### **MOBILITY OUTLOOK – JUNE 21: COVERAGE**

# "Changeover Is A Guided Calculation For RSB With Effective Planning Without Disruption"



T Murrali 4 Jun 2021

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Nishit Behera, Executive Director, RSB Transmissions India hopes the mobility segment, on which auto-comp is entirely dependent, will limp back to normalcy and perhaps return to its by-gone glory.



Nishit Behera

Nishit Behera has over 17 years of rich experience in leadership roles in the auto component industry spanning from shop floor practices, production, business development, especially in green field projects, to the turnaround of manufacturing plants. He has wide lived exposure to TQM practices.

#### Can you tell us about the challenges you faced in FY21?

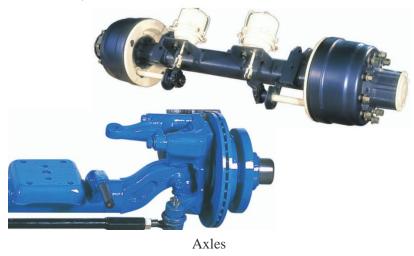
The year under review threw at us five key challenges: (a) outbreak of pandemic, (b) modification of the powertrain resulting in focus-shift to e-vehicles, (c) evolution of connected vehicles and growing prominence of autonomous vehicles, (d) overhaul of the supply chain due to disruption, and (e) increasing year-on-year inventory.

The sailing has been marred by rough weather and volatility in the market situation, besides undue pressure on resource constraints for the auto-comp segment.

Added to this, mandatory closure of all manufacturing activities in Apr/May 2020 and migrant labourers returning to their natives added to the woes. However, these issues never deterred us. Since we are a Deming and TPM enterprise, TQM is embedded in the entire system and had a solid and unbreakable sustainability thread running across our activities.

The prime ingredient of the entire supply-chain, manufacturing, product, service and other support functions has been built on the pillar of sustainability. This green approach, with adequate controls and cushioning to take on cyclical fluctuations, down-turn, lockdown, etc., at any point in time, helped us implement a Sustainability Management System with revisions at need-based intervals in the context of changing scenario.

Fortunately, this has been a great help during the pandemic to relook at our strength and weaknesses. Yes, we did have stresses and strains, but we overcame them.



#### How did the workforce react to these approaches?

Our workforce stood with us during the lean period. They supported the management team in every possible way, to bring down the cost in every conceivable mode by shifting focus to various Kaizen improvement projects and working in shop floors, proactively taking all COVID-19 safety measures. In addition, our interaction at frequent intervals on digital platforms kept every one of us vibrant, with improvements presented on digital platforms for evaluation by internal juries and COVID-19 advisories communicated from time to time for their well-being/family members.

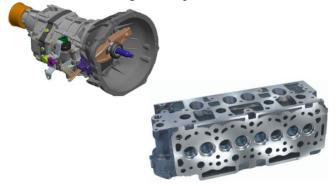
Our OEM customers have continually reposed faith in us over decades; this has kept us ticking with orderintake and supply, irrespective of batch quantity, further strengthening the relationship. However, as time moved on, there has been a change in demand scenario, and we could close the year with thin margins on all fronts.

#### Could you sense any opportunity during the crisis?

We converted problems into great opportunities and challenged ourselves. We used the COVID-19 vacuum (time) judiciously and audited ourselves. The obstacle we saw turned out to be a boon to move in a different direction for our good. We never gave vacation to our technical wisdom & discipline, which was continual to bring improvements YoY.

Our core think-tank worked on simulated strategies with our IT team to innovate ways to bring down cost without sacrificing quality, through continual improvement projects focusing on the potential scenario. We have also planned for the future if a similar situation revisits.

We have embarked on planning a total digital age with the least human intervention, conforming to Industry 4.0, IoT and e-factory administration with remote monitoring, control and decision-making, in a big way. We roped in our R&D subsidiary, I-Design Engineering Solutions, to strengthen the think-tank with their expertise. All these are in various stages of implementation.



Gearbox & Cylinder block

#### Is the current fiscal promising?

The second wave of COVID-19 has now greeted every one of us right at the beginning of FY22, keeping us indoors. The silver lining though is that manufacturing activity has been allowed to run with strict measures. While manufacturing activity is on a subdued note, thus affecting the supply chain, there is light in the horizon.

