

# PROPEL

ISSUE 14 | JULY 2018

**Rane**  
Foundation  
Serving Society



**RANE FOUNDATION**  
& its action-oriented  
approach to  
**SERVING SOCIETY**



# THE WORLD OF RANE



Rane Holdings Limited (RHL)

Rane Brake Lining Limited (RBL)

Rane Engine Valve Limited (REVL)

Rane (Madras) Limited (RML)

- *Steering & Linkages Division (SLD)*

- *Diecasting Division (DCD)*

- *Rane Auto Parts (RAP)*

- *Rane Precision Die Casting Inc. (RPDC)*

Rane NSK Steering Systems Private Limited (RNSS)

Rane TRW Steering Systems Private Limited (RTSS)

- *Occupant Safety Division (OSD)*

- *Steering Gear Division (SGD)*

Rane Holdings America Inc. (RHA)

JMA Rane Marketing Limited (JMA Rane)

Rane t4u Private Limited

Rane Holdings Europe GmbH



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# INSIDE THIS EDITION



**F**For this edition of Rane Propel, we've carefully handpicked a good mix of stories. We begin with a note from our Chairman Mr. L. Ganesh, which talks about our renewed focus on both product and process innovation. He also shares his macro views on the automotive industry and our outlook for 2019.

Earlier this quarter, we had Mr. Quin Garcia, Managing Director at US-based VC firm Autotech Ventures, visit the Rane Group in India. We organized a discussion session for him with our senior leaders to exchange notes on technology trends and we capture highlights from his talk in this edition.

The *Cover Story* of this edition showcases the progress we've made at Rane Polytechnic and the recent launch of Rane Vidyalaya. The education sector is a key focus area for the foundation and we're excited to announce the launch of our school.

For *Outside In* this edition, we requested for an interview with Mr. Hemant Sikka of Mahindra & Mahindra, who spoke about the role of technology in supply chain management, Mahindra's experience with electric vehicles and several other important subjects.

For *Business Roundup*, we interview Mr. D. Sundar of RML's Die Casting Division, which was established in 2006. The story captures the growth of this business unit since founding.

As always, we also share highlights of important awards we've won from various customers including Maruti, VECV, Mahindra and TAFE. In *News@Rane*, we share details on new office openings, achievements by our employees and highlights from other events Rane Group was a part of.

Hope you enjoy reading this edition of Rane Propel.



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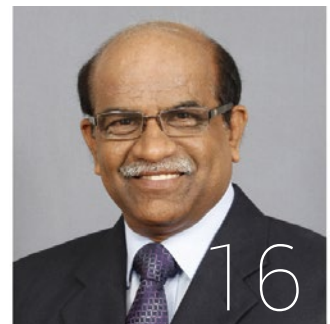
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## CUSTOMER AWARDS

### MAHINDRA BUSINESS PARTNER OF THE YEAR AWARD

Rane Group has been awarded the 'Mahindra Supplier Excellence Award - Business Partner of the Year - Automotive Division' in recognition for its outstanding contribution in FY18 at the M&M Supplier meet held on 9-June-2018 in Croatia.



### RECOGNITION FROM MARUTI SUZUKI



Rane (Madras) has been awarded for "Special Support" and Rane NSK has been awarded for the "efforts in Vendor Import Localization" by Maruti Suzuki India Ltd at the Vendor Conference held from May 2-4, 2018 in Abu Dhabi.

### AWARD FROM VECV



Rane TRW Steering Systems Pvt Ltd has been awarded for the "Best Supplier in New Product Development" ("This includes New Product development /Ramp up in supplies of NPD & Regular parts") by VE Commercial Vehicles at the Annual Supplier conference held on 26th April, 2018 at Indore. VECV also mentioned about RTSS team's customer centricity, willingness to take challenges and senior management support and focus towards customer objectives.

### QUALITY AWARD FROM TAFE

Rane Engine Valve Ltd has been awarded for the "Commitment to Quality" by TAFE Motors And Tractors Limited at the Vendor Conference held on 28th April 2018 in Delhi.



# REEMPHASIS ON **PRODUCT & PROCESS INNOVATION**

We look back at FY 2018 with satisfaction, as it was a good year for Rane Group. We achieved several key milestones we had set out with in the beginning of the year. The group companies have delivered robust performances, supported by positive growth across major vehicle segments in India. And, we are expecting this trend to continue, which is good news.

