



INFRA @ 2021

With economies across the globe embracing the 'New Normal' the stressed infrastructure assets looks forward to bounce back with a shift in strategies. India with a dedicated infra-focused growth agenda is set to scale up as per the new operational standards, reflecting positive sentiments. EPC World takes a closer look on the infra-expectations and goals planned for 2021...

Covid-19 has been the hard hitting truth of the year 2020. Though the scientific and medical world has succeeded to a certain extent in rolling out vaccinations, the traces of the uncertain pandemic is believed to remain even in the new-year. Economies have adapted and are remoulding activities as per the new norms. India which was one among the hard-hit nations to take the big blow of Covid-19 is slowly yet steadily rising up to regain its lost infra-galore. And a key tool to drive in this move has been the wand of digitization. The power of web was surely reflected in keeping the economic activities 'on the move' even during the pandemic hit situation. Real-time platforms are thus expected to run the show even in the 'New World'.

Government Approach

As per the latest report revealed by IBEF India is in need of investments worth Rs50 trillion in infrastructure alone by 2022 to have a sustainable development. Thanks to the Government's continued focus on infrastructure, it still remains as one of the Government's prime growth agenda and brings in a positive vibe for



attracting investments. The sector though faced its burn in the start due to the unexpected hit of pandemic and was brought to a standstill, the latter part saw a glimpse of revival. A key to this positive tide was the approach of Government in boosting the infra-investments.

The Government setting a target of constructing road networks worth Rs.15 lakh crore in the next two year in April 2020 was one among the first initiatives reflecting the sentiment. This was followed by the Border Roads Organization gaining a major milestone by digging up a 440 m long tunnel below the busy Chamba town on Rishikesh-Dharasu Road Highway (NH94). The recent announcements by NHAI in regards to awarding road contracts worth Rs.48000 crore within the first six months of this year, despite the ongoing pandemic crisis, clearly reflects the Governments sentiments towards fast tracking and scaling up the momentum for roads and highways sector. NHAI (National Highways Authority of India) also plans to generate revenue worth US\$ 14.31 billion from toll and wayside amenities over the next

five years. In March 2020, NHAI accomplished the highest ever highway construction of 3,979 km of national highways in FY20.

“We have planned to award contracts worth Rs.2 trillion during the year. This will open up good opportunities for companies involved in the construction and construction equipment business,” said **Dr. Sukhbir Singh Sandhu, Chairman, National Highway Authority of India** in recent media event.



DR. SUKHBIR SINGH SANDHU,
Chairman,
NHAI

A major push was seen in the Union Budget 2020-21, wherein the Government allocated Rs.1,69,637 crore to develop the transport infrastructure. To name a few key investments that poured in through the Union Budget – Communication sector alone was allocated Rs.38,637.46 crore to develop post and telecommunication departments, railways received Rs.72,216 crore and the Ministry of Housing and Urban Affairs with Rs.50,040 crore. As per the IBEF findings on the energy front the country is expected to offer investment opportunities worth US\$300 billion over the next 10 years. Another notable move was seen in October 2020, wherein the Central Government awarded a total of 322 projects to construct 12,413 km roads under the Bharatmala Pariyojana and NITI Aayog and Quality Council of India launching the 'National Program and Project Management Policy Framework to bring radical reforms in the mode of executing infrastructure projects in India. A similar positive move was also seen on the realty front, when the Ministry of Housing and Urban Affairs launched an affordable rental housing complex portal. Furthermore, the

Commenting on tapping in the opportunities and about adapting the new mode of operations **Rajeev Mehrotra, Chairman and Managing Director, RITES Ltd** shared, "The COVID-19 outbreak has significantly impacted overall infrastructure development in financial year 2020-21, especially in H1. Yet after this most unusual of years, there are good reasons to believe the next year will be better. The



RAJEEV MEHROTRA,
Chairman and Managing Director,
RITES Ltd



Government plans to spend US\$1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The Government also plans to pour in an investment of US\$ 750 billion for rail infrastructure during the period FY18-30.

Doyens Opine

With the opening up of economic activities and the 'New Normal' put into practice, the role of digitization in defining the operational standards has become more certain and vital. From core infrastructure sectors like power and energy to roads-railways and real estate sector, the role of digitization has become inevitable today.

Government's focus on developing robust modern infrastructure, complementing the recently announced National Infrastructure Pipeline (NIP), investment plan (also in under-developing and developing countries) and other business reforms offer RITES enough opportunities to maintain its growth rate in 2021. The pandemic has disrupted the business flow, but RITES has tried to negate the Covid impact through remote working. The company's investments in digitisation through ERP, e-office, e-tendering etc. helped it to shift its operations to remote working environment, thus, keeping employees' safety as top priority during the crisis."

He further added, "They say in every adversity lies an

opportunity...so, we increased digitisation and accumulated order book during lockdown period. Negotiations and finalisation of tenders were carried out through video conferencing. Paperless working, saving time and energy, became a new-normal for our working set up. For challenges such as physical inspections, RITES has engaged local reputed agencies with quality accreditation for inspections required in foreign shores. The inspection works are now being carried out by the inspecting agencies under our supervision through video conferencing. New technologies are converging to alter the way people and goods travel from one point to another. The New Year promises the new mobility eco-system with offerings for fast, economic, sustainable, safe, efficient and customised and comfortable travel.”

