CHAPTER – III

THE PROFILE OF ROOTS INDUSTRIES INDIA LTD., COIMBATORE

The Indian automotive component industry has made a sustained shift to the global Tier 1 market for their products. In the 1990s, the Indian auto components market was dominated by supplies to the aftermarket, with only 35 percent of exports being sourced by Tier 1 Original Equipment Manufacturing (OEM). In 2006, it is a very different story. Today, Indian automobile component manufacturers supply 75 percent of their exports to Tier 1 Original Equipment Manufacturing and only 25 percent to the aftermarket.

Indian component suppliers have displayed a growing capability to cater to the engineering and production needs of the some of the world’s biggest auto companies. This is largely due to ¹
• Proficiency in understanding technical drawings and being well conversant in all global automotive standards: American, Korean and European.
• Appropriate automation has led to economically attractive production costs.
• Flexibility in small batch production.
• Growing IT capability for design, development and simulation.

Striking the growth chart, Indian companies are:

• Increasing investments in production capacity
• Establishing partnerships in India and abroad
• Investing in or acquiring companies overseas
• Establishing Greenfield manufacturing footprints overseas

THE INDIA ADVANTAGE:

Steered here by the country’s high engineering skills, established production lines, a thriving domestic automobile industry and competitive costs, global auto majors are rapidly ramping up the value of components they source from India. The industry is poised to jump from exports of US$ 1.8 billion in 2004-05 to US$5.9 billion in 2008-09. According to the Automotive Component Manufacturers Association of India, more than a third
percent) of Indian auto component exports head for Europe, with North America a close second at 26 percent.

INVESTMENTS

In 2006, components worth US$ 2 billion were exported by Indian companies, 75 percent of which were bought directly by car companies. The original equipment manufacturers (OEMs) include firms like General Motors, Ford Motor Company, Cummins International, Bosch, Volkswagen, BMW, MAN (trucks) and JCB (earthmoving Equipment) amongst others.²

Over 20 OEMs have set up their International Purchase Offices (IPO's) in India to the components. This number is expected to double by the year 2010.

India enjoys a cost advantage with regard to castings and forgings. The manufacturing costs in India are 25-30 percent lower than its western counterparts. India’s competitive advantage does not come from costs alone, but from its full service supply capability.
Global auto majors and domestic giants are pulling out their purses and putting their money where the production lines are.

- Auto parts maker Robert Bosch of Germany will invest US$ 201.4 million in its Indian subsidiaries over two years. Bulk of the investment will be in Motor Industries Co Ltd (Mico) – the Bosch flagship in India.

- Japanese electronic major, Hitachi Ltd, is planning to start auto component manufacturing in India when it’s OEMs – Isuzu Motor and Nissan Motor – start manufacturing their cars in India.

- Dubai-based auto ancillary major parts International Company has plans to invest approximately US$ 3.6 million in India over three years. This includes setting up a manufacturing facility meant to service exports to CIS and SAARC countries.

- Fiat India is taking baby steps in becoming a global sourcing hub for components Fiat has exported components worth US$ 8.3 million last year to its operations in South Africa.

- General Motors has decided to ship parts worth US$1 billion to its global production units by 2010.
The auto components industry in India is dominated by around 500 key players, which contribute more than 85 percent of India’s production. Some of the largest, like Motherson Sumi, Sona Koyo Steering Systems, Rico Auto Industries, Bharat Forge, Amtek and Mahindra & Mahindra are scaling up from producing individual components to making assemblies and systems, as automobile makers seek to manage fewer vendors and trim costs.

GOVERNMENT INITIATIVES:

The Government of India allows automatic approval for foreign equity investment up to 100 percent for the manufacture of auto components. Manufacturing and imports in this sector is free from licensing and approvals. There is no local content regulation in the auto industry. The engineering export promotion council under the aegis of Ministry of Commerce and Industry, Government of India, over the years has been engaged in promoting exports of engineering goods including auto parts. Among other initiatives that have been affected in 2006-07 are:
- Reduction in the duty of raw material to 5-7.5 percent from the earlier 10 percent.