Our international business also grew, especially in North America. Europe is another important market for us and we had set up an office in Germany to grow our business in Europe. In addition to two local employees already there for the purpose, a third was deputed from Chennai. With this, we cover the two important international markets for Rane – North America and the Europe. And, we expect this will pay dividends in the future, as we'll stay closer to our customers and emerging technology trends.

Earlier this year, we participated in Auto Expo 2018 and were delighted with the response from OEMs who visited us. The initial response to our new products across product segments has been very good, and the feedback we received at the expo regarding R&D was encouraging.

Rane strives to anticipate and meet customer requirements, and the efforts are validated when

they recognise us through awards. This year too, we received quite a few awards, and this kind of recognition certainly motivates the team to improve further.

## ***Venturing into New Arenas***

These are exciting times as the lines between different industries are blurring. The auto industry is no exception, as automation, communication and digitization change the way the market dynamics are changing.

Rane is keen to align itself with these changes and has acquired a majority stake in Telematics4u, a connected mobility solutions provider. To further transform itself to meet new demands in the marketplace, we have made a small investment in Silicon Valley-based ground transportation-focused

venture capital fund – Autotech Ventures. This will help us stay close to emerging technologies and innovation in the US, while helping us in the strategic decision-making process.

Recently, a Managing Director from Autotech Ventures visited us in India, and we organized a session to share insights with our senior management, which resulted in a good brainstorming session on new technologies.

## ***A brief on our CSR Efforts***

Most of our CSR efforts have revolved around the themes of education, health, community development and environment-related activities. Over 80 per cent of our social spend is through the Rane Foundation, while the remaining is through the individual companies to



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***We look forward to exciting times ahead. Our key message to our entire team is to stay close to our customers, understanding their evolving technology needs and stay nimble to take quick action.***

”



implement projects around the plant locations, based on local needs.

One of our significant CSR projects is the Rane Polytechnic, in Sethurapatti village, Tiruchirapalli, approved by the All India Council for Technical Education (AICTE), New Delhi. It offers diploma level technical courses in Mechatronics and Mechanical Engineering to secondary and post-secondary candidates and currently has 600 students. While we absorb 25 per cent of the students into Rane Group, it is heartening to note that the remaining 75 per cent get placed in other reputed companies.

The next major initiative in education is setting up a school near Trichy. We wanted to setup Rane Vidyalaya in a location where there was a clear need for it and requested the students of BIM Trichy to conduct a survey to identify the right place. After careful deliberation, we singled out on Theerampalayam, Trichy, and launched Rane Vidyalaya, earlier this year, and opened for the current academic year from LKG to Class II.

In addition to these activities, we have also initiated a Rane Pioneer of Change Award through which we will identify and bring into limelight grassroots level organizations and individuals from Tamil Nadu, who have excelled

as social change leaders in the field of Education, Capacity Building & Skill Development, Public Health and Community Development. We are in the process of evaluation and will announce the winner shortly.

### **Outlook for 2019**

The domestic market, our largest revenue contributor, continues to do quite well, with positive forecast that bodes well for the industry as well as us. Demand for commercial vehicles, tractors, passenger cars as well as two wheelers continue to look promising. We are focusing on improving operational performance at REVL and RPDC.

Of course, there are some challenges too – commodity prices are going up sharply. We will have to wait and see if it will affect customer sentiment and market trends.

The second is the rising cost of petrol and diesel prices. This has been a dampener in the past. But again, only time will tell how it will affect buying behavior in our markets.

With respect to our international business, we are seeing the U.S. growth flattening, but since our presence is not so big, it has not affected us much. Europe seems to be doing well.

We strongly believe that Rane can overcome the challenges and the changes in the industry by working more and more on innovation in products and processes. We look forward to exciting times ahead. Our key message to our entire team is to stay close to our customers, understand their evolving technology needs and stay nimble to take quick action.

# IN CONVERSATION

## WITH QUIN GARCIA, MD, AUTOTECH VENTURES

Quin Garcia, Managing Director at US-based VC firm Autotech Ventures, addressed Rane Group's senior management and shared his views on emerging trends in the automotive and mobility landscape.

To share a quick background, Autotech Ventures is a US \$120 million venture fund with a deep focus on investing in the US \$3 trillion ground transportation segment.

Autotech enables passionate entrepreneurs to deploy revolutionary transportation technologies and business models by providing capital, ground transportation market intelligence, and access to its automotive network, including its corporate investors. Its corporate network spans companies from around the world, cumulatively representing a total market capitalization of over US \$500 billion.

