



Ford India has positioned the new Fiesta as a car as a niche for its audience, so the numbers do not matter.

also, sources aver, prices of cars in this segment have increased. Also, many buyers have opted for SUVs such as the Renault Duster and the Mahindra XUV500 which had the space and aesthetics that appealed to the buyer.

Of the 2013-14 tally, the Elantra and Corolla accounted for over 50 percent and so this is the upcoming battle going forward as Toyota seeks to add more heft to its India tally with numbers from the Corolla brand. Toyota is closely identified with the Corolla brand in any market that the Japanese player operates in and now, the company is keen to get some market share back.

Already, Toyota has got off to a great start with close to 800 units sold on average in the first three months that the new offering has been in the market. The Japanese carmaker has introduced an all-new model that features better-looking interiors and has the trademark Toyota comfort and reliability. However, like its earlier avatar, this diesel is considered underpowered

with its 1.4-litre diesel.

Two years ago, the Corolla had to contend with American rivals in the form of the Cruze and the Fiesta. Both had put in a strong showing with both brands accounting for a 30 percent stake. This time, it has the Skoda Octavia with its build quality, and a good diesel engine under the hood has been able to see about 400 units a month, and is at present quite close to the Cruze tally.

The major laggards in the sector have been the Cruze – over 6,500 units were sold in 2012-13 – and that is down to 1,681 units while the Fluence has sold about 40 units a month. It still remains an unknown brand in this segment even though its manufacturer tried to excite the brand with a facelift earlier this year.

Finally, in terms of fuel splits, diesel continues to be the dominant share with 60 percent of sales being diesel. For the newest offering in the segment, the Corolla, petrols have exceeded that of diesel but it is still early days. ■



Renault's Fluence comes with a powerful diesel but remains a bit player in the segment.

Minda Furukawa sets up auto parts unit at Tihar Jail

The initiative, which will make wiring harnesses, is part of a private-public partnership model for Maruti Suzuki.

Minda Furukawa Electric (MFE), a JV between Spark Minda, the Ashok Minda Group of India and Furukawa of Japan, has set up an automotive component manufacturing unit at Tihar Jail in New Delhi under the private-public partnership model for its key customer Maruti Suzuki India.

At Tihar, there are ongoing projects like shoe making, a chemical unit, bakery items, paper processing, furniture making and carpentry. But this will be the first time that an automotive component manufacturing unit will be set up there. The jail authorities have supported MFE and Spark Minda's socio-business initiative.

MFE is located at Bawal, Haryana and produces the entire range of wiring harnesses for four-wheelers and components related to wiring harness like couplers, terminals, relay boxes, junction boxes, and steering roll connectors used for airbag systems.

The investment at the Tihar jail will be in machinery, raw material and other quality systems and procedures as per policy requirements. The facility will be run by jail convicts under the supervision of MFE. The wire harness will be manufactured in this jail unit and will be supplied to Maruti Suzuki. An MoU has been signed between MFE



Director General of Delhi prisons, Alok Verma inspecting the manufacturing unit set up by Minda Furukawa Electric.

and the Tihar Jail authorities on March 30, 2014.

Operations commenced from April 1 and after successful completion of training to the inmates, production began with daily supply for part sets of 200-250 wire harnesses. The finished product goes for final inspection, quality checks and is then transported to the carmaker in Gurgaon.

It took a year's time to conceptualise, envision and install the entire setup in the jail. This social enterprise will provide employment to approximately 200-250 convicts. To ensure a quality product to the customer, MFE has set up check points being able to supply zero-defect components in the last five months.

The raw material entry and dispatch of the finished product has been kept under the control of MFE. The management team also visits this unit on a frequent basis to ensure the system and policy deployment are in accordance with the company's requirement.

A dedicated MFE team trains and imparts skills to them. These convicts will be able to earn as per the minimum wages act of the government. On completion of their term, they are fully trained for employment in the automobile or component industry.

K D Singh, joint president, says: "This was an idea conceptualised by Maenishi, president, MFE and myself. We took it forward as a challenge expecting a lot of road blocks. However, we were pleasantly surprised by the eagerness and the response we got from the Tihar Jail authorities. This built up our confidence to convert the concept into reality."

"This initiative will certainly produce a sustainable collaborative social business model, which will benefit the convicts of Tihar Jail, their families and victims also. We are certainly exploring such avenues at other places also," says N K Taneja, Group chief marketing officer, Spark Minda Group. ■