

हिन्दुस्तान पेट्रोलियम

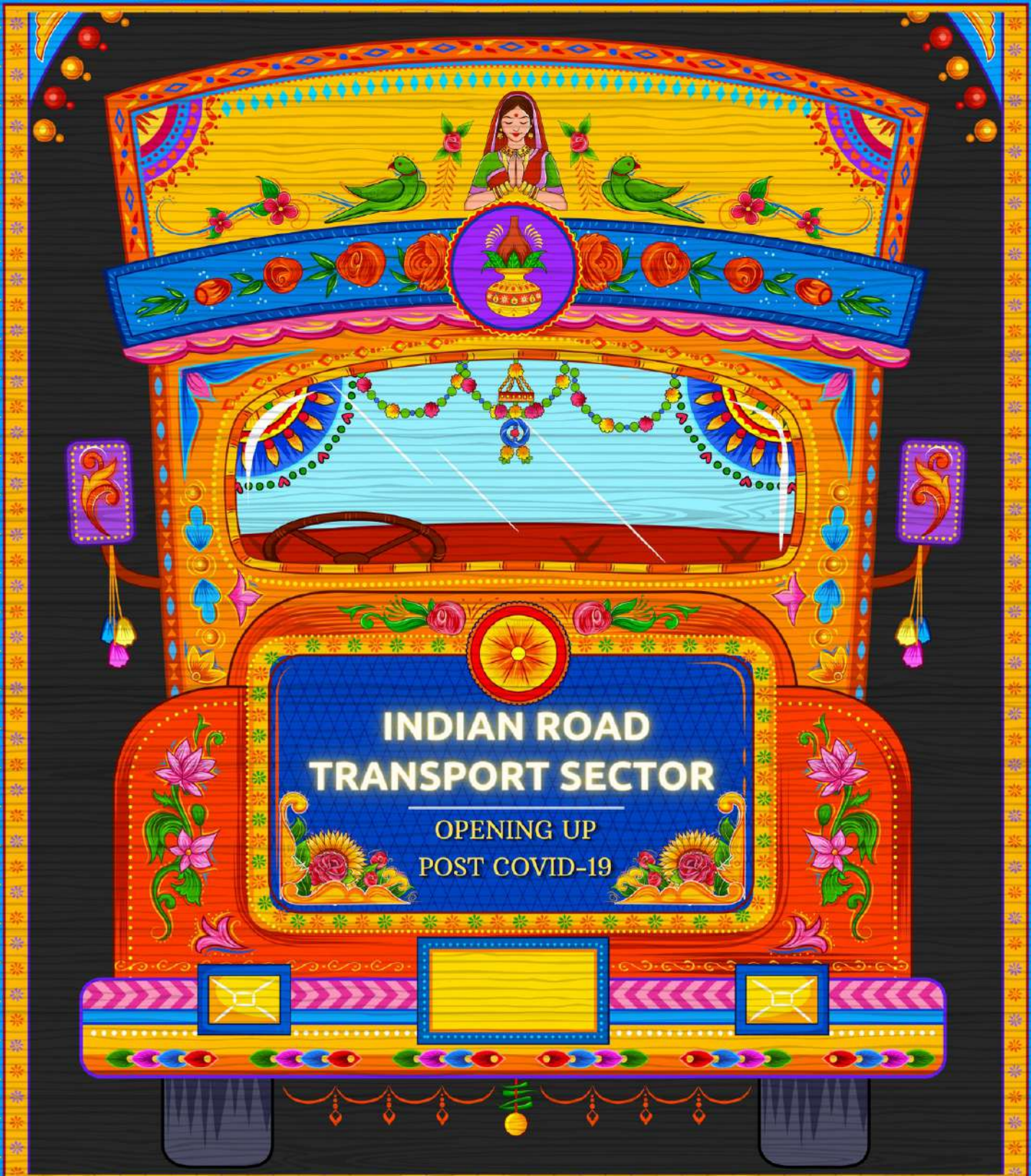


JAN-MAR 2021



# Fully LOADED

DriveTrack Plus



## INDIAN ROAD TRANSPORT SECTOR

OPENING UP  
POST COVID-19



# Contents

Dear DriveTrack Plus customer,  
Greetings from HPCL!

We are delighted to announce the relaunch of our hugely popular 'Fully Loaded' magazine! We are all set to get back to sharing exciting news updates and information on the Indian road transport and logistics sector with you on a quarterly basis, in association with Motorindia.

The COVID pandemic is well and truly behind us and with the transport / commercial vehicle industry getting back to pace after a difficult 2020, we bring you an exclusive article on what the outlook for the sector looks like for the upcoming financial year and beyond.

We are happy to announce two new tie-ups – one with IDFC First Bank for FASTag wallet-based fueling and another with Tata Motors Finance Limited for fuel finance – both of which would be of great benefit to you.

In this first 'Fully Loaded' edition of 2021, we bring you exclusive interviews with two of our loyal and esteemed fleet customers – Varuna Integrated Logistics (Gurugram) and Mahendra Travels (Raipur). We have also captured the views of two of our retail outlet partners in Hyderabad – Sri Vijaya Service Station and Indubaala Fuel Needs.