The transportation sector is undergoing tremendous changes as technologies enable merging of sectors, blurring lines between technology and automotive industries. While auto leaders are looking at new business models, start-ups as well tech majors are innovating the way the vehicles are designed, manufactured, sold and maintained.

In line with its vision to continuously upgrade its products and



manufacturing processes, Rane Group has a deep focus on research and development, while also closely monitoring new and emerging technology trends in the sector. With a keen eye on the future, Rane invested in Autotech Ventures as a corporate investor, to enable the group to have a deeper understanding of the mobility and next-generation ground transportation sector.

### ***Autotech Ventures, a background***

Founded in 2015, Autotech Ventures was founded by a team of leaders with deep expertise in both venture capital and the ground transportation sector. The fund has backed passionate entrepreneurs to build companies at the forefront of next-generation ground transportation, often

embracing new business models.

In addition to capital, Autotech Ventures also brings to the table its global corporate network and intelligence on emerging automobile trends. The fund also helps its portfolio companies recruit transportation-specific talent and possibly establish partnerships with larger players.

Broadly, within the ground transportation sector, the fund is exploring opportunities in shared services, self-driving and autonomous solutions, user interface technologies, backend and cybersecurity, electrification/hybrid, energy storage and telematics.

The company has also roped in a



global network of corporate partners as its limited partners, enabling access to intelligence across markets. Different regions are at various maturity levels when it comes to embracing emerging technologies. For instance, there is lots of expertise and market intelligence for mobility and autonomous startups in Silicon Valley; China is a critical market for emerging tech and business models for the two wheeler segment; Israel is leading in automotive software and the Indian market has seen constant innovation in cab-hailing, auto components, telematics and electric platforms.

Till date, the fund has backed over 12 startups with an investment of US \$26 million. While it started with a focus on investments in North America, it has recently backed a startup in Berlin, which has operations in Nigeria and Chile.

### **Quin's talk addressing Rane Group's senior leaders**

In his hour-long talk to senior management leaders from across Rane Group companies – Quin spoke about emerging trends in technology, consumer behavior, new business models.

Specifically, he touched upon the following topics, backed with data points:

**Mobility:** To enable the next phase of transportation and mobility solutions – both goods and people – there are many new trends that companies are exploring around the world. From app-based cab booking and B2B logistics to technology-driven parking and fleet management solutions, several young companies embracing these trends have gone mainstream. There is cutting edge research and development in areas like electrification and energy storage. According to Quin, this segment saw over 1300 investments between

2010 and 2017. The US topped the list with over 500 deals accounting for US \$55.7 billion in investments, followed by China with 60 deals valued at US \$24 billion. The Indian market, primarily thanks to few large investment rounds in cab hailing companies, hit US \$1.9 billion across 25 deals.

### **Changing face of Car Ownership:**

Today, the attitude towards owning a car is changing. The buying behavior is changing for several reasons – cost of insurance, maintenance, parking and reselling. Additionally, people are looking to buy an 'experience' – they may need an SUV for the weekend and a sedan for the week – and there are startups that sell car subscription services that allow such flexibility. Of course, this presents several opportunities to build startups in areas across car maintenance, fleet & inventory management and digital car subscription services. These trends are changing the entire landscape – enhanced efficiencies, reduced insurance & parking costs.

**Telematics:** Several large technology companies have entered the automobile sector by building telematics products. The biggest challenge for companies in this space has revolved around the difficulties of scaling.

### **Increase in collaboration**

At Autotech Ventures, the fund catalyzes collaboration among startups and large corporates. Historically, collaborative efforts, and mergers and acquisitions, have been rare in this industry. However, since 2013, we have seen more than 130 deals with the total deal value in excess of US \$30 billion.

We're also witnessing more collaboration in terms of joint development efforts, project-specific collaboration and licensing. Autotech

***Rane Group has a deep focus on R&D, while also closely monitoring new and emerging technology trends in the sector. With a keen eye on the future, Rane invested in Autotech Ventures as a corporate investor, to enable the group to have a deeper understanding of the mobility and next-generation ground transportation sector.***

Ventures, in addition to providing much-needed venture capital, also enables deal-making and collaboration for its partners and portfolio companies.

### **Saying yes or no to an investment**

At the end of the session, Quin responded to several questions posed by leaders from Rane. To the key question on how one should assess whether to back a venture or not, Garcia replied: Three key traits to look for in a start-up: team, team and team. The health of a start-up depends on how good a team the founder(s) put together – for that will drive both stability and growth potential. Additionally, it also evaluates the market potential for the idea, market size, and the ability of the entrepreneur to go through ups and downs with emotional maturity.

