

Punj Lloyd has played a significant role in India's growth story

Punj Lloyd brings to the table the engineering acumen of its skilled workforce, advanced technology of construction and the advantages of a huge equipment fleet **ATUL PUNJ**, Chairman and Managing Director – Punj Lloyd Group



India has an impending need to build infrastructure to nurture its economic growth, what are your views on this?

There is no doubt that infrastructure development will play a crucial role in the country's economic growth. After the new government came into force there have been quite a few developments and the industry is seeing a fresh impetus to growth. The government has been awarding highways projects and there has been a thrust on rural electrification. The policy support and incentives provided by the government is generating investor interest in the renewable energy sector. In just over a year, Make in India has yielded significant results. One is able to see strong action on ground and also a clear road map for the future. India's Smart City vision is another initiative for creating industrial corridors between India's metropolitan cities.

Punj Lloyd has secured four Highway contracts worth ₹ 1555 crore pan India, considering these projects have defined deadlines for completion, technologically and otherwise what kind of infrastructure-level innovation enables you to complete the projects within the timelines cited?

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Chairman and
Managing Director
– Punj Lloyd Group

Punj Lloyd has played a significant role in India's growth story, we were one of the first contractors to do so. Commuters experience the pleasure of travelling on smooth, wide highways of the Golden Quadrilateral where Punj Lloyd-laid highways like the Vadodara Halol, Belgaum Maharashtra, Dharmavaram Tuni and Jaipur Bypass, these spaces evoke commuter appreciation even today. As an established EPC player, Punj Lloyd brings to the table the engineering acumen of its skilled workforce, advanced technology of construction and the advantages of a huge equipment fleet – the three critical ingredients for a successful highway project. With this technical acumen and years of experience, Punj Lloyd is confident of delivering the new highway projects within the stipulated time.

Are you aggressively focusing on the Middle East, considering the fact that you have inked some of your major deals in Dubai, Oman and Turkey; what are the other regions you are bullish about?

Punj Lloyd is a global EPC group and has delivered many projects in India, Middle East and Africa, Asia Pacific and Europe. As its international offices and equipment yards

position it to deliver projects in any of its chosen markets, the company does not focus on any one region but undertakes lucrative projects in any geography often delivering repeat projects for clients. Some of its repeat clients include IOC, GAIL, ONGC, NHAI, CPCL, MRPL in India and TOTAL Indonesia, Petronas, PT Perusahaan Gas Negara, ExxonMobil, Shell among others. However India has opened up several infrastructure possibilities especially in highways.

The slowdown which has set in from 2011 has led to rise in debt in your balance sheet, what the steps you have initiated to offset the debt and ensure positive cash flows?

At Punj Lloyd, the increase in debt was due to the requirement for

Samena Capital. The money realised was utilised towards debt reduction. Punj Lloyd is following a two pronged approach to reduce its debt, mainly monetising of assets and focusing on claims settlements. The company has been successful in keeping debt in control and running its operations in the most efficient manner. In addition, the government has been very forthcoming in amending the Arbitration Act.

In term of revenue mix, what is the share from India and overseas? Is the time right to shift the focus inwards, has the government been able to bring in the requisite reforms to ensure a speedy recovery of the ailing sectors?

The revenue mix in a global company like Punj Lloyd is directly

What are the green initiatives adopted by Punj Lloyd to improve its efficiency and reducing the environmental footprint?

Construction as an activity has the potential to adversely impact the environment. Cognisant of this, Punj Lloyd adopted stringent processes to prevent any harm to life and environment. The company is ISO 14001 certified and has a strong HSEQ team constantly working to negate any environmental impact of construction. The corporate headquarters raises awareness of environment through celebration of World Environment Day and also other events including plantation drives, promotion of recyclable products through NGOs and its own 'Green Team' constantly communicating with employees and launching campaigns to celebrate wildlife or save the environment.

Quality, health, safety and environment are the key factors which govern the kind of projects you execute, what are the procedures Punj Lloyd has in place to ascertain these parameters are adhered to in every project you undertake?

The paramount factor here is the availability of standardised and documented procedures and systems. This is where Punj Lloyd was well ahead of competition. It was early in its working that Punj Lloyd matched international standards of HSEQ and developed core teams to work on HSEQ. Acquiring certifications for ISO 9001, ISO 14001 and OHSAS 18001, constant communication and focus on HSEQ, had every employee take note of the fact that at Punj Lloyd compromise to any of the above is unpardonable! For this there are Group policies that are implemented and management systems that are followed, tracking the HSEQ performance on every project. Regular meetings held by the site offices and by Corporate Headquarters further keep vigil on these indicators.

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implementation of infrastructure projects which are since then on-stream. The economic environment also contributed in affecting the company's cash flow, owing to non-realisation of receivables and relatively slow order booking in a few verticals and geographies. With the money being held up for long periods, the working capital cycle of the company was stretched, resulting in increase in debt. The company has been making all efforts to reduce debt, starting with exiting from all non-core assets such as Medanta and

dependent on the order intake in markets and keeps fluctuating with new order wins. Currently the revenue mix is 60:40 with the larger share being overseas in the wake of the recent few wins in Turkey and Oman.

Punj Lloyd is already executing a fair amount of orders within the country including both Oil & Gas and Infrastructure. Some of its key ongoing orders include : Sikkim Greenfield airport, Ennore LNG Terminal, rural electrification in Odisha, Paradip Refinery, Haldia Refinery among others.