

Tata Hitachi eyes 10% market share in backhoe loader segment

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Sandeep Singh, Managing Director, Tata Hitachi

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Riding on the comfort of the country's infrastructure development, Tata Hitachi—the JV between Tata Motors and Hitachi Construction Machinery—is looking at a 10 per cent share in the backhoe loader market.

“The main demand for the equipment is driven by road development followed by agriculture, irrigation purpose and mining. The market for construction equipments are erratic and it depends on the government investments. Right now, the market is progressing at a fast pace, thanks to the investments made by the Centre and state governments for infrastructure purpose,” Sandeep Singh, Managing Director, Tata Hitachi said.

Speaking to *BusinessLine* on the sidelines of the launch of the company's new backhoe loader Tata Hitachi Shinrai in Kerala, Singh said the size of the market for both backhoe loader and excavator put together is \$5 billion and is growing at 15-20 per cent. With the streamlining of GST this year, he pointed out that the challenge is now on the rise in material cost like steel, consumer durables like oil, filter, rubber materials etc. The fluctuations in rupee is also adding to the production cost, which rose by 10-12 per cent.

Singh said that there was shortage of manpower and that Tata Hitachi has undertaken several initiatives to provide training to technicians through tie-ups with many ITIs in the country.

The company has three manufacturing facilities at Jamshedpur in Jharkhand, Dharwad in Karntaka and Kharagpur in West Bengal.