We also have an update on our Transporter Meet held in Rewa, the driver training program at SRS Travels, Bangalore along with interesting articles on Five defining moments for Indian CV industry in 2020 and why our country needs to cut logistics costs. We hope you enjoy reading this edition and find it informative and interesting.

Until then, wishing you a happy and prosperous rest of the year ahead!

We will be delighted to receive your feedback. Please write to us at [feedback@drivetrackplus.com](mailto:feedback@drivetrackplus.com).

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# Varuna Integrated Logistics plays to win with HPCL

Shri. Vivekanand Mishra – General Manager, Fleet and Logistics, Varuna Integrated Logistics shares with Fully Loaded an enthusiastic response on how their association with HPCL has kept them ahead of the game despite challenges. Here is what he has to say.



**Shri. Vivekanand Mishra**

**S**ervice, Quick Response and Trust on part of HPCL are what makes Varuna Integrated Logistics treasure their relationship. Varuna Integrated Logistics (VIL), founded in 1996, is 2000-truck fleet strong today with more than 60 branches across India. And they are slowly yet steadily acquiring BS VI compliant trucks as per the government norms, with the confidence that HPCL will cater to them the BS VI fuel as per their requirements.

## HPCL – Preferred Fuel Partner

Shri. Vivekanand Mishra, in his own words elucidates: "A major advantage with HPCL is that their network which is spread across the country gives us assured availability of fuel and uninterrupted services. We are deeply impressed by their team work, and their promptness in responding to our needs and requests. Not only their middle management but also their senior management go the extra mile in catering to our issues, any time of the day or night. We have been receiving HPCL services for about 13 years and we aggressively opt for their services across the country. Our fuel planning, before the departure of any our trucks from or to our premises, involves filling up the tank fully so that the chances of looking to refuel en route is reduced drastically. Majority of our fuel requirements is met by HPCL. HPCL also gives us secure night parking facilities at their fuel pumps, when they halt there or go for re-fueling.

## With 'Smart' Times

Ahead of the smart times, VIL has already installed an ERP based working system wherein our fuel requests, payment advances and requirement fulfilment are all taken care of digitally.



We are a cashless business house. So, when HPCL came on board they worked towards modifying their own system when dealing with us, so that our systems become compatible with each other.

Even earlier when card mapping was still a norm for us, whenever there was an unmapped card produced, HPCL personnel would help us mapping it out for us. Even if the request was made out of office hours, they would engage with us and not only that, within the next few minutes our request would be fulfilled. That is how quick they have always been in servicing us.

In fact, they have even created a specific group communication window for us on WhatsApp so that we can post our request or an issue which they would address or resolve it almost immediately. We can share this with utmost honesty, that HPCL's quick response is unmatched. We feel happy that they have always helped us to keep our downtime shortest as possible and that is why we like working with HPCL.

**Nurturing Equation**

Once it so happened that in a particular location in Telangana, our vehicle had a massive issue of fuel leakage and it was night time. And HPCL fuel pump was a little far from the location. We contacted the local HPCL officials and they addressed the issue by providing our driver with fuel promptly.

For us more than price discounts, what matters the most is how HPCL provides their services and VIL is happy to say that HPCL outdoes itself in this regard.

When it comes to ensuring fuel purity, we take our drivers' feedback as the last word. They have consistently given us positive feedback on HPCL's fuel in terms of mileage.

Lastly, we wish for HPCL to continue to work with us in the best way possible, so that, as their loyal customers, we can keep our confidence levels up as always", concludes Shri. Vivekanand Mishra.



We are deeply impressed by [HPCL's] team work, and their promptness in responding to our needs and requests. Not only their middle management but also their senior management go the extra mile in catering to our issues, any time of the day or night.



# Mahendra 'Travels' far and wide with HPCL

Fully Loaded interacts with Shri. Abhay Singh Gill – Managing Director, Mahendra Travels who shares his company's successful partnership with HPCL.



**Shri. Abhay Singh Gill with his dedicated team**

**B**ased in Raipur, Chattisgarh, Mahendra Travels was born in 1992. The main focus of Mahendra Travels has always been to continuously improve their services for the benefit of their customers. As on today, Mahendra Travels plies its buses on 70 routes across 14 states including Odisha, Chattisgarh, Jharkhand, Bihar, West Bengal, Madhya Pradesh, UP, Maharashtra, Gujarat, Rajasthan besides Delhi, Uttarakhand, Himachal Pradesh, Punjab and Haryana.

Their fleet of 200 buses record a distance of roughly 39000 kms a day, which was nearly 52000 kms prior to the COVID pandemic.

### Successful Partnership

Fuel being the lifeline of their business brings challenges with it in the form of cost, quality & availability. With HPCL's support, Mahendra Travels has been performing excellently.

Shri. Abhay Singh Gill explains: "Customer delight is our top priority and to achieve this, we get clean and quality fuel. We also conduct high-end maintenance of our vehicles and have installed software to monitor our vehicle health."

"Our partnership with HPCL is old and trusted. Since we began our journey with them, we have never thought of changing over to another company", he added.

He continues: "The going has been good with HPCL. We appreciate their loyalty program and the no-hassle services they extend to us. We do not need to get involved in the daily nitty-gritties of dealings with them. We just place our requirements which they fulfil perfectly and well in time."