- Setting up of the National Automotive Testing and R&D Infrastructure Project (NATRIP) at a total cost of US$ 388.5 million for enabling the industry to usher in global standards of vehicular safety, emission and performance standards.

- Finalization of the Automotive Mission Plan (AMP) 2006-2016 for making India a preferred destination for design and manufacture of automobile and automotive components.4

THE ROAD AHEAD:

Exciting times lie ahead for the Indian automotive component industry. Besides the burgeoning demand from global auto majors, there is also the domestic car industry, which is growing at a spanking rate of over 16 percent, driven by a rising consumer base and affordable loans. Such improvements have assisted companies in improving operational efficiencies, eliminating wastes and reducing costs.
ROOTS Industries Limited is leading manufacturer of HORNS in India and the 5th largest HORN manufacturing company in the world. Headquartered in Coimbatore – India, ROOTS has been a dominant player in the manufacture of HORNS and other products like Castings are industrial cleaning machines.

Since its establishment in 1970, ROOTS has had a vision and commitment to produce and deliver quality products adhering to international standards. ROOTS’ single-minded pursuit of enhancing the quality of life has led to many other diversifications. ROOTS today is a multifaceted corporate entity with interests in automobile accessories, cleaning equipment, castings, precision tools, hi-tech engineering services, health care, and education.

With a strong innovative base and commitment to quality, ROOTS industries Limited has occupied a key position in both international and domestic market as suppliers to leading OEMs and replacement market.

Similar to products, ROOTS has leading edge over competitors on strong quality system base. ROOTS is the leading supplier to all the major vehicle manufactures like Ford, Daimler Chrysler, Mitsubishi Lancer, Mahindra & Mahindra, Toyota, Tata Motors, Fiat Uno and Siena, Telco, TVS Motor company, Kinetic Honda, etc.
Now RIL is the first Indian company and manufacturing company in the world to get ISO/TS 16949 certification based on implementation of QS 9000 and VDA 6.1 system requirement earlier. Roots Industries Limited has entered into technical collaboration with Robert Bosch, SA to further enhance the technical competence.\textsuperscript{5}

ROOTS’ vision is to become a world class company manufacturing, world class product, excelling in human relation.

**COMPANY’S BELIEF**

“In ROOTS, they believe that if something is worth doing, it is worth doing well. This attitude is reflected in every realm of our activities. As a customer you naturally expect the best. We are fully geared, in spirit and method, to meet your requirements”.

**COMPANY’S PERCEPTION**

We will stand technologically ahead of others to deliver world-class innovative products useful to our customers. We will rather lose our business
than our customers’ satisfaction. It is our aim that the customer should get the best values for his money.

Every member of our company will have decent living standards. We care deeply for our families, for our environment and our society. We promise to pay back 1 full measure to the society way of selfless and unstained service.

QUALITY

“We are committed to provide world-class products and services with due concern for the environment, Technology up Gradation, Cost reduction and continual improvement.

- Quality of the products and services.
- Quality management system
- Compliments to QMS requirements
- Quality will reflect in everything ROOTS does and think
- Quality in behavior
- Quality in Human Relations
- Quality in Governance

The Programmes Conducted by the ROOTS Group of companies.

PERSONAL CULTURE
The management has been encouraging and promoting a very informal culture, “Personal Touch”, sense of belonging, enabling employees to become involved and contribute to the success of the company. The top management also conscientiously inculcates values in the people.

WORK ENVIRONMENT

Special and conscious efforts are directed house keeping of the highest order. Renovation and modernization of the office premises and office support systems are carried out on an ongoing basis.

TRAINING

ROOTS believe in systematic training for employees at all levels. As a part of the Organizational Development efforts, training programmes are being conducted in-house, for employees at all the levels. In addition, staffs are also sponsored for need based training programmes at leading Management Development Institutes.
GOOD MORNING ASSEMBLY

The management aims in operator’s mental and physical fitness and it is ensured through the Good morning Assembly. The operators and shift supervisors assemble before the I shift beginning and do occupation of fitness exercise, discuss about the quality safety and production aspects of the previous shifts and take Quality / Safety oath.

