



“Our objective is to keep pace with market growth and consolidate our market leadership”



In a milestone event in March, Tata Hitachi, a joint venture between Tata Motors Ltd and Hitachi Construction Machinery Company Ltd, accomplished the roll out of its 10,000th machine – the ZAXIS370GI excavator – from its state-of-the-art technology plant at Kharagpur. **Sandeep Singh, Managing Director, Tata Hitachi Construction Machinery Company** offers **Shrikant Rao** an understanding of this company's plans to contribute to the technological leap.

How is Tata Hitachi machinery helping the country make the NextGen Leap through the medium of its products, technologies and services?

A pioneer in introducing the latest technologically advanced equipment in the Indian market, Tata Hitachi has migrated technology from the EX series to EX Super of excavators and ZAXIS series to ZAXIS GI series of excavators where features like online access to location of equipment, online health monitoring system, etc have been included.

In addition to this, the organisation has introduced Consite, a next-generation service solution that utilises Information Communication Technology (ICT) to deliver monthly reports to customers. Providing both summary reports that give an overview of the operation of all the fleet owner's machines, and detailed reports that show information about individual machines. Customer education programs are conducted to help them infer the data and take necessary initiatives to improve site efficiency and thereby profitability.

We have also introduced a remote fleet management system with our Global e-Service offering. This allows the customer easy access to on site machines, helping him access operating information real time to increase machine productivity and reduce downtime. This is a convenient and simple system which has been designed to give customers valuable information regarding the operations, maintenance, system parameters and alarms of their machines from the convenience of their offices. Safety features like travel motion alarms, online- machine health monitoring system and rear-view camera – these are some of the many firsts from the organisation - have also been added to our excavators.

Tata Hitachi prioritises outreach to customers through a strong distribution network that aids in the servicing and selling of products. Our vast network includes a Marketing Head Office, regional offices, branch offices and dealerships spread across the length and breadth of the country. Added to this is full maintenance contracts providing round the clock services to the customers on site, by deploying highly skilled and trained service teams supported by parts warehouses to ensure uptimes of equipments.

Tell us about your company's performance this year and your drivers for business.

As an organisation, our attempt, like always, will be to keep pace with market growth and consolidate market leadership. Our focus will be on our demand drivers – Infrastructure and Mining. 2016 has been a reasonably good year for us. We have retained our leadership in the hydraulic excavator business with 37 per cent market share. We are also seeing growth in our wheeled product business. In 2017, our focus will be to build on the foundation we have laid for ourselves. We will be expanding our product range and focusing on increasing our sales of wheeled products, by refreshing our TL340H Wheel Loader and introducing a new product in the Backhoe Loader segment.

What were the new products recently launched by the company?

In 2016, we launched the ZAXIS370 LCH and the ZAXIS400MTH from our Kharagpur plant. Targeted at Granite & Marble, Blue metal handling and bulk excavation segments in India, this machine is powered by a reliable Japanese engine to deliver 250 PS power and is built to achieve higher production efficiency in tight job

schedules. Running on HIOS-III (The Human & Intelligent Operation System), the latest in Hydraulic Technology from Hitachi across the globe. The machine smartly combines high power delivery while increasing the fuel efficiency by 10 percent. This feature loaded machine enables the customer achieve significant savings in operating costs. We also launched the ZAXIS470 Shovel version at IMME this year. A heavier, sturdier and quicker mining machine, the ZAXIS 470H GI Series hydraulic excavator ensures improved production and cost-effectiveness. The new machine features the key benefits of high quality, low fuel consumption, high durability, and exceptional operator comfort, all of which serve to ensure low running costs.

Could you talk about the company's range of equipment and your focus on R&D?

We have a full range of construction and mining equipment. Most of our models are manufactured in India. Some are imported from the Hitachi Network. Our consistent growth and success is built on the foundation of our ability to understand customer needs and provide them the necessary equipment and support solutions to increase their profitability and competitiveness – what we define as reliable solutions. Our comprehensive range of equipment include 2 to 40 ton hydraulic excavators for the infrastructure sector, 45 to 120 tonne for the mining sector and the ultra large 190 to 800 tonne excavators for specialised heavy duty mining.

These products, amongst others, are a part of our latest EX super series and the technologically advanced ZAXIS GI series. Products which have been manufactured keeping in mind our customers. We understand that today, our customers realise 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 mind we have developed a two pronged product strategy: one addressing the value segment and the other the premium segment.

The value segment has products belonging to the EX Super Series – 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. These EX Super Series machines work in a wide variety of applications in various geographies across India commanding best-in-class resale value.

For the premium segment, we have launched the ZAXIS GI series of machines – fitted with industry leading hydraulic technology to ensure unbeatable performance, high fuel efficiency and high durability. The ZAXIS GI series of products provide impressive fuel economy, swift front movements and is easy to operate. Another highlight of this series is the optimised hydraulic system and the improved engine which showcases Hitachi's technological prowess and expertise.

We manufacture both standard machines and develop specific customised machines through a process of research and development. A wide variety of applications are addressed by offering unique and suitable attachments. Our Indian R&D and technical support groups work together with HCM to establish and ascertain the compatibility of the attachments with the machines developed in India. To sum up, a combination of HCM Technology and Tata Hitachi R&D has given us the required expertise to customise and build machines keeping in mind the job site and application requirements in India.

What are the plans for your company going forward as India makes a development push?

At Tata Hitachi our focus is on our demand drivers in the market – Infrastructure and Mining. In infrastructure there has been a spurt in roads and railways construction leading to an increase in the demand for excavators. We are also seeing a significant demand from major and minor irrigation projects from some of the South Indian states. Projects such as the redesigned Pranahithachevella Irrigation Project, the

Mission Kakatiya Project, and the Mission Bhagiratha Project are all contributing to an increased demand for excavators. As far as the mining segment goes, in the long term, the industry overview is positive. However, currently there is a de growth, though numerous projects have been announced by the government. Our attempt and objective is to keep pace with market growth and consolidate our market leadership.

What is Tata Hitachi's outlook for the future?

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. Several critical projects have been announced in the recent past opening up new avenues for the construction machinery industry. Among these are the 'Make in India' initiative - aimed at taking the share of manufacturing to 25 per cent of GDP and creating jobs to cater to the large number of youth entering the workforce – the 100 Smart City project for creating world-class new urban agglomerations to absorb rising city population, the Clean Ganga initiative for cleaning the river. All these projects will lead to a surge in the demand for earthmoving and construction equipment. In the years when the construction equipment industry was facing a downturn, we invested in technology, research and product innovation and improvement which have given us the confidence of catering to the new demand surge the market is currently seeing. Our factories at Jamshedpur, Kharagpur and Dharwad are well equipped to produce both standard machines and customised machines and attachments- basis the project and job site needs – to address the market and customer needs.

The introduction of GST will, we believe, be a game changer which should reduce the overall taxation burden to our customers including easier and hassle free transportation of machines from one site to another. This will also enable seamless credit of taxes paid by the customer in the value chain. **CBT**