2. Profile of the Study Units
Chapter 2

PROFILE OF THE STUDY UNITS

Hosur Taluk of Krishnagiri district in Tamilnadu was chosen the place of study as Hosur had a total of about 1000 industries in which around 56 come under medium and 15 under large scale. The State Industries Promotion Corporation of Tamilnadu (SIPCOT) has developed one of the large industrial complexes in the country in Hosur, Tamilnadu over an area of 1200 acres to promote and develop medium and large scale industries. SIDCO is offering comprehensive services for more than 150 small-scale industries.

Several industrialists of repute have started their units in Hosur. Hosur has been able to attract some of the most prestigious industrial houses in the country including the Tata, Hindujas, TVS Group of Companies. Hosur industrial area consists of about 700 industries comprising Large, Medium, Small and Tiny industries. The location of these industries are scattered in private lands within 20 km radius of Hosur. TVS Motor Company and Ashok Leyland are among several companies to have their manufacturing units in Hosur. Another significant establishment is Titan Industries, which happens to be India’s largest and the world’s sixth largest wrist watch manufacturer.

The researcher referred to the Directory of Hosur Industries Association, 2008 edition, to identify the respondent companies. Nine companies from the list of thirty companies were selected for the study. The methodology adopted to identify the respondent companies was explained in the methodology section of Chapter I. The profiles of the nine companies belonging to seven manufacturing industries, namely, Automobile, Auto
Ancillaries, Earthmovers, Kitchen appliances, Pharmaceuticals, Two Wheeler and Watches are presented alphabetically.

2.1 ASHOK LEYLAND LTD – PLANTS I & II

The origin of Ashok Leyland can be traced to the urge for self-reliance, felt by independent India. Pandit Jawaharlal Nehru, India's first Prime Minister persuaded an industrialist Mr. Raghunandan Saran to enter automotive manufacture. In 1948, Ashok Motors was set up in what was then Madras, for the assembly of Austin Cars. The Company's destiny and name changed soon with equity participation by British Leyland and Ashok Leyland commenced manufacture of commercial vehicles in 1955. Since then Ashok Leyland has been a major presence in India's commercial vehicle industry with a tradition of technological leadership, achieved through tie-ups with international technology leaders and through vigorous in-house R&D. Access to international technology enabled the Company to set a tradition to be first with technology. Be it full air brakes, power steering or rear engine busses, Ashok Leyland pioneered all these concepts. Responding to the operating conditions and practices in the country, the Company made its vehicles strong, over-engineering them with extra metallic muscles. "Designing durable products that make economic sense to the consumer, using appropriate technology", became the design philosophy of the Company, which in turn has moulded consumer attitudes and the brand personality. Ashok Leyland vehicles have built a reputation for reliability and ruggedness. The 5,00,000 vehicles it has put on the roads have considerably eased the additional pressure placed on road transportation in independent India. In the populous Indian metros, four out of the five State Transport Undertaking (STU) buses come from Ashok Leyland. Some of them like the double-
decker and vestibule buses are unique models from Ashok Leyland, tailor-made for high-density routes. In 1987, the overseas holding by Land Rover Leyland International Holdings Limited (LRLIH) was taken over by a joint venture between the Hinduja Group, the Non-Resident Indian transnational group and IVECO. (Since July 2006, the Hinduja Group is 100% holder of LRLIH). The blueprint prepared for the future reflected the global ambitions of the company, captured in four words: Global Standards, Global Markets. This was at a time when liberalization and globalization were not yet in the air. Ashok Leyland embarked on a major product and process upgradation to match world-class standards of technology. In the journey towards global standards of quality, Ashok Leyland reached a major milestone in 1993 when it became the first in India's automobile history to win the ISO 9002 certification. The more comprehensive ISO 9001 certification came in 1994, QS 9000 in 1998 and ISO 14001 certification for all vehicle manufacturing units in 2002. It has also become the first Indian auto company to receive the latest ISO 16949 Corporate Certification (in July 2006) which is specific to the auto industry.

