





# Project and Professionalism (6CS007)

### **Survey Equipment Rental**

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#### Introduction

Survey activities are very important elements of planning infrastructure and other sectors in the construction and land development industry. Premium Survey Equipment is hard to find. Surveying instruments cost a lot and it is difficult to get enough of them because the supply and distribution system is poor. Research also shows site surveyors and small businesses in Nepal do have to buy expensive surveying instruments, less because of the costs. The ultimate aim of my research project is to understand more about legal and ethical issues that could affect the use of an online Survey Equipment Rental platform all around Nepal. Surveyors can quickly get access to total stations, all GPS, DGPS, mapping drones, or Level Machines by renting equipment at a cheaper price than they would be buying it.

To launch this platform, it comes with many issues to work through and problem solve that go way beyond the technical side of the platform. Ensuring the future of the platform requires an adequate and sustainable approach towards legal and ethical issues, SECURITY ISSUES, and social issues. The report will fully explore these areas and look at both the good and not so good issues as well as strategies for the management of the Survey Equipment Rental platform in Nepal.

# Social Aspects Positive Social Aspects

#### Accessibility and Affordability

Many individuals and small organizations working in surveying and construction in Nepal lack access to new technology or advanced equipment because of the cost of owning equipment. Renting equipment is great option, because renting surveying equipment such as a total station, GNSS receiver and drones allows you to more flexibly and economically utilize sophisticated equipment. Rather than committing a lot of money up front, a user can rent that equipment only when necessary. This flexibility allows users to take on more projects, and adjust projects if required, while freeing up budget for other important considerations of the business-like training, and operations.

The literature about equipment rental suggests that rental allows organizations to be more flexible and economically operational reflecting the fact their use of equipment will vary, especially when use is infrequent or not project specific. This is also the case for many surveyors in Nepal, who have limited budgets, which makes access to new equipment to use, rather than owning it, a potential benefit. (Sudewa, 25 Jul 2023) (Luísa Tavares Muzzi de Sousa, December 2023)

#### Tax Advantage

There are also potential tax benefits to renting survey equipment. Rental payments are usually considered operating expenses for registered businesses in Nepal, so it is normally considered a fully deductible expense for the current financial year. This is a better option than carrying own equipment when it is considered that the cost must be depreciated over a period.

Several studies show that immediate deductibility offers improved cash flow and provides businesses with management flexibility of expenses. In the case of survey firms and contractors, there is also the option of redirecting money in other ways some ideas include expanding services and hiring skilled staff, all with the most up to date tools. Sudewa (2023) discussed decreased financial risk using this model particularly with high-value instruments like GNSS units or drones used short term. Similarly, Timothy J (2013) suggests renting benefits small businesses.(Timothy J. Bell, 2013) (Sudewa, 25 Jul 2023)

#### **Technological Advancement and Skill Development**

Staying up to date with today's rapidly changing survey technology is a challenge when equipment is often phased out of use quickly or the costs of upgrading is too great. The benefit to renting is that you can use state-of-the-art devices on a trial basis without worrying about the ownership or subsequent depreciation costs. During short-term rentals, a rental can also stimulate productivity and learning, and therefore, all other things being equal, using a reasonably good set of instruments can improve the accuracy or efficiency of their work while being able to foster technical competencies valuable in the labor market. With Nepal's expanding economic and infrastructure development sector, this also has the potential to create

a more advanced workforce and influence local knowledge mobility practices. (Manar Abu Talib, 2025)

#### **Negative Social Aspects**

#### **Digital Divide**

The digital divide is a major obstacle to the growth of survey equipment rental services in Nepal. Just 51.6% of people have access to the internet, according to recent data. This indicates that a sizable portion of the nation is offline, particularly in rural and isolated areas with weak to nonexistent connectivity. Digital interaction for a browsing, booking and managing rentals online platform creates a significant barrier to the accessing the service. Even with connectivity, most potential users, for example small contractors, community-based surveyors, or field workers, have low digital literacy for the rental platform. More recent studies indicate this is a factor that limits users from benefiting from the services for a productivity benefit and reduced operational cost. For a mechanism providing access to higher-end items, such as total stations and surveying drones, this barrier limits which section of users can access rental services. (Baral, 2022)

#### **Equipment Misuse and Lack of Awareness**

Surveying equipment including total stations, GNSS and drones is specialized equipment requiring training and qualifications. In contrast to basic equipment, when using first, it is imperative to intimately understand the function details, operating field settings, and adjustments. The literature suggested that users can misconfigure or mishandled equipment without previous training that results in incorrect data, delays a project, or inadvertently repair costs.