Despite planning their fueling schedule prior to trips, there are plenty of times when the drivers of the buses are in search of fuel pumps en-route.



We appreciate their loyalty program and the no-hassle services they extend to us. We do not need to get involved in the daily nitty-gritties of dealings with them. We just place our requirements which they fulfil perfectly and well in time.



He shares: "Many a time, our drivers need help in locating fuel pumps. Every time this has happened, HPCL personnel have always helped us locating them. It becomes easier since they directly get in-touch our drivers. This comes as a life saver especially when the bus is traveling to remote villages where there are literally no pumps to be found. Whenever we have been trapped in such situations, they have always tried to help us in the best way possible."

He quotes two examples: "Once, our bus was going to Barmer district in Rajasthan from Jaipur and the stretch is mostly desert. In such a place, finding the road itself is difficult, forget about a fuel pump. We did not want to get deserted on such a route with the bus full of passengers. We contacted the HPCL marketing staff there, who directed us to a pump which was about 20 kms away from our path. It was the nearest one available considering that there would be none available for the next 150 kms."

"Then another time, our bus was going from Jaipur to Lucknow and the new expressway was just finished being built. And that particular bus could carry only a maximum of 160 liters full tank. And again, the route would not have pumps available frequently. The HPCL staff came to our rescue who got us to the nearest pump."

Now in the digital age, HPCL website carries the locations of their pumps on their website which is easily accessed by the drivers, thus solving the problem.

### Trust in HPCL

With a total of 10 BS VI buses, with 4 entering the fleet the next quarter, HPCL caters to them with BS VI fuel. Gill says: "We regularly check the diesel density and for any possible contaminants. The quality has never been compromised, establishing trust in HPCL."

### HPCL's Loyalty Program

The DriveTrack Plus Loyalty Card Program, a pre-paid card program, comes in handy to ease day-to-day troubles. Gill is confident that as HPCL's long-standing customer, they will continue to receive unconditional support by way of value added services.

Mahendra Travels, constantly checks for better milage, out of the fuel that they use. He accepts that: "We conduct random comparisons by filling fuel from different pumps. All is fine when we get a positive report and I am happy to say that we are yet to get a negative report. We have to be on top of managing our biggest expense which is diesel, where it takes up more than 45% of our total cost."

### Continuous Support

Mahendra Travels has begun plying its services on new routes connecting to Rae Bareilly, Lucknow and Kolkata. And for Mahendra Travels, smooth running of their fleet serving customers relentlessly is possible only because of the sturdy support that HPCL offers. Mahendra Travels surely celebrates its partnership with HPCL!



# Five defining moments for Indian **CV industry** in 2020

Shri. Kaushik Narayan, CEO, Leaptrucks takes a look at five defining moments that showcased the grit and resilience of the CV industry in the face of a once in a lifetime pandemic. They marked the trials, tribulations and triumphs of the CV industry in the year 2020.

**T**his was expected to be a quiet transition year. It marked a long-awaited environment-friendly, but highly complex transition from Euro 4 to Euro 6 standards. Little did we anticipate the impact of an invisible virus that brought the world and the CV industry to a halt.

As we exited a total lockdown, the industry witnessed drama at the Supreme Court related to vehicle registrations. Small businesses and operators struggled to pay their EMIs and looked for intervention.



## World Class Technology Made in India

The year 2020 was expected to pose a challenge to the CV industry. A transition to significantly lower emission BS-VI trucks was scheduled for April 1, 2020. Emissions in diesel trucks and buses would reduce by over 50-90%, significantly reducing pollution from vehicle exhausts.

The OEMs invested heavily in technology (over hundreds of crores) & worked closely with their parent companies, their joint venture partners or collaborated with global technology leaders to minimise the learning curve.

The technology was adapted to Indian conditions. They collaborated with suppliers locally and globally to make it cost-effective. Thousands of technicians were trained to handle the all-new electro-mechanical technology at service centres across the country.

## A Virus that Brought us Down to our Knees

COVID left a lasting impression on every industry. Multiple countrywide lockdowns brought the country to a standstill for over two months. Only essential goods movement was allowed, specifically vegetables, fruits, milk, food items, pulses and FMCG. Over 90% of the CV industry was paralysed.

But freight rates have almost touched pre-COVID levels in some routes since October. Diesel prices have softened and bookings are improving. While COVID nearly broke the back of the industry, it also brought out the industry's indomitable spirit.

## An Association Rising to the Occasion

In order to ensure a smooth transition to BS-VI technology, the Supreme Court and the Central Government had laid down clear rules.

The Federation of Automobile Dealers Association (FADA) stepped up to the task. FADA used data collated from across hundreds of dealers spread across the country to spread awareness of the new rules. They worked closely with the RTOs to ensure that the decision was implemented uniformly with minimal suffering for operators.

## Timely Policy Action to Protect Small Businesses

With no income to repay their loans, businesses went into panic mode during the lockdown. The RBI swung into action and immediately announced a three-month EMI moratorium to offer support. The recovery was significantly slower than anticipated.