The company values its human resources and is committed to ensure employee satisfaction, development and growth. Over the years, it has successfully bridged the gap between youth and experience. The company has been working towards developing a culture of nurturing leaders, encouraging creativity and openness. A holistic approach to human resource management processes and optimal utilisation of resources have contributed to the turnaround at Ashok Leyland's Hosur plants. The turnaround had been achieved through strategic initiatives involving changes at every level of management, increased employee involvement and structured communication exercises, removal of
non-performers, building collaborative union initiatives, competency building and employee recognition mechanisms.

2.2 HINDUSTAN MOTORS LTD (PRESENTLY AVTEC)

Hindustan Motors (HM) is the flagship company of the C.K. Birla Group, established by Mr. B.M. Birla. Ambassador, Contessa and Mitsubishi Lancer are the most successful brands in the Indian market. In MUV segment the company has given Trekker, Porter and Pushpak. RTV is also one of the remarkable brands of HM. Hindustan Motors Limited (HML) was established by Mr. B.M. Birla of the industrious Birla family in 1942. It is the pioneering automobile manufacturing company and Flagship Company of the C.K. Birla Group. The company commenced its operations in a small assembly plant in Port Okha near Gujarat. Later the manufacturing facilities moved to Uttarpura in West Bengal in 1948, where it began the production of - the Ambassador. In addition to passenger cars (Ambassador, Contessa), Multi Utility Vehicles (Trekker, Porter, and Pushpak) and the RTV, the company also manufactures passenger cars in the mid size premium segment (Mitsubishi Lancer) and has brought in Sports Utility Vehicle (Mitsubishi Pajero) into the Indian market in collaboration with Mitsubishi Motors of Japan.

Contributing significantly for over five decades to the Indian Automotive industry, Hindustan Motors manufacturing facilities are situated in the states of Madhya Pradesh, Tamil Nadu and West Bengal. It functions with a commitment to core values such as quality, safety, and environmental care, in combination with customer-oriented total solutions. It is presently taken over by AVTEC, USA. The largest independent manufacturer of engines and transmissions (Power trains), supplying critical auto components to reputed global OEMs including GM, Ford, M&M, Caterpillar and BEML.
The company focuses on meritocracy, equity and upholding of company values in all people processes including performance management systems, appraisals, remuneration and rewards. The employees uphold the values of trust, teamwork, mutuality and collaboration, meritocracy, objectivity, self respect and human dignity while dealing with people within the organisation. The strength of its human resource practice is to practice and encourage the spirit of productive debate and discussion among the employees.

2.3 GABRIEL INDIA LTD

The plant, set up in 1997 and situated in SIPCOT Phase II of Bangalore-Krishnagiri Highway 10 km away from Hosur, manufactures 2 million shock absorbers and half a million Front forks for the two/three-wheeler industry, ensuring supplies to OEMs-TVS, Suzuki, HMSI, Yamaha and others. The products include shock absorbers, from forks and McPherson struts for four, three and two wheelers and Indian Railways. It manufactures hydraulic, gas-pressurized and spring seat shock absorbers as well as cartridges for passenger cars and commercial vehicles. The plant is equipped with the capacity and high level of competency for developing new products with the technology support from Yamaha Motor Hydraulic Systems, Japan. The products manufactured at this facility are exported to Yamaha Motor Hydraulic Systems for Japanese market and supports TVSM, Indonesia for its products launched in Indonesia. This plant, with a turnover of 90 crore, has made substantial investments to develop innovative products for 2 wheeler market with the backing of Yamaha and KYB of Japan.

The group believes that business is 90% people. The company provides ample opportunities to employees at all levels to enhance their knowledge and skills. The growth and development of the employees is critical not only for their personal success,
but also for the success of the company. In its endeavour to create a congenial and motivational environment, the company provides immense opportunities for training and development besides other growth opportunities – job rotation, multi-function responsibilities, empowerment and overseas secondment. The company believes that training is an important process for development of people.

