

# Tata Hitachi hopes to raise construction equipment market share with new products

**Our Bureau**

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Tata Hitachi's construction equipment manufacturer wants a bigger share of the country's equipment market along with more exports.

The 40:60 per cent venture between the Tata group and Japanese conglomerate Hitachi, the Tata Hitachi Construction Equipment Machinery Co now has a market share of about 37 per cent. It hopes to increase this to about 42 per cent over the next three years by launching newer models, Rana Sinha,

Managing Director of the venture, said.

Addressing a press conference at the launch of the high-powered excavator ZAXIS 220LC, he said that the focus of the company will be to offer superior quality products, high fuel efficiency, low maintenance cost and quality services.

"With a large network of service centres, we will be able to make a difference to the buyer. This will help us gain (a bigger) share in a market which is seeing increased competition from multinational corporations such

as Caterpillar, Komatsu, Volvo, JCB and a few Chinese companies. Chinese companies such as Samy are coming up with products and aggressive pricing, which adds to the competition," he said.

The country's construction equipment market, now estimated to be about Rs 22,000 crore, had grown at a compounded annual growth rate of over 30 per cent during the infrastructure boom from 2003 to 2008. Growth in the industry has remained flat since then.

However, most players in this

space believe the market will improve from this year on as the infrastructure sector starts to pick up again. "We have also begun to export to select markets from the new manufacturing base. The volumes will slowly go up," Sinha said.

The new product launched at a price of about Rs 50 lakh is ideally suited for excavation work for construction of roads and mining-related business. Owners can monitor its performance through its GPS installation.

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