

ECA/VOICE

ISSUE 32 | FY'14

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INTRODUCTION



On the 5th of Nov'13, Tata Astrum, the brand for HR Sheets & Coils completed its first year in the market. If one word can describe this journey, then it has to be "Learning". Your support and feedback in the past one year has helped us improve our offerings and above all given us a confidence.


In a bid to improve communication and co-learning, we bring to you the 'ECA-Voice', a quarterly newsletter which covers the customer initiatives, learnings and good practices from other industries.

FROM THE EDITOR'S DESK

Dear Friends,

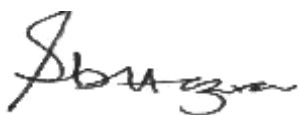
Welcome to the ECA Voice edition for FY '14. In this edition apart from regular updates we have spoken about customer initiatives taken by each of the Steelium, Galvano and also Astrum distributors, which has been a newly introduced vertical, including Knowledge Sharing Sessions and Focus Group Discussions.

The Steel Industry section speaks of both the domestic and international market scenarios which also include insights on the industry and its happenings.

The  activities sections include the Vijeta Awards and Suraksha Meets by various distributors and customers and other marketing initiatives by distributors across the country.

As we have stepped onto the new year and march towards setting new benchmarks of success, I hope that all of you achieve goals and milestones that you have set for yourselves. Do send in your feedback and suggestions to pallabi.s@tatasteel.com and tatasteelium@matrixdirect.in so that we can make the newsletter more pertinent and interesting.

Warm Regards,



Soumyabrata Hazra

Head Marketing - Steelium & Galvano
Flat Products - Tata Steel



STEEL INDUSTRY UPDATES

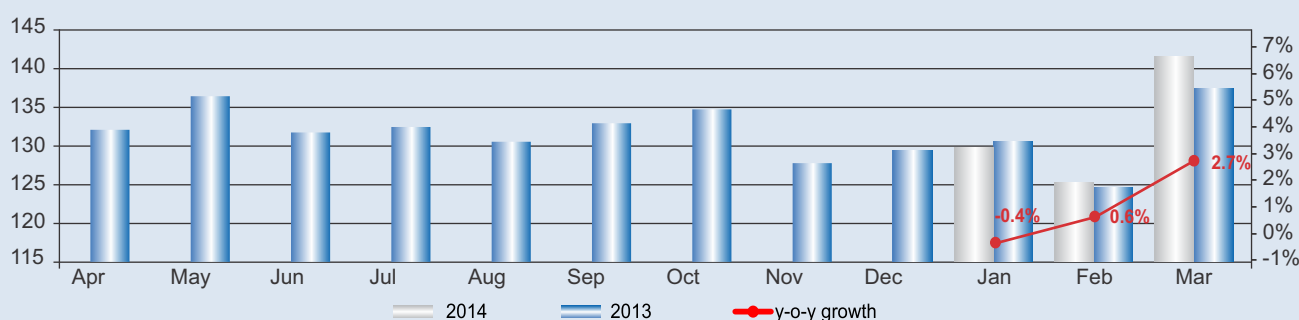
Global Economy

World crude steel production for the 65 countries reporting to the World Steel Association 141 million

tonnes (MT) in FY '14, an increase of 2.7% compared to March 2013. China grew its retail sales by 11.9%

in FY '14. IIP grew by 2.5% while on a m-o-m basis it increased by 0.4% in FY '14.

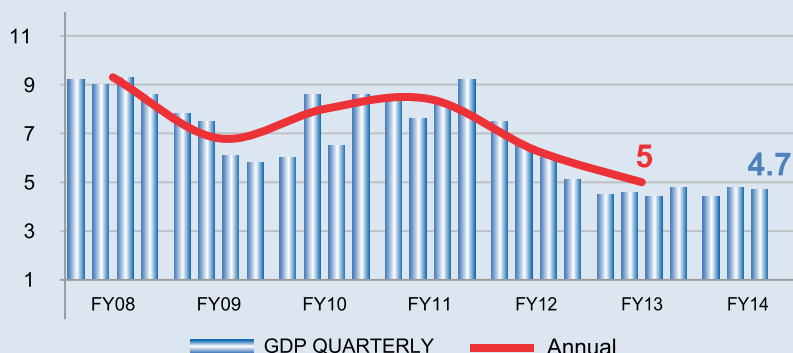
Global Crude Steel Production



Indian Economy

GDP growth rate remained static in Q3 and Q4 as the industry continues to face barriers related to growth. IIP contracted by 0.5% in FY '14 on the back of a weak performance by the manufacturing sector. No significant change in the Indian Economy is expected until the general elections get over.

