

# Tata-Hitachi unit to lure another ₹1kcr investment

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**Kolkata:** This project was announced by the Tatas to be set up in Bengal along with its famous Nano unit in May 2006. While the Nano project had met the fate of premature death even before its birth here, the earth-moving equipment project of Tata Hitachi Construction Machinery Company had a hurdle-free run towards its low-profile launch last year and would well become one of the biggest manufacturing projects in the state keeping foreign direct investment component intact. If everything goes as planned, the Tata Hitachi project in Kharagpur; a joint venture between Tata Motors and Hitachi, could attract another Rs 1,000 crore investment in next two years.

The company has already invested Rs 550 crore in its Kharagpur facility. Ranaveer Sinha, managing director of Tata Hitachi, said the project will house a large vendors' park. "Five units have already started construction at the park. The total investment by these units will be Rs 300 crore," he said. Out of the five firms, four



Hitachi Construction Machinery global president & CEO Yuichi Tsujinoto at the launch of Tata-Hitachi Hydraulic excavator in city

are Japanese JVs. Besides, 10 more companies are likely to invest over Rs 700 crore in the vendors' park. "Initially, people were not very confident to come to Bengal. But now as the unit has started production more and more companies are coming," he said. It may be noted that Singur Nano project, too, had provisions for a large vendors' park.

Sinha also reiterated that the Kharagpur facility will

gradually become export hub of Tata Hitachi from India to South East Asia and Middle East.

Incidentally, Tata Hitachi, formerly Telcon, the subsidiary of Tata Motors, conceived the project in 2006. Later on, Hitachi increased stake in the company to 60% and it becomes a subsidiary of the Japanese electronics giant. Sinha said that 90 acres has been earmarked for the vendors park. Tata Hitachi's mother unit is situated on 250 acres. He added that most of the components for the Kharagpur facility is coming from Adityapur near Jamsedpur. Some components are being imported from Korea and Japan. "Once the vendors' park is ready, majority of our components we shall get here," Sinha added.

Tata Hitachi will manufacture small- and mid-size excavators and dumpers (20-45 tonnes) in Kharagpur. It will also build dump trucks in its Kharagpur facility after 18 months. "Now, we could utilize 35% of our capacity but gradually it would go up," the Tata Hitachi MD added. Kharagpur is the firm's second manufacturing unit after Dharwar.

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