ROOTS INDUSTRIES INDIA LIMITED ORGANISATION CHART

CHAIRMAN

Sr.Vice President

Quality Manager

Information Technology Manager

Plant Manager

Human Resource Manager

Head of the Department of Finance

Head of the Department of Quality Maintenance

Head of the Department of Information Technology

Head of the Department of Plant Maintenance

Head of the Department of Human Resource Management
In the Roots Industries India Limited's top most executive is the chairman who is also the owner of the company. Sr.Vice Chairman comes under the Chairman he is the head of the Finance Department. This organization consists of five departments namely Finance, Quality Maintenance, Information Technology, Plant Management, Human resource Management. Each one is headed by a manager.

**PLANT MANAGEMENT CHART FOR RIL**
The Plant Management Department is overall responsible for Roots Industries Limited. Plant Manager is the head for this department. He is the overall in charge for the plant. The Plant Management 1 for Manufacturing comes under him. He is the person who maintains the press shop components, horn assembly, production & control, tools maintenance, responsible for PQCDM (Production, Quality, Cost, Delivery, Safety and Employee Morale) men management monitoring and corrective actions for organizational indices. The individual Department Heads are responsible for the respective areas of activities in the absence of Plant Manager.

The Plant Manager 2 looks after the Product design, design engineering, new product development, Design Failure Mode Effective
Analysis (DFMEA) Design of Experiments, Prototype, Document Control, Product Realisation, Process establishments, Industrial engineering, workplace arrangements, arrangement of fixtures, tools gauges, control plans, job instructions, Failure Mode Effective Analysis (FMEA) establishment of supplier (bought out/sub contract), supplier development, inventory management, capital, revenue, consumables, pricing.

In the hierarchy the Marketing manager comes under the Plant Manager 2 he is overall responsible for Domestic Market Planning pricing for after market, co-ordination with Application Engineering (ALE) for Original Equipment Manufacturing (OEM) pricing, market promotion, market collection, finished goods stores, shipping inland markets, co-ordination only for export packing, branch operation, customer satisfaction for domestic, overall responsible for field staff and activities. He is the co-ordination Head - Market Development for sales promotion, planning scheduling for Harley Davidson, Nacco & International truck Engine Corporation (ITEC), Quality Management System and Area sales personal meet.
The next cadre in the hierarchy is Marketing Manager for Export. Contract review, market search, sales administration, product quality requirements, market needs, customer requirements, field returns and warranty, customer satisfaction survey, pricing are his major activities.

Secretary is the lowest rank in the organization he usually do secretariat functions, support in preparation of presentation slides, support to Executive technical assistant in preparation on quality related management information and office administration.

QUALITY MANAGEMENT ORGANISATION CHART
The next department is Quality Management here the Quality Manager is the overall responsible for the quality management systems and products both inland and Export. Quality Manager 1 works under him is responsible for management representative for Roots Industries Limited and High Precision Engineering Division (HPED). To conduct internal system audits, process audit, supplier ISO certification, administration of plant quality
manual, quality promotion, responsible for Management Review Meeting (MRM), co-ordination of quality meets and support group companies on system certification are also comes under him.

The Quality Management 2 is responsible for inprocess inspection, final inspection, barrier audit, first sample inspection/documentation for new applications, process / gauge capability studies, daily quality meeting for rejection analysis, quarantine store, repair area, preparation of check list for all Quality Assurance (QA) activities, quality corner display board, support functions on pilot order follow up, customer complaints handling, preparation of control plan, work instruction, Strategic Process Control (SPC) coordination, gauges / test equipments calibration, design in quality during new development, preparation and participation in quality corner display board.

