

## TATA Tubes

Growing taller. Growing stronger.

TATA Tubes is the strategic business unit of TATA STEEL and also the largest manufacturer of steel pipes in India. Established in 1950, TATA Tubes caters to commercial requirements (plumbing, irrigation, structural) and is also a supplier to automobile & boiler OEM's.

The steel tube industry in India is highly fragmented with a number of small, independent players in the market. In such a scenario, TATA Tubes, the oldest, largest and most established player, had difficulty competing with smaller players with their fairly small fixed costs. TATA Tubes decided to improve their competitiveness by dramatically improving productivity levels and bring about a major 'Change' in the work systems and processes to once again lead the marketplace.

"I have grown an inch taller  
by this project."

**S.P.Gupte**  
**Head PT Mills**  
**on achieving the highest  
ever production**

### Key Results

20% Productivity  
improvement

40% Reduction in machine  
breakdown

Set-up times reduced by  
30%

WIP inventory reduced by  
50%

10% Reduction of annual  
spend

350% ROI

### ANALYSIS

Renoir's initial Analysis identified four major opportunities:

- Improve asset utilization through better Production & Maintenance Control Systems
- Improve the capability of production planning & scheduling
- Improve customer order reliability and market demands
- Align, optimize/reengineer all support processes for improved productivity

### PROJECT

In order to improve the Production Management System, standards for all activities (setup time, rolling speeds) were established and variances monitored. Formal review structures across all hierarchical levels and time frames (hourly, shift, daily, weekly, monthly) were put in place and a Root Cause Analysis system installed.

Operational Scorecards for all levels, setting targets & accountability were developed and Condition based maintenance systems for improved machine reliability established.

A capacity planning tool and scheduling systems for bottleneck resources was developed to maximize throughput and help improve Supply Chain Management. Manufacturing constraints and standards were mapped to ensure that all order commitments were met and Demand Planning at region/customer levels were developed.

A new Sales & Operations Planning process was implemented to align sales & operations and create a "one-plan concept" while a Replenishment system for faster selling SKU's enabled improved product availability across the Supply Chain as well as optimising inventory.

In addition, the following actions were taken:

- Development of a new Spares Management Model for ensuring optimal spares availability
- Streamlined the new product development process through a Stage-

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Gate review mechanism for shorter time-to-market

- Order Compliance improvement for Key Customers through new compliance review systems
- Spend Analysis for reduction of the total spend through supplier consolidations & strategic sourcing
- Reengineering of the Customer Complaints handling process

## THE RENOIR GROUP

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