2.4 GLOBAL REMEDIES LTD

Global Remedies, a wholly-owned subsidiary of Strides Arcolab Ltd, was incorporated in 1986. It has a dedicated facility at SIPCOT Industrial Complex in Hosur with a human resource of 340 for the manufacture of multivitamin tablets mainly for the African and Russian markets. The facility is also into the manufacture of neutraceuticals for UNICEF. It is also into manufacturing contraceptives, diagnostic reagents, serums, vaccines, surgical dressings, orthopaedic bandages and other hospital requisites. It is one of India’s leading integrated manufacturers of exporters of finished pharmaceutical dosage forms—both branded and generic. A significant global player in soft gelatin capsules and sterile parenterals with quality standards that meet the most stringent regulated market standards is a partner to more than ten of the worlds’ top fifty pharma majors in Australia, South Africa, Europe and the USA.

The organisation culture of Global Remedies is defined by its openness, compassion, dynamism, challenges and adherence to the highest standards of integrity and ethics. The company places a lot of emphasis on growth through continuous learning to help employees transition from individual contributors to team leaders and on to senior leadership positions within the organization. While working towards their goals and accomplishments, the employees are aware of the larger and more significant role they
play in society – bringing affordable and quality healthcare to millions of people around the globe.

2.5 MICRO LABS LTD

It was opened at SIPCOT Industrial Complex at Hosur in 1982 to meet the increased demand for pharmaceutical products. A machinery intensive and automated company has a workforce of 310. It follows the manufacturing practices laid down by World Health Organisation. The customised manufacturing facility is dedicated for various products simultaneously proving cost-effective solutions that boost health care and performance. It manufactures and markets a wide range of products for a wide range of therapies and age groups. Therapy areas are: Gynecology, Gastroenterology, Dermatology, Anti microbial and Anti diabetic.

The entire manufacturing facility is ventilated with air control system to ensure clean working environment and prevent cross contamination due to setting of airborne dust particles. Hosur unit has bagged the IDMA (Indian Drug Manufacturers Association) Quality Excellence Award for the fourth time consecutively. The unit has been audited and approved by Invima Columbia Health Canada, MCC- South Africa and UR-MHRA.

The journey from a potential breakthrough to a successful global brand depends on utilising the right kind of resources according to the ability to translate product benefits in the market domestically and globally. At Microlabs, the human capital is the most valuable asset. The group figures prominently in the industry for its high employee retention rate. The MICRO team is a group of self-driven and experienced individuals, with professional who are from technology, sales, human resources, healthcare and
research background. Extending its vast reach in the country, the company is highly proud of its valuable assets—marketing, sales force, manufacturing and R&D.

2.6 TITAN INDUSTRIES LTD

Titan Industries is India’s leading manufacturer of watches and jewellery and the world’s sixth largest manufacturer brand of watches. Established in 1984 as a joint venture between the Tata Group and the Tamil Nadu Industrial Development Corporation, the company transformed the Indian watch market, offering quartz technology with international styling, manufactured at its state-of-the-art factory at Hosur, Tamil Nadu. Titan manufactures over 7 million watches per annum and has a customer base of over 65 million. The company has manufacturing and assembly operations at Hosur, Dehradun and Himachal Pradesh. Its main products are:

**Watches:** Titan manufactures two main brands viz. Titan for the premium segment and Sonata for the below-$25 category. The Titan brand architecture comprises several brands, each of which is a leader in its segment. Notable among them are: Titan Edge—the world’s slimmest watch; Nebula—in solid gold and precious stones; the Gold and Steel collection; Raga 9 to 5—for the woman achiever; Flip—India’s first and only reversible watch with two movements and dial faces; and Fastrack in the sporty casual category. Today, Titan has over 60 per cent of the domestic market share in the organized watch market. Its exclusive retail showroom chain—World of Titan—is amongst the largest in its category. Titan watches are sold through over 9,000 outlets in over 2,300 cities and internationally in over 30 countries including the UK, Spain, Greece and countries in the Middle East and Asia Pacific. Its after sales service is itself a benchmarked operation with a network of over 616 service centres and has one of the
world's fastest turnaround times. The company has a world-class design centre for watches.