For rental companies, there is not just an issue of cost of maintenance, but also concerns of reliability of service. A minor to serious error in use can affect an entire surveying or construction project, especially with land use measurements when there is a degree of safety involved. Research suggests that rental companies experience issues regarding clear use instructions, training, or initiates a program that rental

companies maintain that they will only rent surveying equipment to a qualified user. (Mhando, 2021)

#### **Legal Aspects**

#### **Consumer Protection Act**

Literature on consumer rights in Nepal emphasizes the growing importance of accountability in online service platforms. The Consumer Protection Act, 2075 (2018), has been particularly noted for strengthening the position of end users in ecommerce by demanding transparent practices and quality assurance. The legal framework is very important when straying into rental services with technical equipment (GNSS receiver, total station, etc.).

Research shows customers expect to see the full rental conditions, instructions for usage, and warranties, so they are not ambushed. There may be serious negative legal circumstances, and loss of reputation for equipment rental services if inaccurate representations are made, or the equipment is not maintained to the standard required. For rental services with expensive equipment having genuine and accurate listings, passing safety checks, and fair fees are important to help avoid disputes. (Poudel, Feb 19, 2025)

#### **Taxation and Business Registration**

Operating a digital survey rental venture in Nepal means following required regulations that govern business establishment and tax liabilities. The literature suggests that starting a digital survey rental business involves ensuring compliance with the Company Act 2063 (2006) and having a Permanent Account Number (PAN) from the Inland Revenue Department to ensure your business operates legally.

If the platform being offered is a high-value survey tool, such as drones, GNSS receivers, and laser levels, then tax structuring becomes increasingly important as income increases. When a business moves past the income threshold, it is needed to register under the VAT Act 2052 (1996) and comply with the Income Tax Act 2058 (2002), which requires maintaining records and filing returns. This not only ensures that legal obligations will be met, but also helps in increasing user confidence. (Rawal, December 27, 2024) (Associates, n.d.)

#### **Contractual Agreements and Liability**

Literature emphasizes the need for well-developed contracts in rental-driven business models. When dealing with equipment that is technical and fragile, formal contracts should not simply be optional as they are foundational. For a platform for educational surveying instrument renting, the rental contract must define time-frame, payment, boundaries of usage, maintenance, return condition.

Some scholars regarding legal risk engagement suggest outlining liability clauses, especially when there are possibilities for improper use, unintentional damage, or loss. In Nepal, rental agreements conform under the National Civil Code (2017), and provide exemption for enforceability of liability. To limit, disputes scholars also suggest, standardized rental contracts, with inspection protocol as needed instead of issuing elaborate rental agreements, and supplement alternative dispute resolution to collectively safeguard the renter, and the platform, from financial or legal risk. (Rawal, December 27, 2024)

#### **Ethical Aspects**

#### **Data Privacy and Security**

When dealing with survey equipment rental, data privacy is much more than just user information. Well-designed and operational management platforms usually have sensitive project information, such as project site locations, equipment usage habits, and customer profiles. This type of information could jeopardize client confidentiality and the successful delivery of land development or infrastructure projects if mishandled.

Compliance with Nepal's Electronic Transactions, 2063 (2008 act) is required. Secure encryption, two-factor authentication in order to manage user data. In addition to these best practices, rental companies will be expected to have reasonable privacy policies, which outline how the information is collected, stored, and ultimately used during the rental process. The demand for rentals and data volume being collected associated with rentals increases with more frequent and repeat user rentals therefore, the reason for data protection to be a uniform issue increases with

demand. The literature indicates that any breach of due diligence in managing data could result in a fine and punishment under the books, but also result in loss of user confidence and brand reputation in the long term. (Louise Thomas, 2022)

#### **Fair Pricing and Transparency**

In surveying equipment rental industry, being open and transparent about pricing is especially important because customers might be renting expensive or unfamiliar equipment (like GNSS receivers or drones). They might not know what the 'normal' pricing would be, so platform needs to clearly outline all the various costs involved (rental fee, deposit, penalty of late return, and potential damages).

