

ConstructionWeekonline.in

[infra SPV to raise Rs one lakh crore](#) »
 [HDFC Realty signs partnership with Royal Institution of Chartered Surveyors \(RICS\) to educate real estate professionals](#) »

You Are Here: Home » features » Driving Forces

Driving Forces

Posted by: ITP India | Posted date: January 04, 2016 | In: Features | comment : 0

Dilip Suryavanshi, CMD, and Devendra Jain, CEO & ED, Dilip Buildcon, build roads that show the way

By Jayashree Mendes

Speaking to the team of Dilip Buildcon at their plush office in Bhopal, one is often reminded of the pithy saying, Where there is a will, there is a way. How else would you explain the company's consistent track record of completing every project it has undertaken much before the stipulated time? Considering that the infrastructure sector in our country is constantly beleaguered with issues that never seem to get resolved, one company has shown the way of breaking through the barriers with a determined to finish what it has taken on.

When complimented on the records achieved, Dilip Suryavanshi, chairman & managing director at Dilip Buildcon, smiles and says that it was not just determination, but plenty of hard work. "We are probably the only Indian company that go through the rigmarole of doing all the tests and checking all aspects of a project before and even after we bid for it. We want to know what we have taken on."

At a time when the economy is flourishing on all sides, roads and highways continue to be at the receiving end. Improvements are slow, roads recently built find themselves being drilled again, and most importantly, there is a high level of damage caused to practically most roads in the country. It's a dismal scene on the whole. So when a company like Dilip Buildcon expresses pride in its work, it was necessary to see for ourselves. We travelled several lengths of the roads recently constructed within the city and concurred with their statement when the drive had not a single bump. The concrete road is mainly constituted with crushed concrete, stabilised soil, granular aggregates, among other things, as a sub-base. This makes the road durable and safe and considerable less prone to wear and tear defects like rutting, cracking, potholes and loss of texture.

The company, which began with small projects way back in 1988, initially began work by aligning itself with established companies. Back then, it was even tougher to break through the industry and venture on one's own. In 1995, a young intern freshly out of college joined the company. The young man, Devendra Jain, came with some unique ideas. Suryavanshi says, "Over the years, he has proved himself to be highly capable of project execution in a remarkable way. He breathes and lives roads. And has a knack of bidding for a project and seeing it to completion in record time." What Jain actually does is build 'branded roads'.

Jain's fascination with road building has not only helped the company to complete projects but also go out on their own and bid for projects that were out of its reach. Suryavanshi says, "Much before starting on a project, he personally conducts and verifies all checks conducted by the government department to look for loopholes or situations that could jeopardise a promising contract. Every aspect from soil survey to checking its engineering properties and looking for crust design that will sit well on the road, the original road design are verified by him and only then does work begin."

Devendra Jain, CEO and executive director, Dilip Buildcon, says, "There are several aspects to consider before bidding for a project. Besides land acquisition, we have to consider whether the land is free from any claimants. We prefer not to take up projects where about 85% of the land is not cleared for development. Then there are other issues to look at such as forest land, environmental clearance, no local litigations, etc." Considering that land acquisitions are long and arduous, there's a trend among concessionaires to help the government clear titles so that work can continue. Dilip Buildcon has a small team dedicated to ensure that work can progress well.

The infrastructure company also prefers not to rely solely on the detailed project reports (DPRs) provided by government

The sky is *NOT* your limit...

with new SELECT CONNECTservices from Bentley

[LEARN MORE](#)

CONSTRUCTIONWEEK™ INDIA AWARDS 2017

IN ASSOCIATION WITH

SCHÜCO

Platinum Partner

for people who create **FUNDERMAX**



consultants. Rohan Suryavanshi, head, strategy and planning, Dilip Buildcon, says, "We conduct our own checks for our satisfaction. Sometimes, a misunderstanding between two parties can bring an entire project to a standstill." The elder son of Dilip Suryavanshi is also more concerned about the company's reputation of never stretching a project for too long or abandoning a project once awarded.

