



INDIAN CONSTRUCTION EQUIPMENT RENTAL

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ABOUT CERA INDIA

- The Construction Equipment Rental Association (CERA) is a non-profit organization that represents the interests of equipment rental companies in the construction industry.
- CERA's members are primarily rental companies that offer a variety of equipment for rent to construction companies and contractors, including earthmoving equipment, aerial lifts, forklifts, and other heavy equipment.
- CERA was formed in 2016. CERA represents India's equipment rental industry nationally and globally, and is recognized worldwide.
- CERA has created awareness for transformation, standardization and diversification. This has helped rental companies to grow.
- CERA has been inducted as a member of GRA (Global Rental Alliance). Only 8 countries are member of GRA.



MISSION

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- To promote the equipment rental concept in order to facilitate a continued growth of the rental industry by creating an open Indian market, at a much larger scale than any state market.
- To build strong relationships between construction equipment rental industry, manufacturers, construction companies, financiers and other stakeholders for mutual benefits.
- To transform equipment rental industry into an organized sector with international best practices and standardization, and legal regulatory framework

PERSPECTIVE & STRENGTH

PERSPECTIVE

- We strongly believe that partnership and cooperation between industry, government and civil society is the key to infrastructure, economic and social development of India.
- Equipment rental industry is the backbone of the infrastructure development of India.

STRENGTH

- CERA is growing in strength and has become a name among the rental companies, manufacturers, financiers and all stakeholders not only across India but also internationally.
- CERA provides its members with a range of resources and services, including industry data and analysis, networking opportunities, training and education programs

TYPES OF CONSTRUCTION EQUIPMENT

1

Earthmoving
Equipment

2

Material
handling
Equipment

3

Road
Construction
Equipment

4

Concrete
Equipment

5

Material
processing
Equipment

OUR ACHIEVEMENTS

ACHIEVEMENTS

- CERA is now a key stakeholder in the infrastructure industry
- CERA is the voice of equipment rental industry of India and represents the rental industry.
- CERA is working closely with all the associations of other countries and very soon we will be working on training exchange programme and best practices conference with them.
- We are now training mechanical staff and operators in association with manufacturers at various sites and facilities.

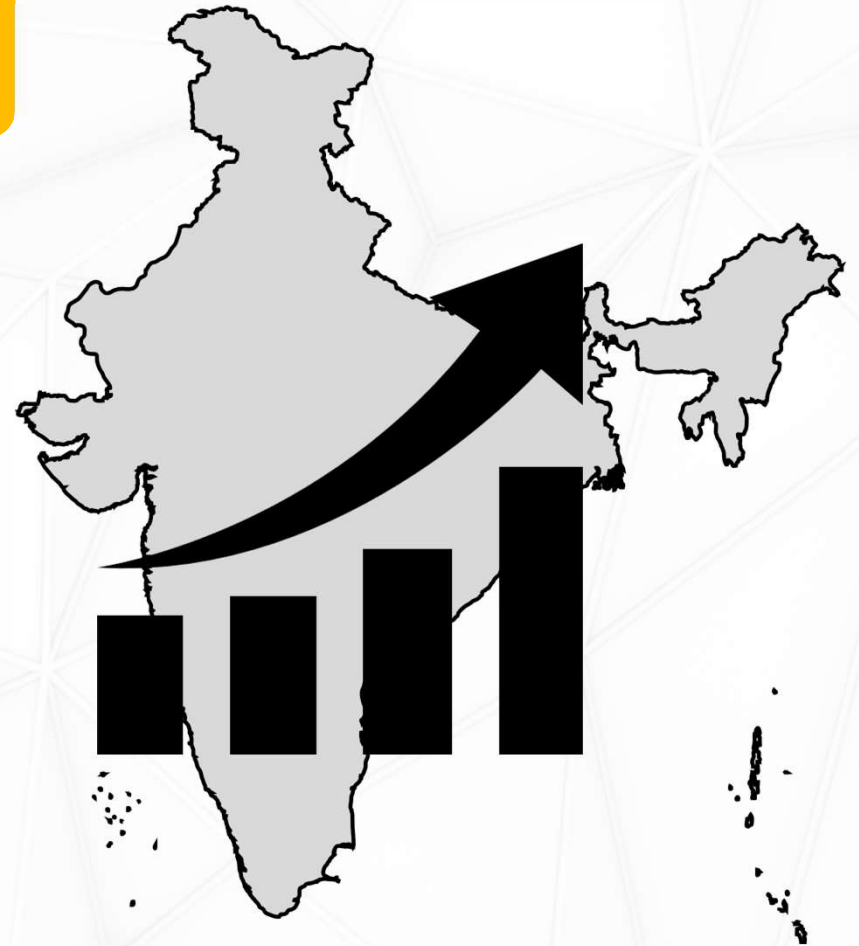
OUR ACHIEVEMENTS

ACHIEVEMENTS

- Government has also acknowledged CERA's suggestion on GST and has asked GST Council to examine those suggestions further.
- CERA organized the first ever National Convention (NATCON) of equipment rental industry in India in 2018 which is now an annual flagship event.
- CERA's State chapters organized State Meets of Rental industry regularly throughout the year.