Quin admits that scalability is arguably the biggest challenge; an idea may work addressing a small market. The big question often is how can a particular technology/IP be used to build tremendous scale.

## RANE FOUNDATION &amp;

**ITS ACTION-ORIENTED**

## APPROACH TO SERVING SOCIETY

*‘Community First’ has always been the founding principle of Rane Foundation. Since its creation in 1967 as the philanthropic arm of Rane Group, the Foundation has focused very carefully on four important areas – education, healthcare, environment and community building. In this feature, we showcase two of Rane Foundation’s key education projects: Rane Vidyalaya and Rane Polytechnic.*

At Rane Group, we’ve a longstanding tradition of striving for quality, excellence and customer-centricity in everything we do across our group companies. Our goal is to bring in the same commitment, passion and rigour to the workings on Rane Foundation.

Over the years, we’ve implemented our CSR projects with a deep focus on action and execution. While it is important to commit capital to societal projects, it is equally critical to back it up with implementation.

One of the key focus areas at the foundation is on education. The sector is of critical importance to India’s progress as a nation. Overall, over the next few years, more than 200 million young Indians will need education and employability training. There are, of course, several government projects underway, but considering the need there is so much room for contribution from a number



of players. The biggest issues in the education sector include lack of access and quality. While there has been some progress, children in rural areas continue to be deprived of access to trained teachers, text books or structured curriculum.

There is no doubt that education and eventually employment are crucial to reduce poverty. At Rane Group we’ve contributed to several educational institutions and we’ve seen the impact it has on the students first-hand. The

most interesting aspect when it comes to education is that once one family member, say an elder brother or sister, is educated and finds a job, it inspires a number of friends and relatives from the village to follow the same path. It is with this goal in mind, we decided to focus on two crucial projects at Rane Foundation, viz. Rane Polytechnic Technical Campus (RPTC) and Rane Vidyalaya (RV). In this feature, we share highlights from both these projects.

# — Rane Polytechnic Technical Campus (RPTC) —



RPTC was established in Sethurapatti village, Trichy in 2011. Since its inception, it has played a crucial role in training rural youth in important skills that are crucial for industry. RPTC is approved by All India Council for Technical Education (AICTE), New Delhi and affiliated to the Directorate of Technical Education (DOTE), Tamil Nadu.

RPTC started operations with its first academic year in August 2011, offering courses in two disciplines – Diploma in Mechanical Engineering (DME) and Diploma in

Civil Engineering (DCE). In the first batch, 60 students enrolled in each course. In line with needs to industry and prospective recruiters, RPTC introduced a Diploma in Mechatronics Engineering (DMTE) and enhanced intake for DME to 120 in 2013.

With each batch gaining strength, the college has sent out four successful batches of students with a 100% placement record. Over 950 students have graduated and currently there are 700 students are pursuing the course. To benefit

the working population, a part-time Diploma course was introduced in 2015, facilitating multiple entry-exit between vocational education, regular education and job market.

In 2017, RPTC is accredited by National Board of Accreditation (NBA) for Diploma in Mechanical Engineering. The next major milestone for RPTC is to become a Center of Excellence that would seamlessly integrate the concept of Outcome Based Education (OBE) into the curriculum.

## Key Highlights from RPTC

- **Digital Library and Smart class rooms**
- **Finishing School Program** offers a structured curriculum delivered in 248 hours to enhance the employability
- Regular **industrial visits** are organized to facilitate industry-academic connects
- An **Educational Tour** is organized for the final year students to provide exposure to industry. Graduates are exposed to systems, processes and concepts they need to acquire to become effective engineers
- **Staff Development Program** to enable staff members to continuously learn and upgrade their skills
- **Parent teacher meeting** to highlight ward's academic performance and areas for improvement
- **Alumni Meeting** to enhance students connect with alumni and to share industrial experiences
- **State Level Technical Symposium** – RANE VAIBHAV is conducted to offer a platform for students and faculty to keep track of latest technology trends, enable networking and to improve presentation skills
- **National Service Scheme (NSS)** with over 100 volunteers conduct 15+ programs every year
- Immense support to **sports and games** to encourage our students to develop team spirit and personal health



## Rane Vidyalaya



Rane Foundation is now embarking on an exciting journey to set up Rane Vidyalaya at Theerampalayam, Manachanallur district. This school

