



“Government should fast-track the land acquisition process.”



S Ananthkrishnan,
AVP, Gmmco.

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AVP, Gmmco.

are definite positive signs from the government by way of arranging fuel linkages from CIL, issuing show cause notice to companies who have delayed commencement of mining, etc. The need to minimise coal imports to reduce the fiscal deficit has been voiced and is expected to accelerate government efforts in removing the roadblocks in the coal and iron ore mining sector.

Which are the major areas to be addressed on a war footing?

The areas to be addressed on a war footing are:

- Layout of a clear roadmap for environment clearance so private companies and corporates will continue to invest in India instead of overseas.
- Speedy forest clearance to several new CIL mines.
- Government should cite economic emergency and support CIL and private coal block owners in fast-tracking the land acquisition process.
- Offering concessional custom duty for mining equipment imported for coal mines, to facilitate deployment of state-of-the-art higher capacity mining equipment which will lower production costs of coal.
- Investment in new lines, additional rolling stock, etc to be made quickly by the Indian Railways to substantially improve evacuation of coal from the mines area.

What is the demand-supply scenario for mining equipment offered by Gmmco?

Due to increased focus by Caterpillar

Gmmco, well supported by Caterpillar, is the one-stop shop for mining equipment and solutions. We offer the complete range of Cat surface and underground mining machines which are proven for their performance and productivity, say **S Ananthkrishnan, AVP, and Anuj Keolia, AVP, Gmmco.** Excerpts of the interview.

What are the growth prospects for mining equipment in this new year?

After a lull in the past three years, mining, especially coal, is set to show significant growth in the next few years. Coal India (CIL) is doing its best to increase coal production quickly, from the current 465 million tonne per annum (mtpa) to 560 mtpa by 2017. We expect CIL to issue several tenders for mining equipment in the near future and process them fast.

Around a dozen coal blocks allotted to corporates and companies are at advanced stages of environment clearance and are set to kick off in 2014-15. This will open up a fairly large opportunity for mining equipment.

On the mineral front, iron ore mining

in Karnataka has just commenced and Goa mining may also commence by mid-2014. With GDP set to rebound, the steel industry is also set to come out of the slowdown and reflect an increase in demand for iron ore. We should see some mining equipment procurement in this sector, too. With the depreciated rupee, granite exports are growing and the purchase of machines has also increased.

Has de-growth in the mining segment impacted Gmmco’s performance?

Fortunately, Gmmco’s sales of mining equipment was not adversely affected during the de-growth in the last two years since we focussed well, acted aggressively and grabbed a major share of the available opportunities. With pressure on coal mining to feed the starved power companies, a turnaround can be expected in 2015.

Are there any positive signs from the government that could revive the mining sector?

The urgency to boost coal production to meet demand from power utilities has come to the forefront. There



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Gmmco fully meets the demand for mining equipment.

in the India business, Gmmco is able to meet the demand fully for surface and underground mining equipment. Good forecasting methods and processes are used by Gmmco-Cat to bridge any demand-supply gap.

What is the potential for underground mining equipment? What equipment and services are provided by Gmmco?

There is very good potential for underground (UG) mining, especially in coal, as this minimises the environment issues. In the last five years, high capacity room and pillar systems as well as long wall systems, have demonstrated their capability in India, due to which CIL has earmarked several mines for design and development by the UG method in the next five years. Several coal blocks allotted to the private sector also have been earmarked for development by UG.

Caterpillar acquired Bucyrus in July 2011. Since then, Gmmco has been involved in the Cat UG business in India which helped us familiarise with that segment of the business. I am glad to inform you that on 16 December 2013, Gmmco formally acquired the dealership in our territory for the Bucyrus products which includes high capacity hydraulic mining shovels, electric rope shovels, walking draglines, blast hole drills, high wall miner, room and pillar equipment

and longwall equipment.

Caterpillar has a team of experienced UG professionals and with their support, Gmmco has started offering Cat UG equipment to Indian customers, with a dedicated and efficient product support team. Gmmco will leverage its existing expertise on product support of surface equipment and enable customers to improve their production.

Could you brief us on the trends in mines automation?

With improved technology, more automated products are becoming a part of the mining industry, especially in safety management, radio data link, GPS positioning, real-time data processing etc. By using these automated systems, the safety and management of fleet of machines become more efficient and a lot easier.

Caterpillar has done some pioneering work in this area via Minestar fleet management system, integrated object detection system, GSM-based product link, machine software access and adjustment from remote location, PLC-based static and dynamic anti-tightline protection in draglines, and Vital Information Monitoring System (VIMS) for trucks. Caterpillar is also developing Autonomous Trucks for deployment in hazardous working environments like uranium mines.

Mining machines are now using more AC motors with IGBT controls in lieu of old technology and inefficient DC drives. AC motors and controls have higher efficiency and speed and so are more productive. The advanced electronic controls enable several inbuilt protection devices that substantially improve the safety of the machines and the operator.

What are the major challenges Gmmco faces as an equipment supplier and service provider?

- Very long tender processing time by state-owned enterprises (SOEs), and also impractical commercial terms in tenders.
- Low cost Indian and overseas suppliers of mining equipment with questionable track record of performance and capability.
- SOE's reluctance to offer remunerative prices to mining contractors which will enable them to deploy safer and more productive higher medium capacity mining equipment, instead of the current practice of deploying a huge fleet of smaller equipment in open cast mines, which poses several safety and environment issues.
- Shortage of skilled manpower.

What is the value proposition offered by Gmmco?

Gmmco, well supported by Caterpillar, is the one-stop shop for mining equipment and solutions, be above or below ground. We offer a complete range of Cat surface and underground mining machines which are proven for their performance and productivity. Gmmco with more than 40 years of engagement with the Indian mining sector and with 27 years of partnership with Cat, works with mining customers and is their partner in productivity by identifying and supplying a correct fleet of equipment and rendering tailor-made product support solutions such as onsite placement of service experts, operator training, medium term maintenance and repair contract, extended life programmes, and major aggregate overhauls at our state-of-the-art component repair centre in Nagpur.

Gmmco has a highly dedicated and trained pool of engineers and technicians who are located close to the mines for prompt and efficient product support. **EI**