## Our Everyday Unsung Heroes

Healthcare workers focused on saving people who had contracted COVID. Logistics operators and drivers ensured delivery of milk at dawn, vegetables, fruits and essential goods in stores and timely deliveries to urban and rural homes. They kept the country motoring through our darkest days, feeding our bellies with food and our souls with hope. Logistics operators and drivers were our unsung industry heroes of 2020.

# Quick News

## Partnership with IDFC First Bank for FASTag Wallet-Based Fueling



HPCL has recently formed a tie up with IDFC First Bank for FASTag wallet-based fueling for its customers.

With FASTag becoming mandatory for toll payments on all national highways as well as many state highways shortly, the move will give a huge benefit for HPCL's esteemed customers by making fueling a lot easier and more hassle-free.

With this tie-up, HPCL's DriveTrack Plus program has become further technologically advanced and integrated with another payment instrument.

### Salient Features

- Customers can use the IDFC First Bank FASTag for fuel payment at HPCL outlets.
- Option to recharge FASTag using cash at IDFC First Bank's huge network of FASTag Recharge Points (mainly at Toll Plazas and Transport hubs).
- OTP-based contactless/card-less transactions and Instant 0.75% cashback for FASTag customers.

## Fuel Finance Tie-up with Tata Motor Finance Limited

HPCL has entered into a tie-up with Tata Motor Finance Limited (TMFL) for fuel finance. Existing HPCL DriveTrack Plus customers can also be enrolled for this scheme after due diligence carried out by TMFL.



The High Speed Diesel (HSD) fuel market is more of a credit market than a cash one. Currently, HPCL has tie-ups with few banks and NBFCs like Shriram Transport Finance, Sundaram Finance Limited, HDFC Bank and ICICI Bank.

TMFL is a Tata Group company which is engaged exclusively in financing of Tata vehicles. TMFL will give customers a monthly credit limit against which they can draw fuel from HPCL retail outlets using the DriveTrack Plus Cards.

While HPCL has successful partnerships with other NBFCs like SFL and STFC, the current COVID-19 situation is expected to increase demand for fuel credit.

TMFL has an excellent market reputation and this tie-up is poised to provide more values to HPCL's DriveTrack Plus customers.



# Quick News

## Operating profits of tyre manufacturers to surpass pre-COVID levels: CRISIL

The tyre sector is one of few, whose operating profits are expected to register growth this year, surpassing pre-COVID levels, despite lower volume. Higher realisations and benign input prices will help offset the impact of 4-6% volume decline, and enable a 6-8% growth in operating profits for tyre manufacturers in fiscal 2021.

That, along with phased implementation of capital expenditure plans, will ensure stable credit outlook for tyre manufacturers. This is based on CRISIL Ratings' analysis of India's top six tyre manufacturers, accounting for ~80% of the Rs. 60,000 crore automobile tyre sector revenue.



## AITWA-NICDC organize COVID-19 awareness program for 'Highway Heroes'



All India Transporters Welfare Association (AITWA) and National Industrial Corridor Development Corporation Ltd. (NICDC) have jointly organized an awareness program on COVID-19 at India's largest sea port, JNPT.

Surajit Sarkar of NICDC New Delhi was personally present for the event along with Mahendra Arya, National President, AITWA, Ashok Goyal, Vice President, AITWA, and J.K. Gupta, President - Bombay Goods Transport Association (BGTA).

Officers from JNPT distributed to the truck drivers, kits containing quality N95 masks, hand sanitizers and literature in multi-language to spread awareness about importance to continue the safety measures during the pandemic till the vaccine is rolled out to all. Such awareness camps will help in reducing the spread as the truck drivers keep moving from state to state.

## Auto-refund for wrong toll deductions

With a view of helping millions of truck owners, home-grown company WheelsEye Technology has launched a new feature that generates automated and quick refunds for wrong FASTag deductions.

The AI-enabled FASTag management system will auto-detect wrong toll transactions and generate refunds within a time period of 3 to 7 days, which was earlier around 30 days.



The automated refund feature aims at improving toll transactions amounting to up to Rs. 2 crore per day. WheelsEye manages 10% of the entire FASTag volume making it one of the top 3 shareholders of the FASTag payments landscape.

# Sri Vijaya Service Station – Evolving into a HPCL Mega Outlet

The outlet has been one of the prominent dealerships of HPCL in Hyderabad for high-volume big-ticket customers and is now all set to add more facilities with a major expansion drive



Sri Vijaya Service Station, Hyderabad

**C**all it a moment of pride. At his Gaganpahad facility, Shri. Chetan Goud is elated with the prospects of his HPCL outlet evolving into a 'Mega Outlet'. Expressing his joy in words, he says "Started in 2015, Sri Vijaya Service Station is one of the biggest outlets in Hyderabad. We boast six islands, seven nozzles for diesel, three for petrol, two for 'TurboJet' diesel and one for 'poWer' petrol. No other petrol pump in the vicinity has the TurboJet (Branded HSD/diesel) and poWer (Branded MS/petrol) facility."

"Additionally, we have a lube and oil changing machine, regular and nitrogen air stations and adequate rest rooms along with ample parking space", Chetan Goud added. "The transformation into a mega outlet will see us host a food court, ATM, vehicle care centre and an electric vehicle charging station," he adds.

"The outlet has been performing pretty well with existing facilities. With the expansion in capacity and installation of electric charging station, the volumes are set to go further up.