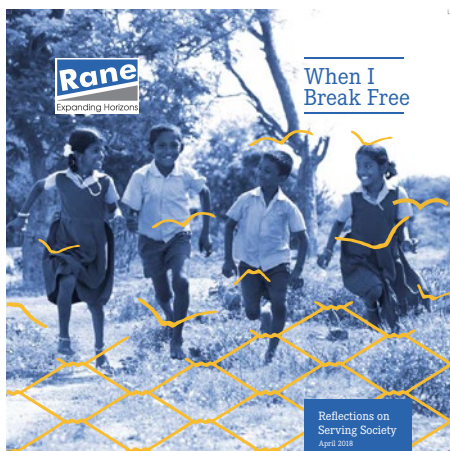
will realize the dream of the foundation to provide high-quality and relevant education to students in the neighboring districts. The academic

session 2018-19 will have classes LKG, UKG, Class I and II.

### Highlights

- Green campus with excellent infrastructure
- Academic excellence with conceptual understanding
- Activities for all-round development
- Deep focus on building a high-quality, reputed school for students in the region

## CSR brochure



*Earlier this year, we launched our CSR brochure to highlight work done by Rane Foundation and other Rane Group companies.*

## Rane Foundation Website



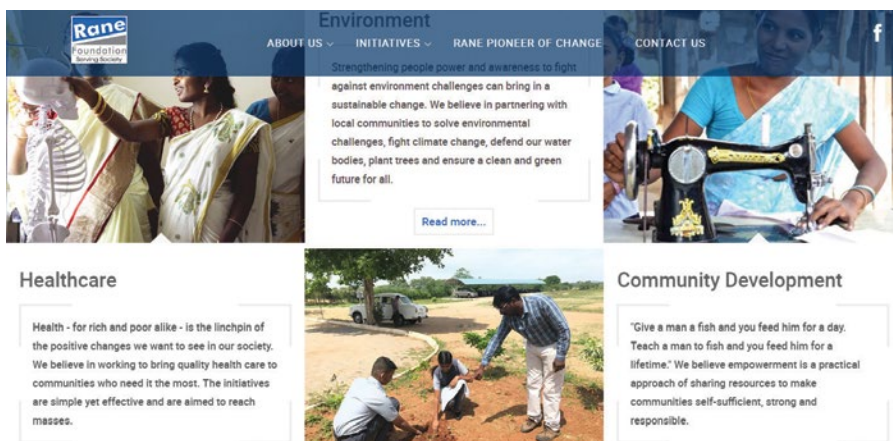
### EDUCATION

India is at the cusp of a paradigm shift where 200 million children need education and employment. Seize it, and we would be at the forefront of an economic and demographic renaissance.

A plethora of government initiatives to provide access to primary education may be underway, but issues of equity, quality and access remain areas of concern particularly in rural schools. Children in rural areas continue to be deprived of quality education owing to factors like lack of competent and committed teachers, lack of textbooks or teaching-learning materials and so on.



*Recently, we launched the website for Rane Foundation. Please do visit [www.ranefoundation.org](http://www.ranefoundation.org) for more information.*





IN CONVERSATION WITH

## HEMANT SIKKA OF MAHINDRA & MAHINDRA



Mahindra & Mahindra, across all its group companies, has been one of the foremost in adopting digitisation for several processes right from supply chain management to customer relationship management. It's collaborative approach while leveraging IT has enabled it to launch several innovative features that are India's first. Driving positive change through alternative thinking and accepting no limits are the key pillars that support Mahindra's overall strategy for growth and innovation.

For this section of Rane Propel titled Outside In, we spoke to Hemant Sikka, CPO, President – Powerol & Spares Business Mahindra & Mahindra Limited, on various topics including Mahindra's approach to electric vehicles, shared mobility and autonomous vehicles, the role of emerging technologies in the automotive sector and the role of innovation in supply chain management.

Excerpts from the interview:

► **Electric cars, shared mobility and autonomous vehicles are central to your strategy for growth. Can you share some of your efforts to meet these goals in terms of SCM and marketing?**

We entered electric mobility through Mahindra Electric. We have also introduced an electric two-wheeler in the USA, Mahindra GenZe. We have created our own logistics marketplace called "Smart Shift", and

a platform for renting farm equipment, called "Trringo". Recently we have demonstrated a driverless tractor for autonomous farming. Precision farming using autonomous solutions for agriculture will drive our strategy of delivering prosperity to farmers. Mahindra is continuously investing in these technologies.

Our suppliers are our technology partners for incubating technologies. For example, we have established strategic partnerships with a few system suppliers such as LG Chemical for Li-Ion Batteries.