Growing Investment in Infrastructure

- Investment in infrastructure has increased in the recent years by Indian Government.
- Investment in development of infrastructure sector will increase the demand of different kinds of construction equipment
- Based on the growing trend of the infrastructure sector, the demand of construction equipment is supposed to increase at a reasonable rate.



INDIA CONSTRUCTION EQUIPMENT RENTAL MARKET ANALYSIS

- The India construction equipment rental market is anticipated to register a CAGR of about 5.1 % during the forecast period (2020 – 2025).
- The road construction machinery market has witnessed significant growth in the recent past, owing to the increased road development programs undertaken by the central and state government.
- For short-term construction application, renting a machinery has been preferable than a purchase among construction contractors, as renting allows optimum utilization of the machinery.

INDIA CONSTRUCTION EQUIPMENT RENTAL MARKET ANALYSIS

- In India, out of the 2.3 billion equipment sold in India about 7% of the equipment go to the rental companies. Majority of these rental companies that dominate the Indian Market are mostly regional players. Even so, the business is quite organised and is expected to bloom in the recent years to come.
- Contractors who hire machinery from the rental companies are always at the profitable side as the investment in purchasing new asset is nil or negligible.
- The requirement can rise up to as high as 3 million in few cases without any capital expenditure.
- The maintenance and stocking of spare parts can also be saved by going to rental companies.

PROMOTION OF RENTAL CONCEPTS IN INDIA

- CERA promotes rental concept in India and globally. CERA has initiated deliberations on renting vs buying and promoting benefits of renting.
- CERA is also working on to launch rental calculator in India to compare the benefits of renting vis a vis buying.
- CERA organizes meets, conferences and panel discussions in all states of India and invites all the stakeholders to explain the benefits of renting equipment.
- CERA is organizing 1st Indian Rental Awards in 2022 to recognize the services of Indian rental companies and other stakeholders in nation building.






INDIA CONSTRUCTION EQUIPMENT RENTAL MARKET ANALYSIS

India has significant potential in the construction equipment rental industry. The country is undergoing rapid urbanization, which has led to a surge in demand for infrastructure development, including highways, bridges, airports, and ports.

There are several factors that are driving the growth of the construction equipment rental industry in India. Firstly, the construction industry is growing rapidly, and as a result, there is a massive demand for construction equipment.

Secondly, the high cost of purchasing and maintaining construction equipment has made renting more attractive for construction companies, especially for small and medium-sized enterprises

In addition to the above factors, the growth of the e-commerce sector has led to the emergence of online equipment rental platforms, which are making it easier for businesses to rent construction equipment. These platforms offer a wide range of equipment and machinery, and they are becoming increasingly popular among SMEs and startups in the construction industry.



GROWTH OF INDIA CONSTRUCTION EQUIPMENT RENTAL MARKET

Over the past five years, the construction equipment rental industry in India has shown robust growth. The industry has benefited from various factors, such as the growth of the construction industry, the high cost of equipment ownership, and government initiatives aimed at boosting infrastructure development.

According to a report, the construction equipment rental market in India was valued at INR 228.8 billion in 2016 and has projected a growth of a CAGR of 5.7% during the forecast period 2017-2022. This growth can be attributed to several factors, including the following:

- Increased demand for construction equipment
- High cost of equipment ownership
- Government initiatives
- Emergence of online rental platforms



GROWTH OF INDIA CONSTRUCTION EQUIPMENT RENTAL MARKET

The Indian Construction Equipment industry has seen a progressive growth for last few years with its demand driven by Government's focus in infrastructure and urbanization. The implementation of new emission norms in India has led to the launch of advanced equipment, boosting growth in this segment.

With demand in rental segment, the compact construction equipment continues to grow at a healthy pace. However, challenges such as rising input costs and lack of skilled labour does affect the growth. To address this, Government could provide incentives for R&D, initiatives to address manpower shortage and improve the ease of doing business to support industry's growth.





**THANK
YOU!**

"Let's grow together!"