



Building the core of

BUSINESS

sustainability



“ At the Crossroads.
The effective execution of a
Plan is what counts and not
mere planning on paper ”

– J. R. D. Tata

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Sustaining superior business performance is a difficult recipe in the best of times. It is compounded by the emergence of times that a Harvard Business School quip describes as VUCA, shorthand for Volatile, Uncertain, Complex, and Ambiguous. The exponential rate of change is further accelerated by the emergence of three very clear intertwined forces—irreversible globalization, the accelerating convergence of technologies, and the mother of all changes—climate change. The all-pervading power of electronics, software and artificial intelligence is now propelling a ferocious rate of change in the bastion of mechanical engineering—the global colossus that is the automotive industry. Organizations need agility, adaptability, and alignment with new emerging paradigms to cope and survive, let alone thrive. Only those organizations that have the ability to continuously learn effectively have some assurance of survival in the tempest unleashed by Moore’s law of technological change. The question that this raises is whether there is a recipe to enable an organization to learn the methodology to be an effective learning organization.

The ability to remain an effective lifelong learner is the best insurance policy against the VUCA tornado. Effective learning forces introspection and reflection of organizational values, vision, goals and strategies. While strategy is key, most organizations fall short on inadequate strategy deployment and *execution*. Superior execution is the result of organizational competencies to understand, assimilate and implement strategic intent. A learning organization will mine the vein of successes and failures for key lessons to enrich and mature organizational capability. Aligning the organization’s understanding of competencies with the demands of strategic drivers is a key step towards building business sustainability.

It is reasonable to expect that in a world underpinned by technology, an enterprise’s basic value proposition in the marketplace should be technology-led differentiation. It must also be grounded in the deeper nuances of the global marketplace that give the value proposition a wider geographic and application scope. And for *effective execution* in today’s market conditions, the firm has to have the necessary foundation in financial discipline, operational and/or manufacturing/service excellence, and a certain cultural dexterity for collaboration with players upstream and downstream in the value chain, i.e. suppliers and customers. These prerequisites help us define the drivers of a competence model for the firm.

A well thought-through and practiced competence model is like a reliable compass for navigating a firm through the turbulence of our times. Confusion and anxiety are replaced by a sense of focus on practices based on fundamental and eclectic principles. Competence building can be likened to growing an orchard. There is a natural gestation period that can be fertilized by natural talent and creative thinking. But for organization-wide competence to be raised even a few notches, progress has to be achieved across the broad front of the entire organization, and not just among a few elitist cells or teams. This requires patience, a deeper understanding of cultural transformation in human organizations and insight into the cultural *zeitgeist* of the times we live in.

Organizations like Hindustan Unilever and Toyota are good examples of firms that have shown how the practice of such disciplines develops leaders and sustains organizational performance. Such firms have strong performance-oriented cultures founded on clearly understood and practiced belief systems, extraordinary capacity for market leadership, and an enviable track record of developing leaders from within their organizations, generation after generation. They have the required agility, speed, innovation, talent, and continuous learning to not just cope with the revolution but to lead it and to be at the very center of the VUCA hurricane with the poise and panache of a ballet dancer.

Jitendra Divgi
Managing Director

CONTRIBUTOR**Zubair Kachi**

Advance Business Development

We have mentioned in our earlier issues Issue No. 44 and 45 that on 31 August, 2016, Divgi TorqTransfer Systems pushed back from the DivgiWarner Gate and taxied out onto the automotive industry “runway” for its maiden voyage as a new commercial entity and began its departure phase. The engines are run up and the flight is now rolling down the runway with the speed increasing at every moment. This phase is the most critical phase and has to be executed with the least margin of error so as to make the “V1 cut”¹. The activities that are required to achieve a successful “V1 cut” are on course and Divgi-TTS is happy to share the same with you:

New Products Planned

With the new found flexibility to exploit its product leadership competencies, Divgi-TTS has ventured into the realm of transmissions. By 2018, it plans to add the Dual Clutch Automatic Transmission and the 6-speed Manual Transmission to its existing range of products.