GDP Growth Rate (%)



Industry Updates

- SAIL grew its sales by 14% in FY '14 to 1.22 MT on higher off-take from domestic and export markets. The country's largest steel maker had clocked sales of 0.974 MT last year. Production of sale-able steel in the reporting month also rose by seven percent to 1.006 MT from 0.94 MT a year ago.
- Stemcor lenders have agreed to give the independent steel

trader more time to restructure its \$1.25 million debt

- ArcelorMittal is investing USD 15 million at its Brazil facility to produce specialized high strength steel for automotive industry by next year.
- The World Steel Association forecasts steel demand in India to grow by 7% in 2014

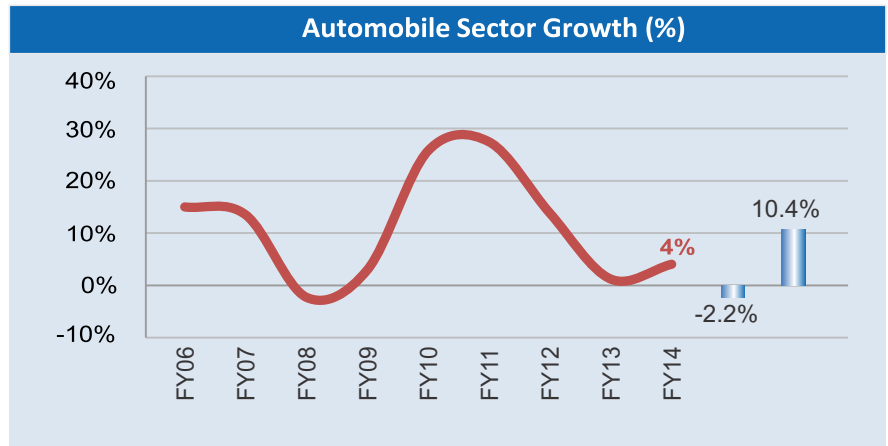
- Bhilai Steel Plant, the flagship unit of public sector SAIL, concluded the April-February period of fiscal 2013-14 by registering growth of 3.4, 2.4 and 3 percent over corresponding period last year in cumulative hot metal, crude steel and saleable steel production respectively.

STEEL INDUSTRY UPDATES

Demand

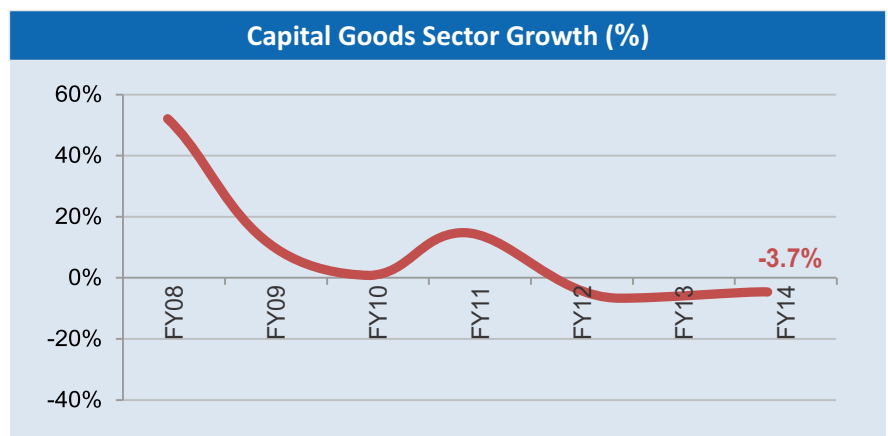
Automobile Sector

Auto Demand and production growth continues due to improvement in domestic sales during the fiscal. Strong growth in motorcycles' production driven by the performance of Hero and Honda Motors PV production contracted by 9% due to 10% yoy fall in sales. 3W have been hit by a slowdown in exports, falling by ~23% in FY '14.