If the costs are not clear or dissimilar to other platforms, that can easily create confusion and reservations can be abandoned altogether, especially for students, small contractors, or first-time renters. Research shows that offering definitive pricing and an upfront pricing policy can build trust and can help users more aptly budget their projects for cash flow. By being open and transparent with complete disclosure, highlighted or in conjunction with the booking or in a cost breakdown users will find potential costs extremely appealing (e.g. seasonal pricing, bundles of equipment). (Iris R. Joosse, 2023) (Safaei, 2024-11-18)

#### **Equipment Maintenance and Safety**

Survey instruments, including total stations, GNSS receivers, and digital levels must perform at certain levels of accuracy and errors in positioning may result in erroneous measurements, incomplete or erroneous layouts, delayed projects or failures, and legal disputes. These tools are used for numerous technical tasks such as locating land boundaries or describing and analyzing elevations, areas, and distances, and must be given our continuing commitment to accuracy through appropriate maintenance and service.

In contrast to general-purpose tools, survey instruments are subject to shock, vibration, and moisture when in the field. As noted in previous research, maintenance of survey equipment also involves accessories such as protection storage cases, recalibrating, and following the manufacturer's directions for care and maintenance. (Yue Han, 2022)

#### **Security Aspects**

#### **Cybersecurity Measures**

Running a rentals-sold on-line surveys equipment platform includes the responsibility of securing customer data and the ongoing business activities. As a rental transaction involves personal data, billing and payment processing, and tracking of orders, a surveys platform must be built with strong cybersecurity principles. Which include tools such as SSL encryption, firewalls, and antivirus software to protect from hacking or phishing.

Even when a rental platform has gone through or is experiencing a cyber-attack, a response plan can help mitigate user services and impacts on the business. A cultural expectation of a safe digital environment helps build trust across the rented precision equipment supply chain, especially when there are other professionals who may be trusting in the various pieces of equipment to be delivered accurately and quickly. Any loss of service, even for short period and or data breach can cause delays in the surveying project. (Thatavarthi, March 23, 2024)

#### **Fraud Prevention**

Survey equipment are expensive and associated with risk of fraudulent rental schemes, fake identities, and credit card payments associated with stolen identities not too far behind. Customer identity verification, payment gateways, and multifactor authentication can limit unauthorized payment systems. Platforms providing rental services for high-value items (e.g., total stations, drones) must also provide guarantees for traceability and security of the equipment in addition to the customer's identity.

There are some deliberate actions that can discourage fraud e.g., complete rental agreements, explicit returns and user responsibility that can reduce incidences of poor rental decisions. Customer reviews and behavior monitoring service, can help to identify suspicious behavior sooner than later to allow platforms an opportunity to intervene before the transaction accelerates. (Vinicius Facco Rodrigues, 2022) (Oluwabusayo Adijat Bello, 27-06-24)

#### **Equipment Tracking and Insurance**

Survey instruments require substantial investments, and when lost or damaged, they can add up to considerable costs. Tracking the location of rented equipment via GPS monitoring provides real-time location data and helps reduce risks of theft, misuse, and damage. It also allows easy retrieval when an item is lost or returned late. Insurance Companies offer users coverage for accident, theft, and operational damage for type of equipment such as GNSS receivers, drones, and total stations; Some insurance will also generally cover liability during field work.

Providing insurance ensures coverage for platforms against loss and gives users assurance and peace of mind especially for projects with a large budget or sensitive projects. When using equipment in rugged or remote sites, tracking can monitor unique usage and measure delivery time. This reduces disputes about carelessness or neglect when platform and renter disagree on handling or return status. As rental volume increases, tracking should be a secure method for monitoring utilization and insuring equipment for responsible growth. (Maha Al-Kasasbeh, 26 September 2021)

#### Conclusion

Rental of surveying equipment through this platform presents savings, convenience and the advancement of technological capabilities and creates hurdles with aspects associated with the digital divide, irresponsible equipment use and legal and regulatory compliance and cybersecurity aspects requires close monitoring to ensure success. Equipment rental success relies on clarity of rental agreements, suitability of training, robustness of security, transparency of pricing, with maintenance, data protection measures and fraud deterrent actions can achieve success on the platform. If addressed correctly, these considerations will improve the platform and support small business and the development of the surveying sector in Nepal markets.

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