The senior Suryavanshi attributes the beginning of the business to the time when the company purchased a stone crusher that had come under the hammer. "Stone crushing is an important part of the business. As a time consuming task, we ensure that this is got over with so that work can proceed," he adds. Today, the company is the largest stone crusher in Asia and plonks a stone crusher at every site. In the same vein, it is probably the only company in India to buy all equipment it needs at the job-place. The company has more than 7,000 assets and considering that it has projects ongoing at 61 sites in 11 states with an order book of more than Rs 10,000 million, the equipment is effectively used in three shifts. The equipment buying is also a homogenous model thus eliminating confusion among employees who could take time to understand a machine. Training is an important concept and regular trainings are conducted for drivers and mechanics. Rohan compares the system to Southwest Airlines that worked well for the airline that maintained a kind of consistency instead of reinventing the wheel.

In terms of project execution, over the years, Dilip Buildcon has also mastered the art of working deftly through annuity and EPC projects. It only has a stray few BOT projects in its kitty. The annuity and EPC mode has worked well for the company's bottom line. Suryavanshi Sr. says, "We have collected rewards from the government just for completing a project before time. Over the last two to three years, we have grossed Rs 200 crore in bonus alone and this year about Rs 130 crore. That tells us our method is working well." He also takes pride in the fact that his people build structures on a war footing at a time when most contractors would first build the roads and then look at the bridges. The ability to do roads well also led the company to look at alternatives such as canals, dams, housing, pipeline, and redevelopment projects. With the government looking at river linking, taking up projects here was an obvious move. It is also a policy not to sublet work; instead the company prefers to buy equipment at a good pricing and do the work themselves.

What has also worked well is its decision to take up cluster projects. So when it ventures into a particular state marching in with its equipment and manpower, it seeks projects within the vicinity that will allow it to allocate manpower and equipment efficaciously. Says Rohan, "This strategy works better just in case one project might get delayed and that allows us to deploy the manpower and equipment to another project. The logistics of moving all this involves a high price and we want to make the most of what we have." The Wharton educated son is eager that plans are made long beforehand soon after bagging a contract. In another move, the scion was also one of the early adopters of GPS for all vehicles way back in 2008.

The modus operandi it has adopted has helped the company grow by leaps and bounds. In a recent move, the management is adopting SAP across sites thus joining the ranks of large MNCs that work well with technology. The quickness it has depicted has also led it to attempt to spruce up the system as best as it could. Rohan says that Indian contractors continue to battle archaic laws that rule various states across the country. Offering an example of its Ahmedabad- Godhra project, he says, "We had to construct a bridge over the Narmada river and were warned against polluting the river. There we adopted a jagged down method for well foundation thus sticking to the rules."

The tech-savvy company is also one of the largest manufacturers of sand after the government had come down heavily on sand mining. "Jain says, "We have over 18 sand making machines on various sites, and prefer to adopt sustainable methods to create sand. This is also one of the reasons why backward-integration has taken priority for us. We also make bricks, signages and anything that can be made in-house is quickly adopted."

Recently, an IIT Professor had incorporated a new technique of building roads in the Indian Roads Congress (IRC) Codes. He had suggested that concessionaires could look at cement treated base (CTB) thus reducing the height of bitumen and offering strength to the road. Dilip Buildcon was the first to implement it and even invited the Professor to the inauguration. Similar sustainable methods were also employed through Geogreen erosion control blankets — a technique adopted to check soil erosion and reclaim lost greenery owing to mining. However, slowly the company wants to make certain changes at the state- and national level. For one, the Suryavanshis do not believe that the method of L1 tender is the best method. They believe that as the concessionaire is taking up several risks with every project, it would be wise on the part of the government to consider technology, methodology and the efficiency of the contractor. Rohan also has a suggestion that the government needs to appoint world class consultants to draw up DPRs thus eliminating the problems to infrastructure companies who might have to go through the entire exercise again due to irregularities it may hold. However, what makes the team happy is the new move to allot 7½% over four years of the overall contract value as money towards operations & maintenance (O&M). Dilip Buildcon seems sure that the amount will see little realisation as it is sure about the quality of its roads.

For now, the company is content building quality roads and leading the way while it takes its time considering international projects and waiting to launch its much awaited IPO.



Digital Editions »

