



PC300-8M0 Hydraulic Excavator

All Komatsu excavators have inbuilt remote monitoring system called “KOMTRAX”, which connects and enable tracking of performance

L&T presents the robust range of Komatsu Hydraulic Excavators – that are smart, reliable and efficient. Given their toughened undercarriage, well-engineered structure, intelligent hydraulics and powerful engines, they outperform their peers in performance and productivity. In an exclusive interview to **CONSTRUCTION OPPORTUNITIES, VIVEK HAJELA, VP & HEAD - CONSTRUCTION EQUIPMENT BUSINESS, LARSEN & TOUBRO LIMITED**, speaks about the excavator industry, his company’s range of excavators and aftermarket services.

Give us an overview on the excavators industry and market dynamics.

Over a decade, the HEX market has had a stable growth. The Government’s impetus on Infra sector specially Roads & Highways has been the main driver for the growth. The demand for excavators peaked in FY2018-19 and was above 25,000 units, it was expected to grow further. However, FY2019-20 general elections and then the Covid pandemic hit the demand severely, shrinking it to about 18,000 units. The industry saw a complete washout in Q1 of FY21, but the demand rebounded well from Sept’20 onwards, ending the year with almost similar volumes as FY20. As the situation was getting normal in Q4, the demand was expected to grow by 15-20% in FY22, but the second wave of



pandemic and consequent lockdowns have again impacted the demand severely.

Now, with the pandemic is subsiding and vaccination drive gaining pace across the nation, the demand is expected to revive quickly. The GOI focus and investment on Infra development will remain the strongest demand driver for HEX in the country.

Tell us about the range of excavators offered by you, in terms of types, capacities and applications.

We offer a wide range of Komatsu Hydraulic Excavators for both the Construction & Mining sectors. For the Construction & Infrastructure sector, we offer high-performance Komatsu PC71/PC130/PC200-10M0/PC300-8/PC350-8/PC450 machines. These are proven models with strengthened structures, toughened undercarriage and well-engineered bucket and deployed for varied applications.

In India, Komatsu PC210-10M0 has become the fastest growing model in 22-ton class and has crossed 1000 numbers in 8 months’ time. This machine is truly efficient and comes with enormous benefits to the users in terms of unmatched productivity and



Komatsu PC210-10MO Hydraulic Excavator

fuel efficiency. It is ideal for Blue metal, Minor irrigation, Deep excavation, Stone quarry and Urban development.

PC71 is 'the little master' that has been highly successful in small excavator category with extended applications like Brick kiln industry, Landscape development, Agriculture ponds etc. PC300 and PC350 models are most sought after models for Stone and Marble applications and is economical in operation. PC450 model is popular in the mid-mining segment.

For the Mining Sector, L&T offers the robust and successful PC850/PC1250/PC2000/PC3000 machines. These have proven as reliable workhorses for the Mining sector. Even in the tough conditions of Indian mining industry, these equipment have proved their mettle due to excellent productivity and high reliability, over a long period of time. For example, our PC2000 (with 12 cum Backhoe bucket) has neared 60,000 hours at Coal Mines in Odisha. Similarly, PC1250 (with 7.2 cum Loading Shovel bucket) is nearing 45,000 hours at a Cement plant in Central India.

Recently, we commissioned the largest Komatsu Electric Hydraulic Shovel in India, namely PC3000 (15 cum bucket capacity) at Coal Mines in Central India. Our Principals, Komatsu Ltd, have Hydraulic Excavators upto 42 cum capacity in their portfolio and with the Indian Mining evolving in scale and size, we are confident of introducing even larger sizes of Hydraulic Excavators in the country.

Telematics has become a standard feature in all machines, what is that extra in your machine which is a real value ad for your customer.

The most important technological advancement which has taken place over the past few years, is the use of telematics and IoT for remote management of mining assets.

All Komatsu excavators have inbuilt remote monitoring system called "KOMTRAX", which connects and enables tracking of

performance. The user can see the machine location, operating hours, fuel consumption, mode selection. It alerts the users if any fault occurs through error codes and provides inputs when maintenance is due. The analytics reports become the basis of site optimisation and operator training, thereby making operations efficient and saving cost. Excavators are highly versatile machines. With increasing mechanisation in India, more special attachments and coupling technologies are now being offered to make Excavators more useful and suitable to undertake a variety of jobs. L&T offers a range of Komatsu Rock Breakers & Quick Couplers, Rammer range of Rock Breakers, Boom Breakers & Cutting Solutions and Movax Pile drivers. We have also developed attachments such as Slope Compactors, Crusher Buckets, Clamshell Buckets, Rock Splitters indigenously using in-house design and manufacturing capabilities.