The Interactive Torque Coupler is under development to cater to the growing market for FWD based AWD vehicles in India. Divgi-TTS has established a repairing assembly line for the Torque Coupler at the facility at Bhosari. Albeit, at this stage, the assembly line is targeted only to cater to address servicing, assembling and performance testing issues, it is earmarked to be expanded to a full-fledged production line to address global or domestic supply requirements.

New Partnership Forged

Divgi-TTS has entered into a partnership with Hofer Powertrain, Germany, for the development of dual clutch transmission systems exclusively for Divgi-TTS. Hofer Powertrain is in the business of design and development of transmission and gear shift products including manual transmissions, dual clutch transmissions, hydraulic control units, transmission control units, synchronizers and electric vehicles axles.

Divgi-TTS is in detailed discussions with other globally renowned consultants for the development of manual transmissions.

New Machinery Procured

To cater to its expanding portfolio offerings and surge in domestic business from Toyota, Mahindra Electric and

Eicher Polaris and overseas business from BorgWarner, China & Korea, Divgi-TTS has made significant investments in new machinery. These machines have greatly augmented the existing capacities to undertake gear shaping, broaching, tooth chamfering, deburring and induction hardening operations. A Hob and Shaper-Cutter resharpening system has also been added to increase productivity.

Facilities Expanded

The dissolution of the joint venture with BorgWarner has brought Divgi Metalwares and Divgi TorqTransfer Systems under the same Divgi Group umbrella. This has widened the company’s operations base augmenting its existing capacity and increasing operational flexibility to support its customers.

State-Of-The-Art ERP Application Installed

On 3 April, 2017, Divgi-TTS went live with the state-of-the-art SAP ERP System. The SAP ERP replaced the dated home-grown MRP and Tally Accounting Systems. The SAP ERP System, through its seamless flow of information and timely and accurate reports will improve business efficiency and enhance overall productivity.

With ever increasing speed of our business, it’s now just a matter of time before “V1” is called out and then “Rotate”², when the nose of the airplane is raised and Divgi-TTS is airborne and soaring into the clouds.



1 Pronounced “vee-1”. V1 is the take-off speed when the flight gets airborne and remains safe from ground obstacles.

2 Rotation occurs when the aircraft lifts up from the runway and takes off once it reaches the optimal speed for a safe takeoff.

CONTRIBUTOR

Vijay Nevrekar

Advance Business Development

Despite a flood of new transmission technologies – stepped automatics, the conventional incumbent, AMTs, DCTs and CVTs – that have begun competing with each other, Divgi-TTS observed that the answer to which technology is overall most suitable on its value proposition in terms of price, fuel economy, pleasing performance and a certain standard of durability and reliability is still under debate in the emerging regions of the automotive industry worldwide.

From its independent assessment of the Indian market, Divgi-TTS saw a great potential in the acceptance of the DCT technology by end-users over the other technologies. Hence, it has tied up with Hofer Powertrain, Germany to make this technology available to Indian OEMs.

In its focused marketing efforts, a DCT Technology Day was held for TATA Motors at its premises on 17th May, 2017. Presentations, product exhibits and test drives were arranged to give attendees an overall experience of the technology. Mr. Guenter Ebinger, Managing Director-Powertrain, Hofer Powertrain outlined global DCT trends and demystified the DCT Technology. Mr. Jiten Divgi, Managing Director-Divgi-TTS briefed the model of the Divgi-TTS-Hofer partnership and its roadmap to offering the technology to Tata Motors.

On display were one DCT unit (7-speed, 450 Nm) and its modules-Clutch Module, Hydraulic Control Unit, Electronic Control unit.

Two DCT vehicles were also deployed for test drive purposes as a demonstration of the superiority of the DCT technology.