Next to him in the hierarchy is Quality Manager 3 he is incharge for incoming parts inspection of sourced components. And also he deals about the subcontracts components, in process / final inspection with suppliers for components quail improvement, support to Supplier Technical Assistants (STS) on supplier audit function, suppliers quality development and training suppliers quality statistics, preparation of check list for component inspection, tool inspection, layout audit, preparation and participation in quality meets, quality corner display board.
The Quality Manager 4’s work is quality assurance of new / existing supplier in coordination with purchase and subcontract through process and system audits supplier quality development / training, customer complaints handling, preparation / participation in quality meets.

Planning and execution of product audit from finished goods stores, responsible for all functional tests including life test, lab maintenance, design support for new applications, pilot order trials, customer complaints handling – field, “0” km for all inland and export customers, procurement of measuring and test equipment for inspection and laboratory. Continuous Improvement Project (CIP) co-ordinator, preparation and participation in quality meets are comes under QM5.

Executive Technical Assistant is responsible for Management Representative (MR) for Electro Plating Division (EPD), Coil Winding Division (CWD) on Quality Management System (QMS) / Human Management System (HMS), support to Director Quality on all technical activities related to all Roots group of companies, responsible for preparation of visual control chart for all Roots of group companies, co-ordination and execution of periodical Quality Review Meeting (QRM) at Roots Industries Limited / Roots Multi Cleaning Limited and preparation of Minits Of Meeting (MOM) / follow up. He is the co-ordinator for conducting (AQM) at Roots Industries Limited /
Roots Multi Cleaning Limited, preparation of audit questionnaire and participation / release of technical reports on layered process audit, to carryout surprise poke yoka audit and reporting. He is overall responsible on quality information’s of Roots Industries Limited, Roots Metrology Lab, and EPD to top management, co-ordination for CIP workshop at RMTL, responsible to carry out product audit on cleaning equipments, co-ordination and preparation of annual budget plan for corporate quality. A Secretary comes under him.

INFORMATION TECHNOLOGY ORGANISATION CHART FOR RIL

![Information Technology Organisation Chart for RIL](image)

Fig. 2.4

Overall responsible for the Information Technology, communication, SAP, RIMS, Web maintenance and other applications of Roots group comes under the charge of Information Technology Head. SAP comes under him is responsible for the development of SAP tools based on customer
requirement and debugging of SAP issues and also for training of team members. Data Security Officer and Data base Administrator is responsible for IT policy, internal policy, E-mail policy, security policy, control of server, internal communication, Lotus notes administration and maintenance and development, training the users on the above, software adequacy and control. Hardware engineer is responsible for the Hardware maintenance of servers, computers, printers and IT related equipments, installation and maintenance and up keeping of LAN and WAN. And also he is responsible for the IT asset information of all Roots group of companies.

FINANCE ORGANISATION CHART FOR ROOTS INDUSTRIES LIMITED
Finance Manager is the overall responsible for Finance, Accounts and Secretarial areas for Roots Group of Companies, which includes formulation of Business Plans, funds management, statutory compliance, investment planning, pricing Decisions, capital budgeting etc.,

Finance Manager 1 is the person who can report to finance head to ensure timely preparation of periodical operating profitability statements and performance reporting. He is finalising the annual profit and loss account and balance sheet. His other roles are interaction with marketing and materials departments for analyzing the debtors and creditors status and formulating the action plan. He used to do score card review on monthly basis. Finance Manager 2 is incharge of cash operations like overall responsible for cash accounting and preparation of cash budget his works extends to verification of receipts and payments of cash.

Finance Manager 3 is responsible for maintenance of secretarial records and documents of all group companies. And also he used to refer proper deduction of tax at source from salary and follow up of payments and important formalities.
Finance Manager 4’s works are maintaining statutory records to central excise department. FN13 deals about the monitoring expenses in comparison with budget and variance reporting, preparing periodical operating and profitability statements.

Finance Manager 5 is responsible for coordination of funds, requirements of sources.

