



Devendra Jain's roadmap for Dilip Buildcon reaps rich reward

First published in Aggregates Business International May June 2017

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Devendra Jain is CEO and executive director of Dilip Buildcon, a hugely successful India-based, private sector road building firm that has enjoyed highly impressive growth over the past 14



years. Aggregates Business International editor Guy Woodford learned how Metso and other premium quarry equipment brands are playing a key role in the company's contract delivery.

Bhopal is the capital of the Indian state of Madhya Pradesh and is known as The City of Lakes. As well as being home to 1.7 million people, it is also where you'll find the headquarters of Dilip Buildcon, a company which has experienced ocean-rather than lake-sized growth since deciding in 2003 to focus on road-building projects.

"In 2003 the condition of roads, especially in Madhya Pradesh, was very poor," explains Devendra Jain, Dilip Buildcon's CEO and executive director. "But the national government of the time had a lot of vision in looking to improve the roads in our country. There were a lot of growth opportunities in the roads sector and it was the right time for us to focus on it."

Such has been Dilip Buildcon's focus on and expertise in road building over the past 14 years, the firm has grown to become the largest private sector, road-focused engineering procurement construction (EPC) company in India, employing 24,000 people and posting a 2016 turnover of 5,000 crore (\$776mn). Around 90% of company business is road building, and Dilip Buildcon's current order book is reportedly worth more than 19,000 crores (\$2.95 billion), including road-building

projects in 17 Indian states.

"We are getting near to being a US\$1 billion [annual turnover] company," says Jain. "I think we will do that in 2018 or 2019."

Jain has played a key role in the company's stunning success story. As he highlights during our meeting at Dilip Buildcon's ultra-modern and stylish HQ, it is a success story built on core business principles. Firstly, the company only uses premium brand machines, ensuring maximum uptime, with mainly one brand's equipment deployed per machine sector to optimise servicing and parts replacement. Secondly, Dilip Buildcon never subcontracts any aspects of a project. By drawing on the benefits of these first two business principles, the firm nearly always completes its contracts ahead of time, qualifying it for bonus payments. In 2016 alone, Dilip Buildcon's bonuses for finishing road-building contracts ahead of time amounted to 150 crores (\$23.6mn).

Among the premium brands that Dilip Buildcon uses in its road construction projects is **Metso**. The company has eight Lokotrack, 12 Nordwheeler and three modular crushing plants from the Finnish global manufacturing giant running on 23 job sites spread across India, all supported with Metso Life Cycle Services (LCS) packages. Given that Dilip Buildcon is processing around 100,000tonnes of aggregates a day [3 million tonnes/month] in order to have enough material to service its large road-building projects portfolio, the firm's commitment to investing solely in premium brand jaw, cone and VSI (vertical shaft impactor) crushing plants and servicing is crucial to its continuing success.



A flagship Dilip Buildcon aggregate quarry 40kms from Allahabad in Uttar Pradesh

"We use around 75 crushing plants to process our aggregates, based in around the same number of quarries, situated in 17 Indian states," explains Jain. "These are all our own crushers. We do not hire any from outside companies.

"We purchased our first crusher from Metso in 2006. It was an NW106 cone crusher. I'd heard that a number of big construction companies thought Metso was a very good company and used their plant. After buying one Metso crusher, we started buying two or three every year after 2006."

Jain stresses how impressed he's been with Metso's servicing of Dilip Buildcon's plant fleet. "Metso's aftermarket care is excellent. The engineers' plant response during any plant downtime is very fast. Around 70% of our crushing fleet is now Metso.

"We were pioneers in India within our sector in taking out the full AMC [Annual Maintenance Contracts] package from Metso, offered prior to LCS, from the

moment we bought their machines. Now we have the full LCS. It means my eight-year-old and ten-year-old crushers are processing the same volume and quality of material as my new crushers."

As Jain notes, opting for a full service package from the day each piece of equipment is purchased prevents any wear and tear sustained in its first year or two of deployment from hindering the ability of OEMs like Metso to execute repairs and meet servicing needs, which can happen if a package is purchased one or two years after sale.

"The pricing of the AMC and LCS packages has also been very good. I'd say their AMC pricing was the best in the country," adds Jain. "Metso gets very good business from us, and we are an even better proposition for them as we don't have problems with crusher breakdowns and other issues.

"Aggregates are the backbone of our projects. If we have a very good crusher, we can always deliver for our clients. We are the Number 1 [EPC] company in India for completing road projects ahead of schedule. We can do this 95% of the time. Metso very much helps me to do that."

Travel around 150 kilometres west of Dilip Buildcon's Bhopal HQ and you find an example of the resources the company can now draw on to maintain its rapid yet high quality road build contract-completion record. Here, a 60,700m² Dilip Buildcon site includes a quarry, an aggregate crushing plant, truck repair workshops, backhoes, dumpers, excavators, a diesel pump, testing centres to check the quality of bitumen and other materials used in road construction works, temporary offices with biometric readers and accommodation for 700 workers.

"We take very good care of our employees," says Jain. "We have a very good work site mess. We procure all the groceries from the top wholesalers in the country, so our people eat well. Every time we hold training programmes, they are the best in the country. We also have a medical policy for all our employees. All this together helps us attract and retain talent.



Dilip Buildcon has built a strong working relationship with Metso which has helped to optimise the efficiency and productivity of the company's extensive aggregate crushing operation

"A big part of our success is focusing on one aspect: road construction. We have developed great expertise. Our roads could be branded Dilip Buildcon roads due to their high quality."

To speed up the dismantling and installation of crushing plants near to road-building job sites, Dilip Buildcon deploys a fast working and highly mobile team of

engineers. "The Metso plants are very easy to dismantle and install. We can dismantle a plant in one place and be using it in another place up to 1,000 kilometres away in 10-12 days," says Jain.

The fact that Dilip Buildcon also places great emphasis on preparing the foundations of a work site well in advance of plant installation, greatly aids the firm's ability to finish road-building contracts ahead of time. Working with an India-based industrial design firm, Dilip Buildcon has created pioneering and highly portable 6m x 15m modular steel foundations.

"These are complete foundations that create and leave behind no waste. They are extremely environmentally friendly," says Jain. "The environment is now a very big factor in India. In every contract we have, there is some regulation to follow during our crushing applications; such as needing to have some water sprinklers for dust suppression.

"There are many surrounding farmers and, indeed, members of the public who are watching what we are doing [on work sites].

"Metso is very good at having on its plant features that protect the environment. In fact, all crushing manufacturers now have these kind of features on their models."

Jain says he will be looking to purchase more Metso crushing plants at some stage over the next year, and is keen to continue what has been a very successful business partnership with the quarrying sector OEM.

Of future growth opportunities for Dilip Buildcon, Jain says: "With the [Narendra Modi] government we now have in place, there is a very good opportunity for road-focused, EPC companies like ourselves. There are a lot of Indian government-backed road projects; around 65,000 crore (\$10 billion) worth scheduled for next year. I see very good business in the next three to four years."



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