The ambitious growth is because of several high-volume, loyal customers and implementation of customer loyalty initiatives of HPCL," Goud says.

Goud shares: "We have loyal transport customers in the form of buses; a few of them are also from the stone crushing and infrastructure segments while some are vehicle carriers."

He continues, "Each of them is over 150 kilo litres per month and use the DriveTrack Plus program where we pass on 0.75% cashback."



Shri. Chetan Goud

"We segment customers into three categories: Tier 1 – 100 KL per month and above, Tier 2 – 25 KL to 100 KL per month and Tier 3 – less than 25 KL per month. This helps in passing on specific benefits, if any", says Chetan Goud.

Under the DriveTrack Plus Program the outlet also shares HPCL's insurance scheme for drivers and helpers. Elaborates Goud: "A driver is eligible for an amount of Rs 5 lakh for accidental death, Rs. 3 lakh for total permanent disability and Rs. 1 lakh for partial permanent disability caused by road accidents. Similarly, for helpers these amounts are of Rs 3 lakhs, Rs. 1.5 Lakhs and Rs 75,000 respectively."

Another aspect that proves that Sri Vijaya Service Station does all that it takes to serve the customers is their encouragement to clients for using the HP Pay app for payments.

"With the HP Pay app, customers can make payment for all the products available at the retail outlet. We want to provide as many benefits as we can to our customers and do everything possible to increase convenience and ease through cashless transactions. We are presently doing transactions worth Rs 1 crore a month through the HP Pay app. In addition, we are also running a new year bonanza for all our customers where they can SMS their details on the billing number to win a lucky draw," Goud elaborates.

Sri Vijaya Service Station also serves customers with American Express, SFL and HDFC credit pouches. Shri. Chetan Goud, who has been associated with HPCL for the past 11 years, is happy with the growth, look and feel of the outlet and wants to extend the best possible experience to customers in sync with the vision and mission of HPCL.

He concludes: "The bouquet of value added services, benefits and trust that we as HPCL dealers extend to the customers are testimony of our success and growth. As we look forward to our transformation into a mega outlet, we would want to continue growing at 10% per annum while contributing to the fulfilment of HPCL's mission of serving the customers to the best of our abilities."



# HPCL & Indubaala Fuel Needs

## Powering a Successful Partnership

In this narrative about the partnership between Hyderabad's Indubaala Fuel Needs and HPCL, owner Shri. J V Narahari Rao details the journey of 16 years that has led to a wonderful working relationship and growth.



Shri. J V Narahari Rao

**A**t the exit of Hyderabad, Telangana and towards Nagpur on NH 44 there is a familiar HPCL outlet known as Indubaala Fuel Needs. Having been associated with HPCL as a dealer for the past 16 years and as a customer for over 25 years, Shri. J V Narahari Rao has been extremely pleased with HPCL.

Elaborating about his experience, he says, "As you enter the pump from the highway, the first island is the diesel island; the two middle islands are for both petrol and diesel; and the last one is a petrol one. When we had begun the outlet, the whole area was actually a far-flung exit of Hyderabad but such has been the pace of development that it now appears just as a suburb."

From a humble beginning to attaining the position of a recognised dealer in the area, Indubaala Fuel Needs has gained tremendous reputation. Rao states, "When we began, we used to sell 600-700 litres of petrol a day; today it is approximately 5,000 litres a day. Similarly, diesel has gone up to 25,000-30,000 litres a day from around 7,000-8,000 litres a day."

Rao is also quick to acknowledge that this growth would not have been possible without the support of HPCL. He admits: "From the time you are allocated the pump, HPCL remains concerned about its dealers and customers served by the pump.."

"The company provides training to us, solicits customers and educates us about best practices across India, all of which help us grow and sustain our customers," he adds. Indubaala Fuel Needs is also a fleet operator for the transport of two-wheelers, operating in the name of Indubaala Carriers. It focuses on transporters via the 'DriveTrack Plus' program giving 0.75% cashback benefits to its customers. "We have 18 trucks and support outbound transportation of motorcycles made by TVS Motor and Hero," Rao informs.

Elaborating about his fuel business, Rao says, "We focus more on diesel customers. It has large volumes and off-takes but also credit. We segment customers based on their intake. If a customer has a billing of more than 25 kilo litres per month, he can be given credit and will come under a prime category. My working capital has to rotate two times in a month to get good profit out of it."

Several customers from infrastructure and construction companies use the DriveTrack Plus card. However, a customer may shift the outlet to a neighbouring state if the rates are low and they have this card, but that's part and parcel of the business, Rao explains.

"We have observed that some customers fill fuel that may last till they cross the state border. But here is where the credit that we give on our own risk comes handy and helps us retain the customer," he says. The DriveTrack Plus card can be used to purchase fuel and lubricants at participating HPCL petrol pumps spread across the length and breadth of the country.



Periodic training from HPCL ensured we were given adequate information and updates about the COVID-19 situation which helped retain the staff without any fear.





Indubaala Fuel Needs, Hyderabad

Explaining how it works, Rao says, "HPCL opens a customer's account in its DriveTrack Plus program and the customer recharges the card using his bank account".

"As a dealer, Indubaala Fuel Needs is given a DT Plus POS machine through which the transactions are executed," he added.