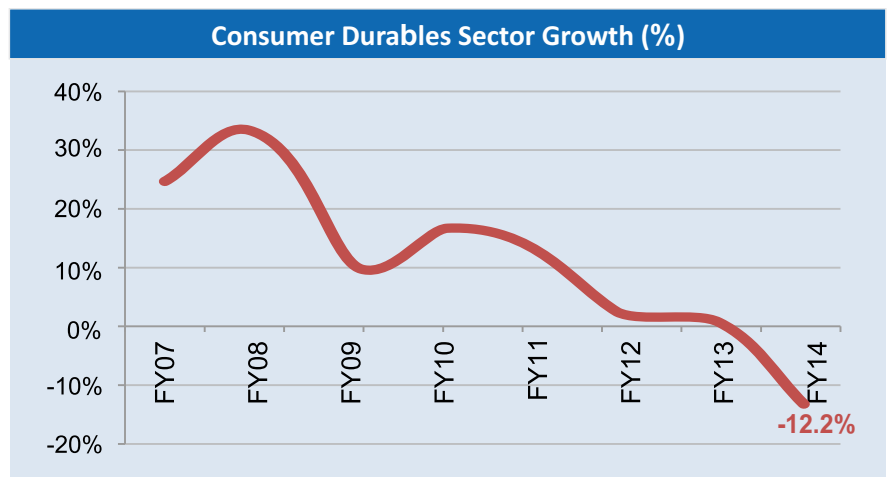
Capital Goods Sector

Growth in capital goods sector has contracted by 12.5% YoY in Mar'14. Capital goods sector is more likely to continue to decline because of slowdown in fresh investment expenditure. All key steel consuming sub-sector barring tractors have contracted during April-March FY '14. However, sector is expected to improve.



Consumer Durables Sector

Consumer Durables Sector contracted by 12.2% YoY in FY '14 which shows there the sector contracted YoY for the last 15 months, despite a low base. Prevailing high interest rates coupled with the major economy slowdown has affected the manufacturing sector badly. Hence, demand has continued to remain low and no dramatic revival is expected in the coming months.



Flat Products Prices

Indian steelmakers continued to push the prices further up, as the undervalued rupee kept the imports away from the market and India remained a net exporter for FY

'14. Despite the recovery in the Chinese construction sector, the prices fell, due to the persisting oversupply conditions in the domestic market. Japanese prices

remained stable despite a fall in the exports to SEA due to an improvement in the domestic demand.

SAFETY

Safety during Electric Arc Welding

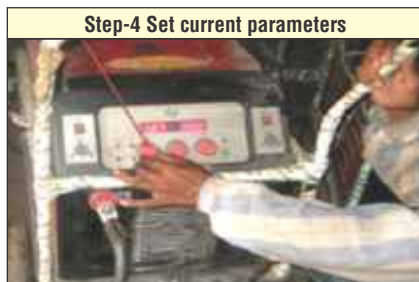
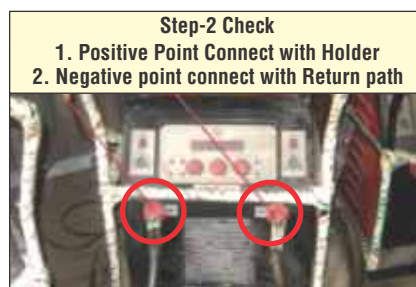
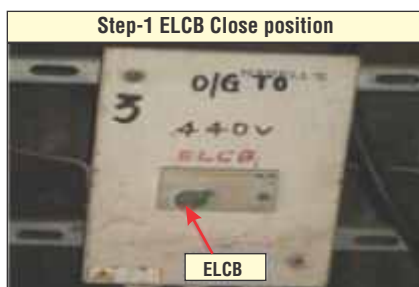
Arc welding is a common type of welding that uses a welding power supply to create an electric arc between an electrode and the base material to melt the metals at the welding point. Today, it remains an important process for the fabrication of steel structures and vehicles. Welding can be a dangerous and unhealthy practice without proper precautions; however, with the use of new technology and proper protection the risks of injury or death associated with welding can be greatly reduced. The hazards associated with welding are:

- Electrical Shock from 415V wiring or Electrode
- Breathing Welding fumes
- Fire or explosion in gaseous area
- Arc rays which can burn eyes and skin
- Magnetic field which can affect Pacemakers
- Burns caused by touching hot parts



Personal Protective Equipments to be used during welding

The steps for a proper welding process are as follows:



There are various Do's & Don'ts to be kept in mind for an efficient welding process:

Do's:

- Always be sure the work cable makes good electrical connection
- Holder should not touch metallic object during start of machine
- Never dip electrode in water for cooling
- Never touch electrical holder simultaneously between two welders as voltage shall be double
- Provide safe position for putting electrode in

between welding

- Use protection against fall while welding on height

Don'ts:

- Touch live electrical parts, Electrode, Holder with bare hand
- Allow loose & temporary input electrical connection.
- Use worn, damaged, undersized cables
- Use damp or wet protective clothing or gloves

TECHNOLOGY

TSCR



Thin Slab Caster & Rolling Mill

The Thin Slab Caster & Rolling Mill (TSCR) is the newest addition to the Flat Products Complex. The mill was commissioned on the 14th of February '12 and is equipped with all the latest technologies to cater to different requirements of the customers.

It is an integrated shop, where steel is made in the steel making shop (LD#3) and it is then cast and rolled, continuously. Unlike the HSM, there is no slab stage in this mill and thus it reduces the time lag.

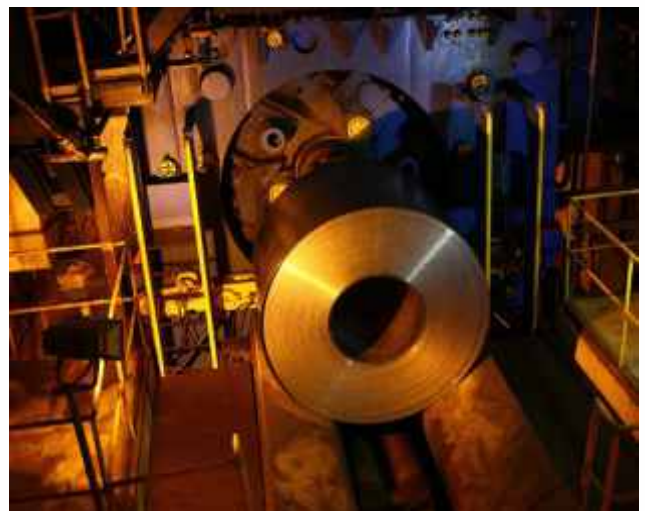
LD#3 & TSCR has the following facilities:

- 2 De-sulphurization Stations, 2 BOF Converters, 2 Online Purging (OLP) Stations & 2 Single Strand Casters
- Two tunnel furnaces and one emergency crop shear
- One 4 Hi 6 (+1) stand finishing mill with laminar cooling facility followed by 2 down-coilers

Unique Features to ensure best-in-class product:

- Vertical Caster equipped with Liquid Core Reduction and Dynamic Soft Reduction for better segregation control
- Calcium treatment for higher steel cleanliness

- Mill capable of rolling thinner (1 mm min) and wider (1680 mm max) sections
- Dynamic Continuous Variable Crown (CVC) Plus and Work Roll Bending (WRB) technology for better control of profile, flatness and contour of rolled strip
- Dynamic Disturbance Compensators (DDC) for compensation of strip thickness faults
- Hydraulic Gap Control (HGC) for roll gap adjustment & Automatic Gauge Control (AGC)
- Edge masking on the run-out table for homogeneous mechanical properties



Knowledge Sharing Session

Knowledge Sharing Sessions were organised throughout the country by distributors in the 3rd and 4th quarter of the year. Starting from Naresh Steel, Balaji Steels, Bhagwati Steel Sales, Sangeeta Steel Corporation, Sanjeev Industrial Corporation, SKM Mumbai, etc. all of whom discussed about Sheet Metal Forming, Welding and Powder Coating.



G. R. Gupta & Bros.



Bhagwati Steel Sales



Naresh Steel



Amit Iron TSPDL Kolkata



GK Steel Ramsarop & Sons



SKM Mumbai



Punjab Agro Implement Works



Sangeeta Steel Corporation



Sanjeev Industrial Corporation

Suraksha Meets

Distributors from different regions, organised Suraksha Meets for their workers to discuss the importance of safety practices in the workplace.