TITAN believes that 'People are at the heart of our success.' Over the years, it has built its operations, nation and world wide, leveraging the expertise of its most talented, dedicate and hardworking people with the vision, integrity, innovation and leadership qualities. Titan industries have constantly invested in training, incentives and career progression across all its business units and have one of the highest employee retention records. They have instituted initiatives such as ‘Face of Titan,’ ‘Tanishq Superstar, ‘Look for Stars’ and ‘Titan Visionary’ to acclaim and commend deserving employees. For over two decades, its core values of commitment to safety, health and environment, high ethical standards and respect for people has been the cornerstone of its identity.

2.7 TTK PRESTIGE LTD

TTK Prestige Ltd, a part of the 1200 crore TTK Group, is a well-known leading manufacturer of an infinite number of high quality and the largest kitchen appliances company in the country. The brand has a varied product portfolio ranging from pressure cookers, non-stick cookware and gas stoves to electrical appliances and kitchen tools. The company presently has manufacturing set-ups in Hosur, Coimbatore and Roorkee. Prestige cookers also reach countries in West Asia and the African Continent, as per a licensing agreement with Meyer Prestige, UK. All products manufactured by TTK Prestige match the necessary quality standards and that why they are preferred by the masses. TTK Prestige is the first kitchenware company in India to receive the ISO 9001 certification and the PED/CE certification by TUV, Germany.
The company values honesty of intent and purpose in all the business transactions. It emphasises ethical and civilized conduct while working within the premises. It organises programmes to increase ethical and civilised conducts of the employees as such behaviours increase the image and the reputation of the employee and the company. The employees respect and extend whole hearted adherence to all internal control systems, audit processes, quality systems, performance management systems and development initiatives.

2.8 TVS MOTOR COMPANY LTD

TVS Motor Company is the third largest two-wheeler manufacturer in India and ranks among the top ten globally. It is the first company in the world to be honoured with The Deming Prize for Total Quality Management. The company was the first in India to launch 2-seater 50cc moped and 100cc Indo-Japanese motorcycles. At present TVS Apache, TVS Victor, TVS Scooty, TVS Centra and TVS Fiero are the popular bikes in Indian market. TVS Motor Company Limited is the flagship company of TVS Group, the USD 2.2 billion group. The Group is the third largest two-wheeler manufacturer in India and globally among the top ten, with an annual turnover of over USD 650 million. Currently, the group has more than 30 companies and employs over 40,000 people worldwide. With steady growth, expansion and diversification, it commands a strong presence in the manufacturing of two-wheelers, auto components and computer peripherals. They also have vibrant businesses in the distribution of heavy commercial vehicles (HCV) passenger cars, finance and insurance. 1980 is the red letter year for TVS when India's first two-seater moped rolled out. It ushered in an era of affordable personal transportation. Globally, TVS Motor Company is the first two-wheeler manufacturer to
be honoured with the hallmark of Japanese Quality - The Deming Prize for Total Quality Management.

TVS Motor believes that people make an organization and that its well-being is dependent on the commitment and growth of its people. There has been sustained effort through systematic training and career planning to develop employees’ talents and enhance job satisfaction. It supports and encourages the process of self-renewal in all its employees and nurtures their sense of self worth. It is committed to achieving a self-renewing organisation by adopting TQM a way of life. It firmly believes in the integration of safety, health and environmental aspects with all business activities and ensures protection of employees and environment.

The profiles of the respondent companies helped the researcher understand their business practices and human resource environments. This understanding is significant as the present study has dealt with individual employees – managing emotions and building relationships – and organisational effectiveness.