"The funds get transferred in only a few hours. With this card HPCL provides a fleet operator a complete fleet management solution with an unbeatable combination of control, convenience and security," Rao adds.

Speaking about how the outlet faced the challenges imposed by the pandemic, Rao states that they ensured proper sanitization, masks and social distancing of customers.

"We have a staff of around 40 people who wore masks all the time and followed the social distancing norms to keep themselves and the customers safe all throughout the day. Periodic training from HPCL ensured we were given adequate information and updates about the corona virus which helped retain the staff without any fear," he says.



Outlet Profile



40 Member Staff



5000 Lts of Petrol  
30,000 Lts of Diesel  
per day



16 Year-old  
dealership

# Indian CV Industry: Post-Pandemic Outlook

In the new normal scenario that the commercial vehicle industry in India is currently facing, there will be many changes, opines Shri. Rajesh Khanna, CEO, RACE Innovations (P) Ltd.

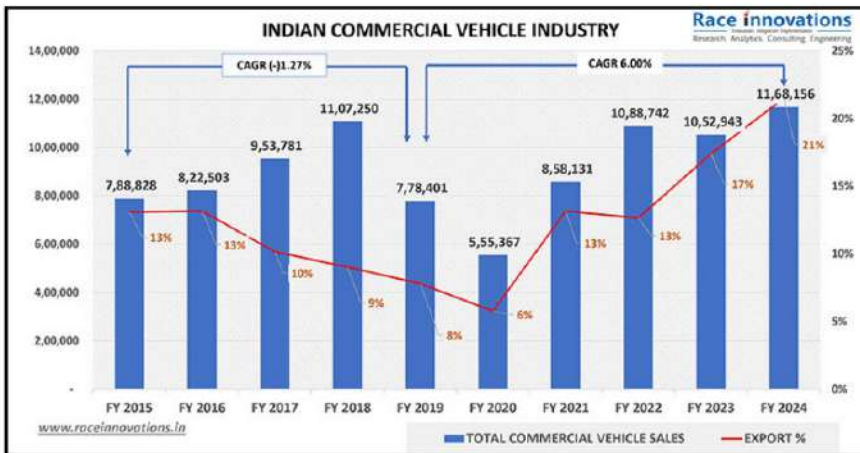
The Indian commercial vehicle (CV) industry, pummeled by an unforeseen pandemic, is now pressing players to extreme levels. It's of paramount importance to the stakeholders to embrace and gear up to handle the wind of change in scenarios where old norms and fundamentals are getting reframed.

The CV industry is poised to have a series of new entrants gaining high momentum, consolidation of old players, setting up a higher degree of global standards, competitiveness in the product offerings, all of which will prime the industry to handle massive global and domestic pent-up demands.

## Market Scenario

The overall CV volumes in FY 2019-20 recorded sales of 7,17,688 units including trucks, trailers and buses and are estimated to dip by 25-27% for FY 2020-21 with estimated sales of 5,23,329 units.

Bus and coach segmental sales anticipated drop of around 70% compared to previous year's sale units, Medium and heavy-duty truck segment sales are expected to de-grow up to 35-38%, tractor-trailer segment sales' de-growth may be up to 60% compared to the FY 2019-20 sales numbers, respectively.

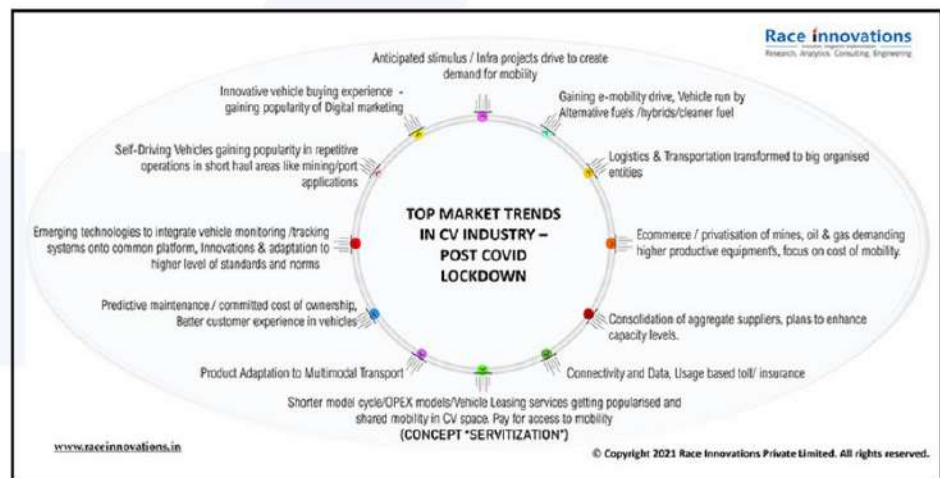


The industry is prepared to absorb these numbers as the first half was a total washout with retrieval being quite optimal in trucks, trailers and not quite encouraging in bus and coach segments as full-scale mobility is expected only in the second half of FY 2021-22. The system now works on a pull market strategy where the OEMs are pushed to create an environment to generate profits.

Stakeholders are currently facing various changes such as new policies, reforms, infrastructural push on the anvil to stimulate demand, tiding over the supply chain crisis, cash flow concerns and resources' availability.