Bhagwati Steels

M/s. Bharaj Engineering Works
& M/s. S V Enterprises



Sangeeta Industrial Corporation

M/s. A2Z Filtration



Naresh Steel

M/s. Poonya Steel
Processors Pvt. Ltd.

Vijeta Awards

Series of Vijeta Awards were given out to commemorate the employees for the hard work, allegiance and dedication towards the organization. Vijeta Awards for Astrum customers have also started.



Vijeta Awards



Bronze Award – Mr. Babalu



Silver Award – Mr. Sunil Singh



Gold Award – Mr. Santosh Kumar



Winners with Management & Team



Mr. S.K. Prasad addressing the Gathering

OTHER CUSTOMER INITIATIVES

National Safety Month Celebration

TSPDL Pune celebrated National Safety Month inaugurated on 3rd March '14 that included awareness sessions on personal accident policy, training on safety aspects during maintenance, fire fighting

guidance, awareness sessions with supervisors and workforce and distribution of aluminium safety visors to all operating stations for face and eye protection.



Crickennis

A unique customer meet was organized by Sanjeev Industrial Corp on 29th March '14 that

comprised of a fun-filled evening with cricket matches. 75 Tata Astrum & Tata Steelium branded

bats were given away to all the participants as souvenirs.



OTHER CUSTOMER INITIATIVES

Customer Meet

Bhagwati Steel Sales organized a customer meet on 15th March '14 at Ellante Mall, Chandigarh. This time they came up with a unique idea to take away the customers for an entertainment evening. Some of the key customers were invited

with their families for a movie show. These kind of initiatives helped in strengthening the personal bond with customers resulting in more loyalty toward TATA brands.



Event Sponsorship IMG

Rohit & Company co-sponsored a Mock Parliament Debate Organized by Students of Ahmedabad's prominent college H.L.Institute of Commerce on 14th and 15th March '14. The basic theme behind holding IIMS (I M Government) was

to bring the future political minds of the country to opine all contemporary issue, developing policies but with modernity that is much sought after in the parliament of the nation today. Personalities present at the session

were: Ms. Asifa Khan Pathan – Spokesperson BJP, Mr. Hemant Shah – Professor of Economics & Journalism, Mr Varun Maira – Ex-Additional Chief Secretary of Gujarat.



Project 'Udaan'

On 22nd November '13, **Naresh Steel** conducted a conference to facilitate Employee Training & motivate the employees. The theme of the conference was 'Conflict Management' and various discussions took place to channelize conflicts for a better performance and better negotiations.



OTHER CUSTOMER INITIATIVES

Focus Group Discussion



TSPDL Faridabad organised a Focus Group Discussion with its Key Galvano Customers to discuss the material availability scenario. The workshop was also a platform to discuss queries, admin and local issues and give feedback about the issues they were facing with the product.



Training Workshop on Professional Excellence

Punjab Agro Implement Works organised a training workshop on 'Professional Excellence' on 16th December '13 at Jalandhar to enhance the professional and behavioral skills of the sales and operations teams. The workshop was full of physical activities and role plays on diverse situations.



KAC Milestone Celebrations



SKM Steels Ltd., Indore celebrated the KAC Milestone of their customer Ms. Surin Automotive Pvt Ltd. on 23rd October '13. Awards and certificates were given on account of reaching 100% SOB.



National Energy Conservation Day

Rohit & Company observed 'National Energy Conservation Day' on 14th December '13, with the objective of creating awareness among employees to save Energy, Water, Paper, etc. for the future.



CSR INITIATIVES

Donation of a Nest 350- H

On 17th November '13, **Bubna Commercial Company** constructed and donated a Nest 350-H Classroom for 250 destitute children who did not have a proper study center to study after school time. A colourful cultural program was also presented by the children of SPCI on the occasion to express their happiness and appreciate the benevolent contribution made.



Donation Activities



On 24th December '13, **Punjab Agro Implement Works** distributed lunch boxes and school bags to the under privileged students of ATM Jain Public School, Ludhiana. The whole motive behind this gesture was to make an effort to educate the society.