Urban traffic conditions, emergence of digital solutions and consumer mindset are redefining personal transport. We have partnered with Zoomcar in the shared mobility space and identified it as a major cooperation area for the Mahindra Ford Strategic Alliance. We have partnered with Uber for electrification of shared taxis. We have supplied e-Veritos and E2Os across several cities. We are also building an electric eco-system in Nagpur along with Ola.

For any new technology, marketing is key. We are taking all necessary efforts across the ecosystem from regulators to customers for marketing it.

► **You have identified mobility, artificial intelligence (AI) and Big Data-led digital transformation to introduce disruptive practices across the value chain. Can you**

**share some of the initiatives and their impact so far?**

Artificial Intelligence and Big Data will transform manufacturing practices and decision-making processes in Industry 4.0. Mahindra and its many suppliers have set up modern plants and necessary automation to harness its powers of accuracy and efficiency. AI & Voice based features/internet services are getting adopted in the vehicles. Transactions between Mahindra and its suppliers have already moved online and are part of analytics to foster informed decision making. The next milestone will be completing re-engineering with digital processes. Mahindra has launched digitization as a major initiative across businesses.

► **How do you ensure processes compliance along the supply chain?**

Mahindra is committed to good corporate governance; it is nonnegotiable. We have sustainable and efficient business practices and lay tremendous stress on communication with all value chain partners. We engage with our suppliers in multiple ways, including policy formulations, supplier conferences, online supplier portals and face to face communications to emphasize this aspect in our business relationships. We use green policies, supplier trainings on business capability, technical capability and sustainability, shop floor and business audits, sustainable packaging & logistics, supplier parks, closer sourcing etc. to manage compliance



**Transactions between Mahindra and its suppliers have already moved online and are part of the analytics process to foster informed decision making. The next milestone will be completing re-engineering with digital processes.**

and improve processes.

We have come a long way and I am sure that we will be evolving towards self-sustained compliance from regulator or OEM-mandated compliance.

► **What role do research and collaborations play in Mahindra's product and market development?**

Every automobile involves a wide mix of expertise and contribution from knowledge partners, supplier partners, agencies and institutions. The development of Mahindra new blockbuster products such as Powertrain requires international research and development cooperation. Mahindra has been able to release products with several innovative features and technologies in India because of this. The sophisticated dual mass flywheel clutch system and 6-speed automatic transmission are just a few examples. We have been pioneers in India in some of the features we released due to the collaborative efforts of all partners.

The connected vehicles and EVs are further redefining the scope of cooperation. Pininfarina, our design house in Italy, was instrumental in many styling projects for our vehicles and is currently engaged in creating an all-electric vehicle styling. Our

suppliers, distributors, dealers and agencies play very important roles in market development.

► **Can you share some of your innovations in distribution?**

The DMS system and a digital retail platform that virtually brings the showroom to your homes with 360-degree e-showroom are a few examples.

Leveraging Mahindra's vast urban and rural distribution network, we have introduced several innovations in our distribution system. To address the need for spare parts, we have invested in warehouses. We need to innovate continuously across the value chain for touching every customer at the individual level and provide delightful customer experience.

► **Supplier relationship building is very critical to keep a healthy supply chain. Please share some of M&M's efforts in this direction**

Suppliers are treated as strategic partners and they have played a key role in M&M business success. Mahindra believes that suppliers are core business partners and have a major stake in Mahindra's future. We have designed and implemented key processes such as New Product Development systems, Early Supplier Involvement, Mahindra Supplier Evaluation System, Supplier Business Capability Building and Supply Risk Management practices for their holistic engagement with the business. Timely and accurate business plans and key communication are ensured through annual supplier meets, regional meets, business review meetings, technology day and online single sign on supplier portals for regular interactions and information. Tremendous amount of cross learnings and leveraging expertise happens through Early Supplier Involvement in Product Development, Value Analysis and Engineering

efforts.

► **According to you, how does Supply Chain need to evolve to meet the emerging trends and innovations in the auto industry (electric vehicles, light weighting, etc.)**

Dynamic times call for a different mindset and approach. Managing business cycles for growth, building capacity and capability for future, staying frugal, agile, abreast with the emerging technology environment are needed. Execution excellence is key for survival.

Emerging e-commerce business has changed supply chain expectation of customers. We need to continuously evolve keeping our eye on unrelated industries as well to bring best practices to our industry. Supply chain has a key role to play in light weighting as every gram in vehicle counts and needs alternative thinking. We need to also control variability in manufacturing.