More emphasis has been towards digitalization, analysis on time spent by customers in vehicle purchase and changes in style of purchase activities. More thought is put to know how to motivate customers about committed product lifecycle management.

Scrapping policy implementation, electric vehicles deployment with infrastructure implementation programs under FAME II subsidy scheme, systems to monitor vehicles loaded in excess than capacity (overloading), incentivising purchase of non-polluting vehicle, are some of the other contributing factors.



**TECHNOLOGY TRENDS**

**CHASSIS**



- Modular concepts/Skateboard technology
- Same base modularized to map to more variants.
- Drive by wire –reduce mechanical components

**ENGINE /POWER TRAIN**



- Increased power to weight ratio
- Use of Alternate fuels (CNG, H-CNG, L-NG, Biodiesel, ethanol, hydrogen )/ Hybrid power trains
- Innovative Transmission technologies to improve efficiencies.
- Gaining popularity of AMT & AT transmissions
- Compliance to Emission legislations / striving to achieve lower emission levels.
- Shorter life cycle planning
- NVH optimisation.

**AGGREGATES/ ACCESSORIES**



- Suspension – Active / semi active suspensions technologies / advancement of dampers to offer comfort, stability & more payload capacity carrying- electronic integrations.
- Axes designed for high speed operations , lesser service levels / Steered axles to achieve compliance to road safety norms
- Wheels – low rolling resistance wheels / efficient high mileage tyres / alloy wheels
- Brakes – Electronic controlled braking system with warning systems , emergency assist. Use of secondary braking technologies like Retarder/ exhaust brakes .
- Steering – EPS , Active Steering systems
- Active & Passive Safety systems to assist drivers , road users , protect passengers & goods
- Smart cooling / Conditioned air systems getting mandated specifically in passenger mobility ; Use of alternative powers to drive Vehicle Air condition systems
- Safety / security systems like camera , night vision , alerts , park assist , Driver monitoring /reporting
- Vehicle payload monitoring &reporting

**SUPERSTRUCTURE**



- Application builders becoming solution providers in offering total solutions by purchasing chassis from OEM's
- Light weight body structures with higher degree of standards , reliability
- Innovations in application to improve productivity
- Containerisation/ Silo's concepts gaining popularity
- Applications built to suit multimodal transportations
- More focus on safety, reliability & productivity

**CONNECTIVITY INTEGRATED**

- Integration of vehicle connectivity , between fleets of various telematics usage, sharing of information's for safety, monitoring and productivity
- Location based intelligence systems -feed to drivers to plan and assist, further connected up to emergency services

**RETROFIT CONVERSION KITS**

- Retro fit possibilities of alternative fuel systems , hybrids, Electric conversions
- Custom built systems for special mobility solutions

**AFTER SALES**

- Predictive Maintenance
- Customer interface digitalization leads to better customer engagement / satisfaction.

Source : RACE ANALYSIS

- Network geared to handle vehicles with alternate fuel/ electric vehicle

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On the supply side, OEMs are anticipated to get structural in their approach with vehicle price increase on the anvil, forced to create value in terms of higher degree of standards, modularisation of product variants, quality and safety compliances and overall enhancement in cost of ownerships.

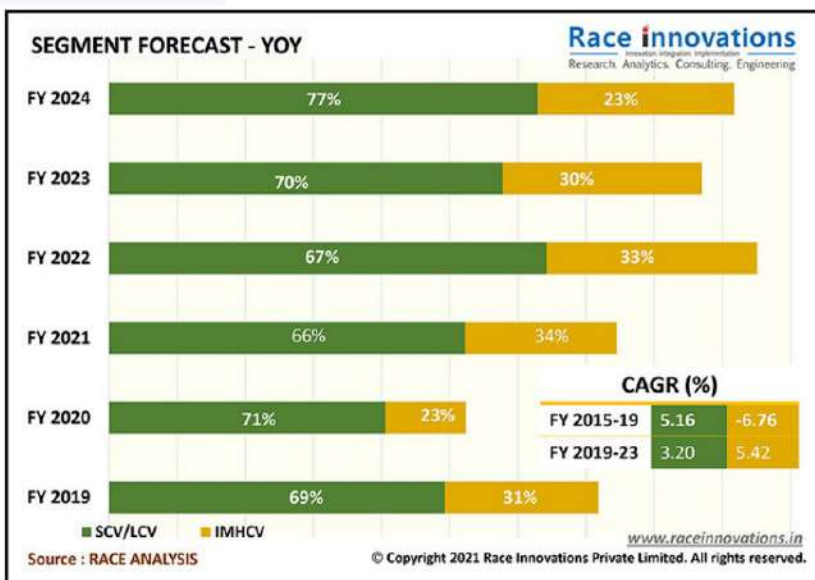
The component OEMs i.e. ancillary and accessory manufacturers are now going through a really tough phase; the resilient ones are expected to consolidate, formulate joint ventures, get into technical collaborations, acquire the weaker ones and further shape up as a large-sized fortified export-oriented component OEM base for the global markets.

Digital technology will help the market get back on the growth path. Evolving shared mobility or leasing models can bring in the concept of 'servitization' in the CV industry, which means pay for access to service with no need to own physical assets.

