

- **Government to Soon bring in Regulatory Framework for the Construction, Mining and Earthmoving Equipment Sector**
- **MoU between HEC and Cummins India signed to manufacture specialised engines for dozers**
- ***Indian Construction Equipment Sector to Remain on the Uptrend***

**MUMBAI, 17 February 2016:** Government of India may soon come out with a separate, transparent regulatory framework for the construction, mining and earthmoving equipment. This was announced and discussed today in the DHI-FICCI Session on Construction Equipment & Technology as part of the ongoing 'Make in India Week'. The session was jointly organised by Department of Heavy Industry and Federation of Indian Chambers of Commerce & Industry (FICCI). Dr Rajan S. Katoch, Secretary, Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises inaugurated the session.

The proposed regulatory framework is required to bring in more clarity as the concerns of the construction, mining and earthmoving equipment are not adequately addressed as per the current legislation under the Central Motor Vehicle Act.

Also, MoU was signed by Mr. Vedajna Vittal, Cummins India and Mr Avijit Ghosh Chairman Heavy Engineering Corporation Ltd during the session in the presence of Dr Rajan Katoch, Secretary, DHI and Mr Vishvajit Sahay, Joint Secretary, DHI.

HEC and Promtractor JSC Russia "Chetra" have agreed to jointly execute a project for manufacture and assembly of dozers of different capacities for the user industries. These Dozers require special, suitable engines and accessories which shall be sourced from Cummins India Ltd. Cummins India will be manufacturing these engines in India suitable for Indian climate and working conditions. The Non-disclosure agreement was signed between HEC and Cummins India Ltd. on 17.02.2016.

As per the Department of Heavy Industry's Annual Report, the Indian earthmoving and construction equipment industry has been expanding volumes at a compounded annual rate of 40% over the past few years and the momentum is expected to remain buoyant in the medium term. The underlying factors driving this growth include the rising expenditure on urban infrastructure, which is expected to increase from present 1.59% of GDP to 2.16% of GDP by FY 2031 and the ever expanding real estate sector of the economy which is estimated to grow to US\$ 180 billion by 2020. Moreover, the increments in expenditure on transport infrastructure of the country (with US\$ 80 billion of investments planned for Roads and Highways by 2019) along with strong growth in industrial manufacturing and mining activities provide ample room for strengthening the construction equipment sector in the medium term.

The broad objective of the seminar was to deliberate the ways to strengthen India's position as a leading manufacturer in the construction equipment sector. The seminar proceeded along the contours of various strategic advantages that the country offers for construction equipment manufacturing and the technological advancements and innovation that the industry has made so far.

Eminent speakers from the Government and industry like Mr Vishvajit Sahay, Joint Secretary, DHI; Mr Ashwani Kumar, National Executive Committee Member, FICCI & Chief Executive-Power Development, Larsen & Toubro Limited; Mr Avijit Ghosh, Chairman & Managing Director, Heavy Engineering Corporation Ltd.; Mr Vivekanand Vanmeeganathan, Managing Director, Caterpillar India Private Limited; Mr Dimitrov Krishnan, Vice President, Volvo Construction Equipment – India; Mr P. L. Muthusekhar, Managing Director, Nord Drivesystems Private Limited addressed the delegates and participated in the seminar, among others. The seminar highlighted the achievements of the Indian construction equipment industry and identified its strengths, opportunities and challenges in achieving the vision of 'Make in India'.