A hand to the needy

On 25th October '13, **Rohit & Company** distributed sweets & crackers to the children at Andh Apang Kalyan Kendra as part of their Diwali celebrations. The children enjoyed the grand celebrations and the effort was appreciated by one and all.



BEST PRACTICES FROM OTHER INDUSTRIES

Quality Assurance Norms & Practices at Edcons Export Ltd.

Edcons Exports is a 100% export oriented unit engaged in manufacturing of leather bags and small leather goods (purses, wallets, etc.). In order to ensure that the quality of the product is coherent with the standards no matter from which set of craftsmen work on it, the Quality Assurance system needs to be robust, regularly updated and verified.



Quality Assurance System at Edcons

The quality assurance system is broadly divided into two categories:

In Process quality: The responsibility lies with the individual employee at each workstation. Being meticulous and responsible is extremely important as the job here involves cutting, stitching, painting, etc. on leather and any fault in the fabrication cannot be undone.

- Final Quality control called CCP (Cleaning, Checking and Packaging) is a separate department wherein the team checks the final product that goes to the customer on a host of separate quality parameters.

Quality Control for Incoming Material: All incoming materials (leather) are inspected for 15 different parameters and graded accordingly for their quality in terms of strength and aesthetics. Grading is done as per the following hierarchy:

- Super (SP) • Q1 • Q2 • Q3

Each workstation has a QA sheet which clearly details the Standard Operating Procedure with



guidelines for each step. The highlights of the QA sheet are as follows:

- Simple visual SOPs along with do's and don'ts depicted through pictures
- Each workstation has a specification sheet highlighting the customer requirements in terms of design, colour etc.
- Each workstation has a mirror sample (similar to limit samples in steel service centers) which serve as a guideline for acceptable quality for that specific customer

Material Tracking Information

At every process step, a small job card is maintained. Whenever one

production lot is completed at a workstation, all the WIP (work in progress) goods are put in a plastic bag/box with a tag mentioning the client code, order no. and no. of pieces.

A rating system has been ascertained to assess the performance of these OFR's based on the following 3 parameters:

- Quality
- On-time delivery performance
- Loyalty (based on how much priority is given for processing Edcons job-work over others)

Round Checkers (RC's):

In order to keep a strict vigil on the order progress & adherence to quality control norms, Edcons has appointed a fleet of Round Checkers (RC) whose job includes visiting the OFRs to conduct surprise process and product audits as well training the workmen at the outsourced agencies to keep them updated on the quality requirements in line with changing business needs.



CHAMPION CUSTOMER

Kone

Kone one of the global leaders in the elevators and escalator Industry has been committed to understand customer driven needs for the past century, providing industry-leading elevators, escalators and automatic building doors as well as innovative solutions for modernization and maintenance.

Headquartered at Chennai, Kone's presence in India dates back to 1984 serving customers through its 40 branches as well providing with sustainable People Flow™ solution for India's rapidly growing cities providing employment to more than 30,000 people in the country. In 2012, Kone had annual net sales of EUR 6.3 billion and on average 40,000 employees. Kone's Production Unit in Chennai produces elevators for the Indian market as well as for Bangladesh, Nepal and Sri Lanka and manufacture components for modernization projects in other Asia-Pacific markets such as Australia, Korea, Singapore and Malaysia. Kone is associated with Tata Steel since 1995.

It uses Tata Steelium the Cold Rolled sheets, Tata Astrum - the Hot Rolled Sheets and Tata Galvano, the Galvanized sheets of Tata Steel in its



elevators. Sri Balaji Steel Trader, one of the distributors of Tata Steel has been catering to Kone with consistent quality and prompt service.

A pioneer in Eco-efficient™ solutions. Kone along with the KCF

(Kone Centennial Foundation) supports the social development of a local community in Chennai in collaboration with Rotary Club of Madras. The project is primarily aimed at providing & developing education for the underprivileged children in the community.





Pathshala – Learning for Growth

Tata Steel organized a 'Pathshala' program from 10th to 14th April 2014 in Jamshedpur. 92 ASO's of Tata Steelium, Astrum and Galvano from all across India participated in the program which included sessions on manufacturing processes, CAPL technology, value selling, reconnect with customers, plant visits and many other group activities. Along with the learning processes there were fun quiz segments and entertainment activities to make the program a successful platform for knowledge sharing and team building.





PATHSHALA





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