications in various geographies across India commanding best in class resale value.

For the premium segment:

Our offering is the ZAXIS GI series of machines – fitted with industry leading hydraulic technology to ensure unbeatable performance, high fuel efficiency and high durability. These excavators provide impressive fuel economy, swift front movements and is easy to operate with industry leading cabin for operator comfort. Another highlight of this series is the optimized hydraulic system and the improved engine which showcases Hitachi's technological prowess and expertise. Powered by ConSite : a next-generation service solution that utilizes Information Communication Technology (ICT), to deliver monthly reports to customers. In addition to this, we also offer our comprehensive range of support solutions that include Full Maintenance Contracts, Annual Maintenance Contracts & Extended Warranty.

To strengthen our relationship through the customer life cycle experience, we have introduced field diagnostic vehicles for faster reach and immediate on-site resolution. Our mobile workshops reach customers and carry out repairs with ease. We have a full-fledged Re manufacturing components center at Kharagpur that keeps supplying refurbished hydraulic equipment and Isuzu engines at a fraction of the cost of a new part.

Your outlook for the rentals market.

Given the focus of construction companies on execution, more and more companies are using rented equipment. It is important to note that the proliferation of construction equipment far & wide has helped increase the confidence of the companies to source this equipment locally to cut costs as well as generate employment, wealth & touch the lives of the community where they operate. Organized rentals are still evolving, given the various challenges involved, but are likely to grow further in the future, as commitment to timelines as well as complex construction & faster execution demands grow.