Divgi-TTS and Hofer sees great compatibility of this

technology with the typical torque spectrum of TATA Motor’s applications.

With the DCT technology showing great promise in the Indian market, Divgi-TTS plans to hold similar such “DCT Technology” events at other OEM locations in the near future.



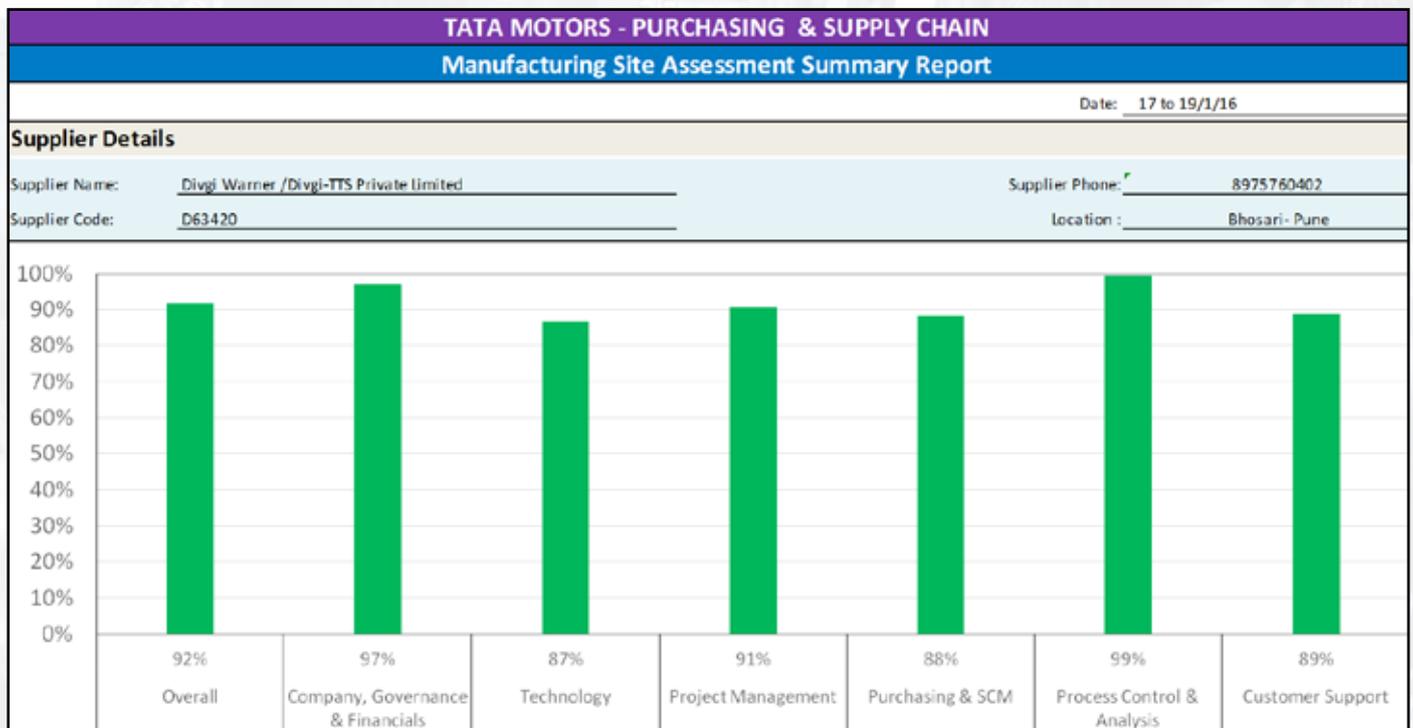
CONTRIBUTOR

Rupam Parwate
Management Systems

In early January, 2017, TATA Motors informed Divgi-TTS of its selection in the 1st batch of its suppliers for a Manufacturing Site Assessment Audit. The purpose of the audit was to assess all of its Tier 1 suppliers' capabilities and consolidate the list of suppliers to create a more efficient supply chain. The assessment parameters covered all aspects of the company's business line functions; Management, Technology, Program Management, Purchasing and SCM, Process Control & Analysis and Customer Support.

