One-stop solution for profitable operations

Driving in India last 18 years, global major Volvo Trucks created the Premium segment of tippers for Indian miners. In an exclusive interview to CONSTRUCTION OPPORTUNITIES, G V RAO, DIRECTOR – PRODUCT, BRAND & MARKETING, VOLVO TRUCKS, talks about prospects opening up in the mining sector and underlines the importance of Aftermarket Services in this highly demanding segment.

Give a brief overview of the mining trucks industry. Which type of mining trucks are currently most in demand.

The industry for mining trucks (premium segment >400hp) has been growing at a CAGR 10 percent since 2011. This growth is seen primarily due to increased focus on coal and lignite mining. Close to 80 per cent of the trucks sold in the premium segment are deployed for coal overburden removal. Government of India, Power Ministry especially, has been working closely with CIL to ensure adequate supplies of Coal to power sectors and set an ambitious target of 1.5 billion tonnes by 2020 – 1.0 billion from CIL and 0.5 billion from other subsidiaries. In the long run, while other alternate sources of energy are being explored, thermal energy will continue to have dominance in the power sector and therefore, coal mining is expected to sustain the growth. Industry for mining trucks depends heavily on the truck manufacturer’s ability to provide service. The nature of operations is such that the truck is rarely turned off in a day! Sustaining such heavy duty cycles and ensuring uptime in remote locations become a matter of paramount importance. For example Volvo supports its customer at more than 150 sites, guaranteeing uptime so that customers can complete projects as per schedule. A majority of trucks sold are of 8x4 configurations. However we have seen how introduction of 10x4 trucks can change the dynamics for a customer. Our focus has always been on improving the overall life cycle cost for our customers and 10x4 trucks hold a lot of promise, where the coal production demands are high.

Tell us of your various product offerings and their demand in the Indian market. Do you plan to launch new products?

Volvo Trucks is the only company in India that offers a wide range of customised mining trucks, built on advanced technologies to encompass applications in coal and mineral mining at optimum productivity levels. The customer has the flexibility to choose the right Volvo solution based on their application requirements and bring in more profitability. The FMX 8x4 tipper with 19.5 Cu.m body and I-Shift transmission is the preferred choice of customers looking for best-in-class fuel efficiency for every cubic meter of material carried in deep mines. Within two years of introduction of I-Shift in India, it assumed wide acceptance from mining customers and drivers, resulting into Volvo’s decision to fully shift from manual transmission to I-Shift transmission from end 2016. Our two unique large capacity dump trucks – FMX 10x4 24 Cu.m dump truck, and FMX 10x4 26.1 Cu.m dump truck – offer high productivity advantage to the customer, like a dumper does at the operating efficiency of a tipper. Volvo also offers FMX 460 8x4 tipper with 33 Cu.m body (highest capacity tipper in India) for coal transportation in mines, ports and power plants’ applications. Recently we had upgraded our product offering from Euro-III to Euro-IV in line with country’s emission regulation along with upgradation of engine horsepower. We are also working on bringing new products, features, and solutions in India, which will be announced in the market at suitable time. Within such a wide range of specially designed mining transportation trucks, today Volvo Trucks meet all tough requirements of mining application demand, backed by industry leading aftermarket support to provide our customer a one-stop solution.
for profitable operations.

**Detail us on the cutting-edge technological innovations featured in your machines.**

Driveline is the heart of every truck and at Volvo it translates into our commitment of highest uptime, fuel efficiency, reliability, and durability, throughout the life of a truck. The FMX range of trucks for mining operations are configured with 460, 480 and 520 hp engines for the respective models of varying capacities - 19.5 and 33 Cu.m FMX tipper, 24 Cu.m FMX Dump truck and 26.1 Cu.m FMX Dump Truck.