Aftermarket services as a strategic differentiator.

On the customer service side, L&T has launched a digitally-enabled after sales support program named "EQUIP-CARE" which seamlessly integrates machine-initiated service requirements such as scheduled services based on SMR, caution / error code-based service requests and service requests from Customers. The EQUIP-CARE program can be accessed by customers through dedicated App / toll free number (1800 833 9990).

Unlike many other Customer support systems, EQUIP-CARE is designed to leverage digitalisation with a strong human interface -starting with understanding the service requirement, deputing the engineer, addressing the issues on the machine, and capturing customer experience. With a well-trained team of service engineers, the nationwide network of dealers supported by L&T's workshops as well as EQUIP-CARE, we have served over 90% Customers, meeting and often exceeding their expectations.

For Mining Equipment, we are deploying digitalization initiatives to enhance CBM (Condition Based Monitoring) of various equipment



Komatsu PC2000 loading onto HD785 Dump Truck

under maintenance contracts with us. This has resulted in extended machine life, without compromising on equipment safety and productive operations.

Similarly, we have also initiated a wide range of Application Engineering and Continuous Improvement activities at major sites, using digitalization tools and Komatsu software. We work with the respective site teams to jointly identify the areas of improvement and then, work in a calibrated manner, to reduce the cost per tonne of material moved.

Going forward which sectors are major demand drivers for your excavators

The recent mining reforms has brought in a great degree of transparency in allocation of mineral resources, to be mined and used. The Coal mines auctions have progressed successfully and many of the new allottees have already started taking progressive steps. Similarly, the Iron Ore block auction in Odisha went through in a successful manner, with most of the new allottees already starting/continuing the production. Commercial Coal Mining auction also received very good response. More and more large Coal Mining sub-contracts are going through MDO (Mine Developer and Operator) route, whereby, increased private sector participation is clearly visible.

The mining reforms have brought the confidence back in the industry. With better clarity on policy continuation, customers are more confident to invest in good quality mining equipment. We are already witnessing a strong demand for Komatsu Dump Trucks, Hydraulic Excavators, Dozers, Wheel Loaders from various



Komatsu PC71



Komatsu 1250 Hydraulic Excavator loading Dump Truck

sectors like Coal, Cement, and Iron Ore.

What are the major challenges faced in this segment? How do you plan to overcome those?

Hydraulic excavators are the backbone of any construction site. Hence, the demand for excavators grows in direct proportion to the Infra contracts awarded. There has been a strong push on Infra development in the past few years, specially roads & highways, which gave a significant impetus to the excavator demand. Even last year, the demand rebounded steeply after the lockdowns were lifted.

But the second wave of pandemic has hit the demand. While we are confident of the recovery once the pandemic subsides and lockdowns are lifted, we expect adverse cascading impact on supply chain. Most vendors have currently shut operations due to oxygen shortage, which is needed for fabrication work. Many workers have returned to their hometowns and may take some time to come back. Hence, it will take some time for the normal operations to resume. Raw material supplies like steel etc may also be affected.

Increasing commodity prices is a major challenge the industry is facing now, with steel being the primary material for manufacturing of excavators. Steel prices have increased by as much as 80% over the past 8 months. This has significantly increased input costs which have to be necessarily recovered from the customers. Under the current situation, it will be extremely challenging to do the same.

Equipment financing is another challenge which the industry will have to prepare for. Just like last year, the financiers may take a wait and watch approach and tighten credit norms making it difficult for smaller buyers to arrange finance to buy new machines.

Future outlook from an industry perspective and company

With India being a rapidly developing economy, infrastructure development holds the key. One of the most versatile Construction Equipment is Hydraulic Excavator, the demand for this machine is surely to grow. The demand for improved efficiency and the continuing need to make it versatile are the key challenges that the industry is working on. With the world moving towards electrical vehicles, developments on Excavators in this direction will be the next technology frontier. ◆