► **If you'd like to share one piece of advice with quality and supply chain professionals in India's manufacturing industry, what would that be?**

These are exciting times as India is emerging as an automotive production hub. We have a huge opportunity ahead of us. Customers have high expectations, and we need to do it "First time right, every time right and everything right."

We at Mahindra are guided by following three pillars in our business philosophy:

- Accept No Limits
- Alternative Thinking
- Drive positive Change

There is no better advice I can give to Quality and Supply Chain professionals than to follow these pillars as guiding principles in your profession.

# IN SYNC WITH TECHNOLOGY TRENDS

*D. Sundar, President of Die Casting Division at RML gives us a glimpse into the growth of the die casting division.*



RML's Die Casting Division was established in 2006 to capitalise on market opportunities for die casting solutions targeted at the auto industry and the engineering sector. This division designs, develops and machines aluminium casting components and sub-assemblies, primarily catering to the passenger vehicle segment supplying through global Tier-1 companies. "The two-wheeler segment is highly commoditised and cluttered with several suppliers who compete with each other for market share. We wanted to avoid that and have positioned ourselves as a technically superior supplier, even if our utilisation is less," explains D. Sundar, Business Head for the Die Casting Division.

In terms of revenue growth, this division has since grown from Rs.3 crore to Rs.140 crore by expanding the business in domestic and global markets over the past 12 years. It has established itself as a reliable supplier for safety critical steering housing parts and pump housings in both passenger car and commercial vehicle segments. It has subsequently ventured into the European markets for supply of steering housings. This division has also added critical engine parts to its product portfolio and started supplying for passenger cars and SUV applications in India.

### ***Delivering on Promise***

To share a little bit of history, Rane Group had acquired a 65 per cent stake in Soubhagya Diecast, Hyderabad, in 2005, as part of its plans to expand the business and foray into the North American markets. At that time, most customers were looking to exit their local foundry business and source parts from countries like India. Rane believed this was a golden opportunity to build a greenfield business. It started exporting to ZF-TRW, to supply to Chrysler, with one product. This has now been expanded to multiple products and the division supplies to other large OEMs as well. Currently, over 70 per cent of the division's revenue comes from exports.

This growth is a result of stringent quality standards, believes Sundar. The other decisive factor has been the way the company has managed the challenge of supplying its products, needed daily, to the customer who is 8000 miles away. "We have learnt how to move products quickly by managing logistics, warehousing of high volume parts and ensuring daily supplies to North America and the European Union," explains Sundar.

The management style is such that it encourages learning, is participative, challenging, and believes in empowering key talent. It is also a young team with an average age of 30-32, ready to come up with innovative solutions.

### **Technology Trends**

As vehicles are moving towards electronics, they need to be lighter and so the parts manufacturing as well as the materials used are undergoing several changes such as:

- Squeeze pin technology to reduce overall intensification pressure and compress the local wall section
- Creating undercuts configuration by applying submerged cores in the die tool
- Using jet-cooling technology to balance the thermal equilibrium in the die tool
- Using vacuum assist technology to evacuate the air in the die tool thereby minimising the gas porosities

RML DCD has carefully stayed ahead of these trends and is catering to the latest requirements, while simultaneously meeting its customers' high volume requirement. "We are currently receiving RFQs for electric vehicle parts, which use different alloys with heat treatment, and exploring to learn and manufacture these parts in the future," explains Sundar.

The company is adding machining capabilities and supplying parts that are ready for assembling. The company has grown thanks also to its relationship with ZF (erstwhile TRW). "They keep us busy with new projects," he adds. Since 2015, it has been involved in new program from Toyota's engine plant in India, which sources indigenised parts. "We developed a critical engine part for them and continue to supply to them," adds he. Also has tied up with



AISIN, a Japanese corporation, which develops and produces components and systems for the automotive industry, as tier I supplier.

"In 2008, we had a global financial meltdown and major automotive customers went through bankruptcy. To mitigate the business loss we were awarded with long belt drive steering housing for the Ford platform," recalls Sundar. The customer has approached RML-DCD to develop the parts and start supplies in eight months' time. It was a very new product. "We took the challenge of capacity creation as well as die tool and process development, delivering on time as committed. This helped the customer to protect their end-customer line and resulted in enhancing the business," he adds.