**HUMAN RESOURCE MANAGEMENT ORGANISATION CHART FOR ROOTS INDUSTRIES LIMITED**
Human Resource Manager is responsible for corporate Human resource management. Human Resource Manager 1 works under him is overall responsible for all Human Resource activities of Roots Industries Limited like administration and compliances, hiring and recruiting, salary administration, employee newsletter, employee satisfaction survey, employee development, separation, statutory compliances, organization chart, Quality System (QS) compliances. Human Resource Manager 2 is incharge for transport and logistics, liaison and Public Relation activities. Human Resource Manager 3 maintains the security, safety and protection of company’s properties and resources. A front office executive works under him is look after the communication, front office, travel desk.

ROOTS GROUP OF COMPANIES

The group is also in tune to the latest in world acclaimed Human resource management practices. Training and refresher courses form an integral part of every employee’s work portfolio. The group also sponsors training programmes that help its people upgrade to the latest techniques. ROOTS is an active participant in TEI (Total Employee Involvement) that aims
to enhance both quality and productivity by involving and being involved in the interests of the workforce.

The feel good factor created amongst its people has given Roots distinct advantages like low employee turnover, and a relationship that travels beyond just the workplace environment.

**AMERICAN AUTO SERVICE – THE LIFE**

American Auto Service has grown into a multifaceted, multi–product manufacturing conglomerate. The success of this very first venture, proved to be a tremendous incentive to conquer new grounds.

**ROOTS INDUSTRIES LTD.**

Roots Industries Limited was the first offshoot of American Auto Service. Since then, there has been no looking back in terms of growth and diversification. Since then, there has been no looking back in terms of growth and diversification. Roots Industries Limited’s versatile product range includes a comprehensive array of automobile horns, auto lamps, pistons & rings and sophisticated parking guide systems. The company currently enjoys 60% market share in the automobile horn market. Its growing market
leadership stance has been enough incentive for RIL to start operations in Malaysia as well.

A technical collaboration with Robert Bosch brought international acclaim to Roots Industries Limited. An engineering Research Centre equipped with the latest technical infrastructure adds further advantage to manufacturing world class products.

ROOTS AUTO PRODUCTS PVT. LTD.,

Roots Auto Products Private Ltd. has grown from a small manufacturer of horns, to India’s largest air horn manufacturing company, in just a span of five years. Today, RAPPL enjoys a market share of about 70% in the air horn segment.

It is also India’s first horn company, the company’s product offerings do not just stop with a wide variety of air horns. They also include a host of auto accessories like Flashers, Horn Relays, Dual Head Lamp Relays, Melody Makers, and Lever Switches etc. that are renowned for their stringent quality standards. These products demonstrate the company’s boundless
inspiration to innovate and improvise products to suit evolving customer needs.

ROOTS CAST PVT LTD.,

Established in 1985, Roots Cast Private Ltd. set out to manufacture a wide variety of Aluminium and Zinc pressure die-cast components for various industrial and domestic purposes.

Die cast components manufactured by Roots Cast Private Ltd. The company also specializes in manufacturing critical and exclusive components for the automobile, textile and healthcare industries.

ROOTS POLYCRAFT

ROOTS Cast Pvt. Ltd. and Roots Polycraft are the most dynamic enterprises within the Roots group. This is where precision and quality is in complete harmony with each other. Dynamism in part design, tooling and part production, all drive the group to elevated levels of success.
Roots Polycraft manufactures precision plastic components. Specialized parts like trumpets and connectors are examples of the team’s dedication to quality and productivity. Unique techniques and skills developed enable the company to produce parts requiring insert moulding, ultrasonic welding and vacuum-impregnation, whilst meeting stringent quality standards.

ROOTS PRECISION PRODUCTS

Roots Precision Products came into existence when precision tooling requirements from within the group companies rose to considerable proportions. A high tech manufacturing unit with international quality.

Roots Precision Product’s repository has a diverse product portfolio including press tools, casting dies, plastic moulds, jigs and fixtures. For essential components RPP undertakes the task of conducting tool trials by simulating real life conditions. These trials prove instrumental to attaining higher levels of customer satisfaction while also serving as a vehicle of perfection for tooling craftsmen.