The Volvo engine’s power is available virtually from idling speed and stays for wide range of rpm and maximum torque is available high up the rev range. A wide economic speed range helps to get the maximum fuel efficiency. Volvo’s automated transmission, I-Shift, offered on FMX, is specially optimised for mining applications. By continuously monitoring the road gradient, vehicle speed, acceleration, torque, weight etc., the I-Shift can instantly predict and select the most appropriate ratio for efficient utilisation of the engine without driver intervention. The smooth gear shifting on the other hand reduces stress on the driveline and tyres, and hence increases the life span of the drive units and reduces the maintenance cost. It simulates the best driver in terms of performance and results in fatigue-free and safe - “Hands on Wheels, Eyes on Roads” – driving experience. Our unique 5-axle configurations offered on two of our products are innovations for providing high productivity advantage to our customers. Steerable fifth axle keeps the turning circle low while enhancing load carrying capacity of the vehicle. Electronically controlled pneumatic or hydraulic suspension of fifth axle helps in even distribution of the load across the axles resulting into better life of chassis components.

Our world class FMX Cab designed for both safety and driver comfort delivers unmatched driver productivity in the most toughest and harsh mining application. Volvo’s telematics solution “Dynafleet” is another high technology feature rolled out on all Volvo trucks in India. Customer can see in real-time the current location of vehicles and vehicles’ performance data that is critical to have control on the fleet. And they can access this information from anywhere, from any standard PC and device with an Internet connection. By providing clear and accurate information, the system makes it easier for customers to take the right decisions at right time in order to improve operational efficiency of the fleet.

**To what extent are aftermarket services a strategic differentiator.**

Aftermarket services complement the product offering in an increasingly important way. In mining industry typically, since the sites are located at the remotest locations customers associate great importance with the service network, site supports services, availability of trained technicians, parts availability etc., in order to maximise the uptime of their fleet. Also, value added services like telematics, driver trainings, and operational consulting are gaining importance as the customers are becoming more and more professional and process oriented with increased focus on operational efficiency and profitability. At Volvo we focus on ensuring that a Volvo truck continues to perform best, delivering the best-in-class vehicle uptime, fuel efficiency and driver productivity. Volvo Trucks has a comprehensive network of service and parts centers in India with site supports provided at the remotest of locations, considered to be the benchmark in the mining industry. The right service, the most skilled technicians, and top-quality parts, ensure increased uptime, lower cost of ownership, and greater operational control.

Volvo’s driver development program, having trained 90,000+ drivers in country till date, is benchmark in the industry. We understand that world class trucks require world class service to maximise its operational efficiency.

**Tell us about your manufacturing base in India.**

Volvo Trucks assembly plant at Hoskote, Bangalore, started its CKD operations in the year 1998, becoming the first European commercial vehicle manufacturer in India. The plant is spread across over 120 acres of land with beautiful landscape and meets ISO 9001/14001 standards with its well established Quality and Environmental Management Systems in place since the early days. This state-of-art facility for Volvo Trucks is a Completely Knocked down (CKD) factory hosting main assembly line, cab welding and trimming, superstructure mounting, state-of-the-art paint shop, driver training center, technical training center, and a complete test track for testing and validation of the newly designed trucks. This Volvo Group site at Bangalore not only houses assembly of Volvo trucks, but also has Central Parts Warehouse - distribution Center to support Aftermarket business for Volvo Group in India, remanufacturing, Volvo buses assembly plant and Volvo Construction Equipment Customer Center etc.

**How do you expect the market to shape up for the mining truck industry from 2017 onwards.**

For 2017 CIL has revised its production target to 600 mt from an earlier projected target of 660 mt. The reason for this is understood to be poor off-take of coal primarily from the power sector. It appears that the demand for power has not grown as expected in the last 3 – 4 years. This has resulted in pit head stocks of almost 70 mt for CIL. However, we believe this to be a temporary scenario. Various projects under the ministry of power are progressing more or less as planned. Projects like rural electrification and UDAN are expected to uncover the latent demand for power which exists in the country. However for 2017, other sectors like iron ore and cement are expected to pick up on the back of growth in infrastructure segment. We are already seeing capacity expansion plans being drawn up by major steel and cement plants. Also the government of India is putting a lot of focus on domestic production and consumption via various policy changes, like the recently rolled out national steel policy. Thus we expect 2017 to be a good growth year.