Prior to conducting the audit, the Divgi-TTS team was invited to attend a 3-day workshop on MSA at its premises. In the workshop, all participants were introduced to the exhaustive process of executing the MSA audit.

On the appointed day, a team of four auditors commenced the 3-day MSA audit at Divgi-TTS. As one day passed into the other, the details of the audit were only too apparent. TATA Motors' auditors thoroughly assessed all of the processes covered under the audit. The results were nothing less than stunning. However, the improvements suggested in some process areas were immediately addressed and compliance submitted to TATA Motors. The feedback is awaited.



Suresh V. Deshmukh, Head-Manufacturing Engineering



Education: DME, B E Mechanical
Date of Induction: 20-Nov-2000
Career Goals: To bring state-of-the-art technologies into the manufacturing & production process & support innovative culture
Hobbies: Listening to music, watching cricket, traveling
Family Details: Spouse: Suvarna, Sons : Ajay & Pankaj

What Is Your Current Role In Divgi-TTS?

I am heading the Manufacturing Engineering function up of Divgi-TTS & my responsibilities cover Process & Tooling Development for new programs, Process Improvement for the existing programs to improve the productivity as well as reduce costs, new RFQ cost estimation and introducing latest technology in Tooling, Manufacturing & Inspection and support for Innovations.

I also act as a mentor & coach to the team to support problem solving and Kaizen process in core technical area.

I am part of the new Business Development Team and get involve in APQP and FMEA processes.

My key result areas are New Business Development, ROIC, cost reduction, supplier quality improvement & productivity improvement.

What Has Been Your Experience With Divgi-TTS?

In my association of 16 years with the Divgi Group, the company gave me the perfect platform to exhibit my knowledge, skills and ability through various opportunities and challenging projects.

Initially in the role of DGM-Manufacturing Engineering, I got the opportunity to bring old equipment into use by correcting machine geometrical alignment, incorporating hydraulic clamping system, arranging the various change gears and designing the fixtures, tooling etc.

I got very good satisfaction by modifying all major old equipment which gave result for increasing the Sirsi business and made possible the localization of various transfer case parts with very low investment.

I got an exposure to travel abroad – to China for synchronizer development and to Italy and Germany for selection of machines. I also keep participating in different tool and machinery exhibitions to bring in new technology into organization.

I participated in the Management Development Program in 2012. I was recently involved in the Leadership Development Program. These HR initiative has helped me sharpen my skills and develop my competencies.

My association with Divgi-TTS is challenging, interesting & most satisfying.

CONTRIBUTOR

Gopal Dalvi
Human Resources

What Has Been Your Contribution In Divgi-TTS Product Leadership Initiatives?

I feel proud to list out my major contributions in product leadership initiatives as below.

- J-97 project development for Ford-Mazda, Thailand
- Ring Gear Project-Development of Internal Gear Honing Process and all toolings in lower costs with reliable quality
- Nissan Timing Gear Project-Flawless development of a critical design that enabled the addition of a new customer. The development was a great learning experience.
- Synchronizer Projects-The complete set up of operations including machining as well as gauging. This was a great achievement for the organization.
- New Transfer Cases-Developed LH Drop, UAZ TC, M & M North America & Heavy Duty proto transfer cases in record time.
- Toyota Project- Another learning opportunity, mainly to work with Toyota & learn from its culture as well as meet its stringent expectations. I got the opportunity to build a state-of-the-art cell for this project.

What Do You Believe Are Some Of Your Notable Achievements At Divgi-TTS?