### **Moving Forward**

As the first plant of 2.2 acres is not enough, the company has started

another one with 25 acres of land 60 km from the old plant. This greenfield plant was established in a short span of time for catering to new programs. The company's immediate priority is to secure additional business to improve capacity utilisation. It is aiming to become a preferred supplier by participating in global platforms by leveraging its presence in North America and India. It intends to align with the requirements of automation and data exchange in manufacturing technologies and the Industry 4.0 methodology. DCD will also be enhancing competencies in die casting, thereby challenging critical components for electric vehicles, and has engaged a Japanese consultant for the last few years to train the engineers.

Broadly speaking, the focus for RML-DCD is to remain a technically superior supplier, with a keen eye on emerging technologies and trends.



## ZF MANAGEMENT VISIT

Members of the Board of Management of ZF Mr. Peter Lake (Corporate Market), Dr Franz Kleiner (Corporate Quality) and Dr Michael Hankel (Corporate Production) visited RTSS on 24th April 2018.

RTSS team presented their strategic plans followed by Occupant Safety Division Plant visit. The visit mainly emphasized on the growing importance of India in ZF world and further propelling the Joint Venture's profitable growth story.





## RANE FOUNDATION SUPPORTS DAV GURU SHIKSHANAM



Rane Group supported DAV Guru Shikshanam – Centre for Teaching Excellence, a Teacher Training Academy. We believe, this will be a very high impact initiative, aimed towards nurturing future teachers. This will help not only DAV, but also other schools, recruit good teachers – a key concern for most school managements. Our Chairman, L. Ganesh was Chief Guest for the launch of Guru Shikshanam held at DAV Gopalapuram on 11th June 2018.



## RANE FOUNDATION FELICITATED



Rane Foundation felicitated by Mahesh Memorial Trust for the support to Paediatric Oncology. The Mahesh Memorial Trust, an NGO based in Chennai working towards creating public awareness about cancer, providing financial aid to economically challenged patients, etc. AR Rahman presented the award at the function.

## RANE GROUP IN AUTOMECHANIKA DUBAI

Rane Group participated in the AutoMechanika Dubai exhibition which was conducted from 1st to 3rd May 2018. As part of the ACMA India Pavilion, Rane Group showcased products from Rane Brake Lining, Rane (Madras), Rane Auto Parts and Rane Engine Valve in the show. Over 75 customers majorly focused on Aftermarket from various countries such as Algeria, UK, Iran, Pakistan, UAE etc. visited the stall.



Rane Group sponsored the 7th edition of SUPRA SAEINDIA, India's biggest formula student competition where over 3000 students from 125 colleges, across the country competed in the event, held from 11th to 16th June at the Buddh International Circuit in Greater Noida. Rane Group had a stall to engage with students through interesting activities such as Fitness Challenge and Rane Quiz. We received an overwhelming response from our students, the faculty members of the colleges and several Jury members from ARAI, OEMs and Tier 1 suppliers.

## SUPRA SAEINDIA 2018





## NEW OFFICE FOR RANE AUTO PARTS

A new office for Rane Auto Parts was inaugurated at the premises of Rane (Madras) Limited, Velachery on 4th June 2018 (Monday).



## SATHISH BABU SECURES BRONZE MEDAL IN COMRADES MARATHON 2018

Sathish Babu, from Rane Brake Lining, Trichy bagged the bronze medal in Comrades Marathon 2018. He secured 11th position among participants from India. The Comrades Marathon's 2018 edition featured "Down" Run of 90.184 km. After successfully finishing his maiden Comrades Marathon in 2017, Sathish bettered his timing and completed the race in 10.53 hours. Rane is proud of Sathish's achievement in the world's oldest and largest ultra-marathon.



## CSO100 AWARD FOR SENTHIL KUMAR



Rane Group is proud to share that M Senthil Kumar (MSK), Chief Information Security Officer (CISO) has been honoured with the CSO100 Award. This award recognizes MSK's effort in leading Prompt 21-point advisory for ransomware prevention. As part of the project, five vital measures were taken to address data loss appropriately.

This recognizes MSK as one of the Top-100 Cyber Security Officers in India by IDG, the #1 tech media company in the world and the publishers of CSO Magazine. MSK is receiving this award for the second year in a row. This award turns the spotlight on Rane Group for placing the right emphasis on security and our dedicated experts who ensure best IT security practices are in place.

MSK, CISO of Rane Group, received this award in an exclusive felicitation ceremony as a part of IDG's global program - Annual IDG Security Day and CSO Awards Ceremony held at the Vivanta by Taj, Surajkund, NCR on Thursday, 21 June, 2018.





**"Goodness is the only investment  
that never fails."**

**— Henry David Thoreau**



**Rane Corporate Centre**

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