ROOTS METEOLOGY
An advanced and comprehensive metrological centre with expertise in mechanical, electrical, torque, pressure and vacuum calibrations best describes the abilities of Roots Metrology Lab.

The laboratory has adequate equipment to deliver world class quality. Quality enhancement procedures include international accreditations and regular upgradation of equipment. For technicians, Roots Metrology Serves as a centre for gaining experience as the third party approval agency and on site consultants.

ROOTS MULTICLEAN LTD.

Roots Multiclean Ltd. was established with the hope of drastically improving the cleanliness and hygiene – both indoors and outdoors by introducing the concept of mechanized cleanliness and hygiene – both indoors and outdoors by introducing the concept of mechanized cleaning in the country. RMCL is acclaimed as one of the most successful Indo German joint ventures in partnership with Hako Werke GmbH, one of the largest and most reputed manufacturers of cleaning equipment in Europe.

Roots Multiclean Ltd. not only manufactures cleaning equipment but also provides customized solutions to clients cleaning requirement, having a
wide array of equipment from its principal Hako as well as from a number of leading manufacturers of cleaning equipment known worldwide for the quality of their products. In short, RMCL is a one stop shop for cleaning solutions for its customers. A few of the client base of RMCL include the Indian Navy, Cadbury, Essar and Reliance.

ROOTS BRAKE SYSTEM PVT. LTD.

Roots Brake System is an ambitious offshoot of the Roots group of companies. The tremendous rise in the number of vehicles on the Indian road opened up a new horizon of possibilities in the auto component sector. By leveraging its several decades of experience in the automotive industry, Roots floated RBS.

Roots Brake System combines the enthusiasm of first generation entrepreneurs and the inherent strengths of the Roots group to make its presence felt in the Indian brake market. In this venture, considerable care has been taken to address safety and reliability features into braking systems. Elegantly designed brake lever assemblies, metallurgically superb brake pads are some of the products.
For the international markets, Roots Brake System has designed a completely new generation of braking systems. The responses evoked from countries across the globe have been very welcoming for these products.

ROOTS DIGITAL ENGINEERING SERVICES PVT. LTD.

In the era of total digitalization, Roots is already leading the way. The awareness that precision and accuracy can be better controlled with computational methods, has increased industrial dependence of computers to a great extent.

Roots Digital Engineering Services Private Ltd. has carved a niche for itself in the sector of e-engineering. It offers tailor-made solutions in the CAD and CAM arena. It specializes in the skills related to development for new products both in the engineering and industrial design areas. Latest techniques to enhance the growth and potential of customers.

In addition to its proven expertise in these fields, the company has an expertise repository of onsite and offshore consultants whose knowledge base can be used for a variety of products. Roots Digital Engineering Services Private Ltd. Also provides consultancy and contract services to its customer base in India and abroad. A training centre imparts knowledge to
aspiring technical experts and also provides a way for the people of the company to keep abreast of the industry’s latest technical advances.

SATCHIDANANDA JOTHI NIKEHTHAM MATRICULATION SCHOOL

The Satchidananda Jothi Nikethan, Matriculation School is inspired by the teachings of His Holiness Swami Satchidananda Maharaj. The Maharaj, internationally renowned for his teaching on yoga practices always stressed on the importance of providing children, with a holistic school education, that will equip them to meet the world of intense competition. At the same time, the school reinforces the roots of India’s classical heritage.

Roots believes that the key to creating a better world, lies in the quality of children we help nurture today. Satchidananda Jothi Nikethan is the first step towards fulfillment of this ideal.

RK NATURE CURE AND YOGA CENTRE

Established in 1978, by Dr.Krishnasamy Gounder, father of K.Ramaswamy the RK Nature Cure and Yoga Centre imparts the art of teaching people to cure ailments through Nature. The home allows patients
to pave way for Nature’s healing touch to act on their ailing body and mind.
Healing methods include yoga, massages, acupuncture and magneto therapy.
END NOTES

7. www.rootsworldwide.com
9. www.rootsindia.com