There is relief in the spread of the virus, with vaccination drive at full throttle across the country and strict health measures. We hope the mobility segment, on which auto-comp is entirely dependent, will limp back to normalcy and perhaps return to its by-gone glory.

Conventional mobility has been the heart of trade and commerce, though e-mobility is slowly making inroads. For the auto-comp industry, it will be a see-saw puzzle – conventional vs e-mobility. Still, for us, the

changeover is a guided calculation with effective planning without disruption, depending on how the pendulum swings. We are prepared for that.

We have given increased thrust to the after-sales segment, which we expect to sustain for more than a decade, with a significant presence of conventional fossil fuel vehicles. Thus, we can manage even if embility becomes the order of the day at any point in the future.

Changeover to e-components to suit e-mobility for our OEMs is not an issue for us at any point in time. This is because our time-tested sustainability model has in-built technical infrastructure to switch over smoothly at an appropriate time, depending upon the development signals we get from our OEMs.

On a positive note, we expect to fair well unless unforeseen events collide in our journey.

#### How are you enabling your supply chain to match as per your requirements?

Our sustainability model has been extended to vendors who have, as a part of contractual obligation, implement and maintain effective, flexible manufacturing practices using TQM tools, effectively trained and implemented at their facilities by us. In addition, our audit team guides and audits their practices at their facility at planned intervals.

Our sustainability practices are also extended to personnel working under the organisation's control, including workers, staff casuals, and interested parties trained and monitored at frequent intervals.

#### Does the situation give any lead to hedge RSB from any crisis and market volatility?

We always challenged ourselves in pursuit of excellence and awakened our inner valour to sail in thunderstorms. We made many value additions by redefining/realigning the process, and a full-fledged task force formed for the COVID-induced lockdown by strategising and implementing innovative/fertile improvements. We knew everything is temporary in the business journey, and the only constant that remained with us was change. Value additions and savings during this sojourn have made us more competitive.



**RSB** Mexico

#### What are the options for RSB to expand its product portfolio with its JV Partner Eugen Klein?

None immediately, as there is a complete halt of movements in the present COVID-19 second wave scenario.

As a provider of vertically integrated propeller shaft solution developed in collaboration with Eugen Klein GmbH, Germany, we enjoy the largest market share in India. The propeller shaft manufacturing covers more than 65 unique part designations, catering to the present and futuristic commercial vehicle power transmission requirements and meeting the stringent quality norms.

## How is I-Design Engineering Solutions performing? What are the solutions it is offering the automotive segment?

I-Design, our R&D Wing, works on full-cycle product development, viz designing, prototyping and testing. It has a rugged engineering team of 150+ offering solutions in mathematical modelling, engineering design, process engineering, instrumentation and control engineering, product validation, data acquisition, material science, all under one roof.

Its clientele ranges from automotive industries to aerospace, process industries to consumer durables, and scientific research to SMEs.

The latest addition is electronic and control engineering with the ultimate objective of foraying into the design and engineering of Vehicular Electronic Control Systems. It also provides CAD/CAE services on various software platforms, including 2D and 3D modelling, digitisation of parts, modelling, meshing, and FEA.

Projects executed include tractor-live front axle, LCV rear axle, oil & water pump for passenger cars, axial piston pump for topper, air brake for CVs, design of actuator for gearbox and foundation brakes.

I-Design is part of our think tank to explore new avenues and smooth change over to Industry 4.0. The engineers are skilled and innovative.

#### Can you update on your overseas operations?

In 2006, RSB made its first overseas foray by acquiring Miller Brothers in Michigan, USA. Located at Homer, USA, the automotive components & products manufacturing enterprise is into machining gears and transmission components and precision machined components/assemblies for low to mid-volume automotive, heavy truck and construction equipment.

We further expanded our global footprint by setting up a greenfield project in Mexico in 2011. Located at Leon city, the company supplies precision machined components and assemblies for low to mid-volume automotive customers. It has the ability to cater to the rapidly growing LatAm market as Mexico has a vibrant automotive industry with most of the leading global auto OEMs having their assembly and manufacturing plants here.

