We are proud to state more than 85 percent of our orders are won through tenders in an open competitive market, that too by competing with MNC’s

Mr. M. V. Rajasekhar
Director (Mining & Construction) - BEML Limited

Q-1. What has been your contribution to the Mining segment in India? How could you successfully tackle the various challenges of your vertical?

Ans. We supply equipment to both, Construction and Mining, but our presence, is more stronger in the mining vertical. We are the market leaders for supply of dozers and dumpers. On the construction equipment front we supply low end excavators, small scale dozers and small excavators upto 22 tons. The construction equipment side has been slightly hit due to non-availability of funds, elections in various states and natural disasters like floods. Construction Equipment market is dull but is certainly expected to pick up in the last four months. The biggest challenge ahead for us is getting all orders in last four months and delivering it on time. For mining demand is uniform as our customers are large institutional customers or navratna companies like Coal India, SAIL, NTPC, NMDC, Nalco etc and market scenario has not affected them at all. These companies get the budget allocation and we get the orders in the last quarter and almost 50 percent of our business in mining is done in the last quarter of the year.

Q-2. How were the first two quarters for BEML and how do you plan to reach your targets?

Ans. Our figures for the last two quarters are at the same level as last years. Consolidation has to be done in the third quarter and fourth quarter is for filling up the gap and to perform better than last year. Since 65 percent of our orders are from institutional customers we are confident of reaching or even exceeding our target in the last quarter.

Q-3. The demand in Indian market is more for which product offered by BEML?

Ans. Currently the demand for back hoe loaders is more in the construction equipment segment and we have a strong market for dozers in the mining segment.

Q-4. Can you elaborate on the Make in India initiatives of BEML and how successful have you been in this?

Ans. We are strongly committed to the Make in India initiative and we believe in developing indigenous products and we can proudly say in most of our products it is more than 90 percent level of indigenization. In some products it is more than 97 percent and recently we developed on our own a 150 Ton electric dump truck. It was completely manufactured in our Indian factory by our own in-house R&D team for Coal India and is working excellently in Singrani and Bilaspur factories. We can claim to have made the largest dumper so far ever in India.

Q-5. What are your special R&D measures and how has it helped you in staying ahead?

Ans. 100 percent of our products are developed by our own efficient R&D team. Our various foreign collaborations got over almost 2 decades ago and since then all our products are indigenously manufactured by our R&D team. R&D is very important for our operations in India.

Q-6. What are the new products being launched by BEML in Excon?

Ans. For Excon event we are coming out with low cost 21 Ton excavator and a dozer with modified hydraulics. Also going to display the 150-205 ton dump truck supplied to Coal India for which we have got repeat orders for additional 7-8 numbers of the same product.

Q-7. How is the current competition in the Indian market, and what is your cutting edge over your competitors?

Ans. The competition in the mining industry is very tough, severe and high. We have the cost advantage in the case of dozers. Our ability in getting material and manufactured resources is able to control cost. Foreign players not able to escalate cost just because of our presence as we are there for cost control in India. In the absence of our presence the prices shall shoot up by 25 percent or even more. We are proud to state more than 85 percent of our orders are won through tenders in an open competitive market, that too by competing with MNC’s. None of our sales are made on nomination basis.

Q-8. What has been the contribution of BEML in the green initiatives?

Ans. BEML is highly committed to Swach Bharat or Green Bharat or Green World. We are happy to state that 75 percent of our energy requirements are through green energy. A 23 Megawatt Wind mill in North Karnataka and 2 solar plants in 2 factories generate an electricity of 2 crore units in a year on an average and we consume around 2.6 crore units annually. We support tree plantation drive under which we have planned for 10000 trees to be planted in last 4 months. Other major initiatives are restoration of ground water through rain water harvesting, banning of single use plastic completely. In our offices we have set up RO water everywhere in glass tumblers.

Q-9. Can you elaborate on BEML’s business mantras which has helped you be successful?

Ans. Absorption of new technologies and ability, to survive through competition and sail through tough situations can be summarized as our Business Mantras. When our collaborations ended 2 decades ago we struggled for almost 6 months to indigenize our products. Trouble was brewing up from all quarters yet we recovered in a year’s time. This experience strengthened our operations and our R&D.

Q-10. Can you elaborate on the vision of BEML for the coming years?

Ans. Our vision is crystal clear and that is to be Global market leader in all our 3 equally important business verticals – Mining and Construction, Defence and rail and metro and main aim is to provide world class products and services.

Q-11. What are the prevailing market conditions with special reference to the current scenario?

Ans. The market is not so bad as projected. Projects get stuck when elections come. It is currently slow but shall certainly pick up in the last quarter. Finance ministry has to reduce taxes so that cash flow improves.