I am proud to highlight some of my key achievements as follows:

- Developed an excellent and competent Manufacturing Engineering which is capable to take any challenges in the organization.
- Effected considerable cost reduction through localization of transfer case and synchronizer parts by tooling up old equipments into use.
- Improved quality and productivity at our plants, Bhosari and Sirsi resulting in achieving PPM and OTD targets.
- Rendered support for supplier development and improvement activities.
- Established & started production of Toyota Piece Gear 4 and Piece Gear 1, 2, 3.
- Set up ring gear cell to meet the increased demand of customer.
- Established Internal Gear Honing process for Ring Gear manufacturing.
- Developed all tooling in India for D-250 and K-300 with very low investment.
- Procured state-of-the-art equipment for Toyota Piece Gear by selecting world's best equipment in view of quality, reliability, cost and service.
- Implemented standardized process for special cutting tool procurement, handling & storage.
- Defined the Tool Management Process.

Rapid Fire

1. Favorite Quote: "Strive for results"
2. Favorite Book: Rajyog, Dnyanyog, by Swami Vivekananda
3. Life is: Responsibility to our community
4. Family is: Backbone for your success
5. On Sundays: Read spiritual books, create social awareness on traffic discipline and undertake measures to protect the environment.



“Make it your mission not to live in unsafe conditions”

To Divgi TorqTransfer Systems, Safety, Health and Environment comes as second nature. Since its inception as DivgiWarner, in 1995, it has been tirelessly and persistently pursuing its campaign on safe practices towards Safety, Health and Environment. The objective was very clear—that of integrating safety and health with work culture and life style.

Every year, between 4-11 March¹, Divgi TorqTransfer Systems organizes the National Safety Week. The week, each year, serves as a constant reminder to all its employees and members on the importance of practicing Safety, Health and Environment to prevent mishaps and accidents resulting out of neglect or lack of awareness. Emphasis is laid on renewal of each individual’s commitment towards safety and health at the workplace and achieving a greater individual participation in Occupational Safety and Health activities.

¹ The National Safety Council, India (NSC) was set up by the Government of India, Ministry of Labour and Employment on 4th March, 1966. The Council was entrusted with the task of creating wide spread safety awareness on Safety, Health and Environment (SHE) at the national level. As an honour for such a noble cause, in 1972, the foundation day of NSC (4th March) was decided to be celebrated as “National Safety Day”. It was soon converted to a week-long event, “National Safety Week”.

CONTRIBUTOR

Ms. Smita Shanbhag
Human Resources

Some of the initiatives organized are:

- Display of Safety Badges on employees’ uniforms during the week.
- Exhibition of Personal Protective Equipment.
- Organizing of Safety Poster and Slogan & Essay Competitions with recognition given for the best poster, slogan & essay.

National Safety Campaign Objectives

- To take Safety, Health and Environment (SHE) movement to different parts of the country.
- To achieve participation of major players in different industrial sectors at different levels.
- To promote use of participative approach by employers by involving their employees in SHE activities.
- To promote development of need-based activities, self-compliance with statutory requirements and professional SHE management systems at work places.
- To bring into the fold of voluntary SHE movement sectors, which have not so far been statutorily covered.
- To remind employers, employees and others concerned of their responsibility in making the workplace safer.





PRODUCT LEADERSHIP. LIKE NO OTHER.



Synchronizer Systems

Multi-Cone, Steel-Based, Carbon-Lined Systems

Automatic Locking Hub

For Front-Wheel Locking and Unlocking



Transfer Case

For RWD-Based 4WD and AWD Applications

Interactive Torque Coupler

For FWD-Based 4WD and AWD Applications



Electric Vehicle Transmission

For Electric Cars

6-Speed Manual Transmission

For Passenger and Light Commercial Vehicles



Dual Clutch Transmission

For Premium Hatchbacks and Sedans

✓ CONTINUOUS INNOVATION ✓ SUPERIOR SOLUTIONS

✓ DISTINCTIVE PRODUCTS ✓ WORLD-CLASS PRODUCT DEVELOPMENT AND MANUFACTURING



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