Logistics and transport companies can focus on their efficient distribution process, route or load optimisation, warehouse management and improvement in service deliverables, thereby able to demand long-term contracts with clients and better profitability.

Manufacturers currently are exporting 9-10% of the total CVs with expectation of reaching 25-30% of total commercial vehicles produced by 2024-25. India is destined to become a major export hub for vehicles, allied components, accessories and ancillaries to meet the increasing global demand.

The Indian CV industry is driven by emotions and with the vaccine around the corner the industry should be back on its growth trajectory specific to the domestic front. The challenge now lies in how industry leaders and stakeholders gear up to take the industry to the next level as a key exporter of various mobility solutions with competitiveness and higher degree of standards.



# India needs to halve logistics cost from 14% of GDP to 7% to bridge competitiveness gap of \$180 billion: CII-Arthur D. Little report

The report brings to light several issues and sets a bold Vision 2030 and roadmap for ensuring global competitiveness of India's supply chain.

India's supply chain and logistics sector is one of the largest globally, with a logistics industry of USD 215 billion, growing at a CAGR of 10.5%. However, despite its size and criticality to economic growth, India's supply chain faces several challenges notably an unbalanced logistics modal mix, high indirect costs, fragmented infrastructure and networks, and limited technology adoption.

A new report by Arthur D. Little and the Confederation of India Industry (CII) highlights the need for immediate attention given the high logistics cost of 14% of GDP in India compared to 8-10% of GDP in the US and Europe.

The report details the improvements needed to make India's supply chain competitive. It provides a glimpse of learnings from around the world, presents five imperatives for the Indian supply chain, and sets aspirations to achieve Vision 2030.

It also brings to light the vulnerabilities that the supply chain network is exposed to if transformative actions are not taken. "To bridge the current competitiveness gap of USD 180 billion, India needs to halve logistics cost from 14% of GDP to 7%" says Barnik Chitran Maitra, lead author of the report and Managing Partner of Arthur D. Little India and South Asia.

"The supply chain industry in India needs to be re-imagined and efforts need to be made to move towards creating an optimized and digitized logistics ecosystem, a de-layered distribution system and a green, resilient and flexible supply chain. The re-imagined supply chain will help realize Prime Minister's Atmanirbhar Bharat vision and supplement Make-in-India and Start-up India strongly, catering to the global supply chain," he adds.

Thomas Kuruvilla, Global Board Member and Managing Partner of Arthur D. Little Middle East, says, "To manage the supply and demand shocks in the supply chain, India needs to find new ways of doing businesses and bring innovation into their planning and operations." "The report discusses at length international learnings that Indian supply chain leaders could take inspiration from," says Kuruvilla.

## KEY FINDINGS OF THE REPORT

Logistics cost in India stands at 14% of GDP, creating a competitiveness gap of USD 180 billion for India, which could increase to USD 500 billion by 2030.

Supply chains are transforming globally by adopting Industry 4.0 trends including agile networks, disruptive technologies and end-to-end visibility.

India can benefit from the experience of mature economies, which have used emerging technologies to enhance supply chain operations and resilience.

To make India's supply chain competitive, efficient, and resilient. Vision 2030 aims to pare logistics cost to 7-8% of GDP, optimize the logistics modal mix, digitalize 90% of supply chain operations.



Harinarayanan S, a supply chain expert and facilitator of the CII-Supply Network and Procurement Forum, as well as one of the co-authors of the report, states, "A national supply chain taskforce with five working groups will focus on the crucial dimensions of supply chain operations across the sectors of relevance. These groups will meet monthly under the leadership of CII and Arthur D. Little to realize the aspirations set in the Vision 2030 report."



# Transporter Meet in Rewa

A Transporter Meet cum local launch for the HPCL-IDFC tie-up for FASTag based payment was organised in Rewa under the Jabalpur Region of HPCL on January 12, 2021 which was attended by 30 transporters. On this occasion, a presentation was given by Shri. Vaibhav Mittal, Marketing Officer, Jabalpur RO to transporters on the use of the IDFC FASTag at HPCL outlets for fueling. The programme also included an interaction session with transporters regarding their queries.

A formal launch of the HPCL- IDFC FASTag was done by the transporters. The event also included a quiz about HPCL products. Ten prizes were distributed to the transporters.



The programme concluded with dinner and a token of appreciation to all the attendees.

# Driver Training Program at SRS Travels, Bangalore

SRS Travels is one of HPCL's biggest fleet customers, specializing in employee transportation, tourist transportation, intercity night service, package tours, logistics movement, and premium car rentals. They own more than 3,000 vehicles and their intercity bus services operate in more than 200 routes across the country.



Shri. C.V. Vinay of SRS Travels was present during the program which saw participation from more than 60 long distance bus drivers and other garage mechanics. Mr. D.R. David, DGM - Loyalty Cards & Payment Solutions – South Central Zone of HPCL and Shri. Anup Agarwal, Asst. Manager, Marketing (Bangalore Region), HPCL, were also present.

During the discussions, the speakers deliberated on fuel conservation techniques, good driving habits, and the current BS-6 norms. The entire discussion was held in Kannada, the local language, for ease of understanding. Road safety issues and the responsibilities of drivers were also discussed in detail.



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