

## **Rising to the challenge**

Equipment manufacturers are gearing up with advanced machines to meet the demands of India's road building sector BY SYED AMEEN KADER

lthough the pace is currently punctuated by procedural hurdles and slowdown, India's roads and highways story is far from over. As the country ambitiously plans to lay massive number of new roads and rebuild the old ones to match its projected economic growth, it has thrown open new opportunities for construction equipment manufacturers. But are we adequately equipped technologically to take up so many road projects? Industry observers feel that although India is already manufacturing a variety of road construction equipment (indigenous as well as in collaboration with reputed global manufacturers) manufacturers still need to invest a better portion of their budgets in R&D to build worldclass roads. "We have to adopt new technologies that will not only help in terms of accuracy, improve quality

of output but also reduce the cost of construction," says Pravin Thakur, VP, plant & machinery, SPML Infra. He says there is huge potential available in Indian market for indigenous and global players to promote their products in the field of latest survey technology; soil stabilisation, asphalt mixing machines and cold mix asphalting. SPML Infra is currently executing road projects worth Rs1,400 crore for a total road length of 510.5 km in the state of Bihar, Madhya Pradesh and Rajasthan.

Equipment manufacturers say that the primary issue facing the road sector today is not the lack of technologically advanced construction equipment, but constant delays in execution of projects already awarded. "As far as equipment is concerned, we have world class products already available in India. For example, 320D hydraulic excavators or 120K2 motor graders, which have the ability to complete jobs at the highest levels of quality, in the shortest time and at the lowest cost per km of road built," says Gurman Reen, sales manager for Caterpillar India.

Global equipment manufacturers who are present in India say they have come a long way in terms of offering quality products. "In the previous era, when we used to have licensing agreement, manufactures used to sell old technologies, but that era has gone away. Now all international companies either have invested themselves or formed joint ventures to give the right technology to Indian customers," says AM Muralidharan, president, Volvo Construction Equipment. Now, global manufactures develop products keeping the local condition in mind but maintain the same quality. Italybased Case Construction, for example, says its loader backhoes and compactors are domestically manufactured keeping in mind international quality standards.

## ROADS & HIGHWAYS



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PASE

However, it directly imports other products such as skid steer loaders, wheel loaders and motor graders. "We can safely say that our products are at par in terms of quality with machines available in the developed parts of the world," says Anil Bhatia, director sales and marketing, Case India.

Also, with the initiation of BOT/BOOT models in roads, there is increased emphasis on quality and longevity of roads. There has been a constant and accelerated shift to more productive and advanced equipment across the board in India. "While we might not be at the same levels of equipment utilisation as the developed

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world, the trend has been extremely positive and encouraging. The key lies in partnering with our customers to use the 'right tool for the job' and improve overall jobsite efficiency," says Reen.

But India is a price sensitive market where operator's comfort comes last and that could lead to compromise on safety and quality. In order to curtail the price of the equipment, Pavin Thakur says, Indian manufacturers go easy on safety and quality parameters. "But we must understand that operator's comfort play an important role in extraction of maximum output from the equipment," he says, adding that his practical experience suggests that better quality equipment gives up to 10 per cent extra output from the same equipment than those

without such features. Thus, in long run, the cost of extra investment is not only recovered but the profitability also goes up due to longer durability of better quality equipment.

Vivek Soni, Co-CEO and CFO, Gemini Equipments & Rentals, agrees: "We go for accepted standard because we will be able to use the machines only for eight to

CASE 752 Vibratory Compactor



CAT 120K2 Motor Grader

10 years. When the equipment is in breakdown, I won't be able to give it on rent. So I would rather spend little bit extra but get the established leader, which is known for its quality."

Global players like Caterpillar, Case, Wirtgen and Volvo, say they would never compromise of safety or quality. For example, Cat says all its products are equipped with state-of-the-art operator stations, which place utmost importance on operator safety, comfort and ease of operation. "The operator is one of the biggest influencers on production, fuel burn, up-time and machine life. We understand this well and would never compromise on safety or quality of an operator," says Reen, adding that their dealers offer onsite certified operator training for each and every machine they sell.

The L1 tendering model is not condu-L cive to the use of advanced roadbuilding equipment as contractors focus on constructing roads in the lowest possible cost. Contractors do not want to invest in latest technology as they do not see much business sense in buying high-end equipment to use in projects that are awarded to the lowest bidder, with no regard to quality of materials and construction. However, not choosing to invest in the latest and most efficient machines will only serve to be counterproductive for contractors. They must make themselves more competitive by adopting technology that lowers their cost and improves productivity.

Case India's Bhatia says: "In a resourceconstrained environment, optimal utilisation of resource takes top-most precedent. The use of better technology helps in lowering the overall costs." He reckons that the winners would be those companies who meet these expectations.