A similar wave of digitization is also been seen in the country’s power and energy sector. Reflecting the mood, **Anil Chaudhry, CEO Schneider Electric India** viewed, “Despite the headwinds faced by the Indian power sector, the country



ANIL CHAUDHRY,
CEO Schneider Electric India

will play a pivotal role in the recovery of the sector and drive it in the future. Therefore, we need to prepare ourselves for a technology-led transformation in a post-pandemic world. We believe that Digitalisation will play a huge part in transforming energy systems by increasing the recovery of resources and reducing the cost of supply.”

Among the other economic sectors, construction and infrastructure activities saw an evident positive penetration of digitized tools. Though construction design software like BIM, 4D and 5D modelling technologies are not a novel concept in India, the adoption and implementation rate has seen a considerable surge post the pandemic. Throwing light on the tech-tools of transformation refining the construction activities, **Vinayak K Deshpande, Managing Director, Tata Projects Ltd** commented, “Driven by the pandemic and resulting lockdown, we migrated to new digital tools and processes both on and off ground to improve efficiency. We embraced remote working methods to meet the needs of our customers and learned to operate with minimal overhead expenses. If India has to attain the government’s goal of



took several progressive strides to fight the pandemic- one such step is the accelerated adoption of technology. As we fight the pandemic, we must also continue the efforts towards creating a sustainable future by addressing glaring environmental, social and economic issues such as climate change, access to energy, unemployment etc. This pandemic has impacted the clean energy transition in India considerably. Digitisation of energy will be an enabler in this transition owing to its ability to maintain the security of supply, boost system flexibility, and prepare for potential threats, thereby ensuring energy efficiency and reducing carbon emissions. Companies need to embrace technological innovation as it



VINAYAK K DESHPANDE,
Managing Director,
Tata Projects Ltd

becoming a \$5-trillion GDP by 2024 – then we have to look beyond challenges of 2020 and grasp opportunities in 2021 - so that the full potential of the nation’s economy can be reached –ensuring timely completion. There will be enhanced adoption of technology to find solutions.

For example, we have used drones for undertaking stringing operations at our power transmission projects. This has led reduction of time and costs while lowering the need for manual intervention. We have also started using cutting-edge digital technologies such as 3D and 4D Building Information Modelling



(BIM) across many of our projects. BIM is revolutionizing the way the construction industry works worldwide and our endeavour is to replicate the same in India. Such technology adoptions shall increase across the industry in 2021.”

Viewing on the similar lines about the boons of digitization in giving a facelift and the road ahead for real estate sector is **Surendra Hiranandani, Chairman and Managing Director, House of Hiranandani**. He shared, “Covid 19 has transformed the manner in which real estate business functions. Digitisation of the real estate sector was a remarkable transformation that took place after the lockdown. The transition happened in no time. By using AR, VR, artificial intelligence and hi-tech images and videos, it was possible to reach customers virtually. Online booking of apartments became a reality in the sector, a

scenario which was less likely earlier. Going forward, technology will also play a pivotal role in shaping the Indian real estate sector with automation staying at the core of every facet of home to provide an enhanced living experience. There is an emerging trend of settling into well-designed townships due to the availability of a plethora of amenities within the vicinity without compromising on the presence of greenery, open spaces, safety and hygiene. The uncertain times also diverted home buyers to reputed and branded developers who are trustworthy and provide quality products. The new requirements of work-from-home, quarantine facilities, online education have also prompted buyers to opt for larger living spaces. The market is robust, and in the coming months, we expect a rise in the growth momentum. The year 2021 is expected to infuse growth in the sector and rise to new heights.”

“The contribution of the manufacturing sector to an AtmaNirbhar Bharat is undisputed given the trinity of Demography, Democracy and Demand as favourable catalysts. The ongoing global pandemic can be the biggest accelerator of global diversification towards India. For India to become a 5 Trillion Dollar economy by 2025 and become an economic powerhouse for the world, domestic manufacturing specially the Metal Sector has to play a crucial role in economic revival and will form the cornerstone of our efforts to hit the reset button. We need to boost domestic manufacturing which is

SURENDRA HIRANANDANI,
Chairman and MD,
House of Hiranandani





vital for achieving India's self-sufficiency, reducing the import bill while generating revenue for the government, creating millions of jobs and giving a boost to the overall industrial and economic activity in the country. India's significant mineral ore reserves, primary capacity and downstream processing capacity lay an excellent foundation for our country to become a global manufacturing hub," said **Ajay Kapur, CEO – Aluminium & Power and MD – Commercial, Vedanta Ltd** while talking about the role of manufacturing sector in scaling up the country's economic momentum.

All the surge and expectant evolving opportunities has also brought in a wave of hope in the construction equipment sector. And one among the pioneers in deploying the digitized tool and exploring the world of technologies is JCB India. Commenting

AJAY KAPUR,
CEO – Aluminium & Power and
MD – Commercial,
Vedanta Ltd



DEEPAK SHETTY,
Deputy CEO & Managing Director,
JCB India

on the way ahead to tap in these opportunities, **Deepak Shetty, Deputy CEO & Managing Director, JCB India**, echoed "As we navigate through an uncertain world, the learning that we get from the Pandemic is that of Agility. Going into the next year, we aspire to be even more connected with our stakeholders through IoT, Machine Learning and Connectivity embedded in our operations. Infrastructure creation will continue to grow and will see a massive momentum in the coming years. Thus, the opportunities envisaged for all allied industries are significant. The vision of an 'Atmanirbhar Bharat' will further open up manufacturing related opportunities in India. Thus, the future holds promise. We need to be competitive, forward-looking and strong-willed to be able to compete with global manufacturing players and certainly have the potential to compete, and be at par with the world." He further added, "Our Businesses, Products and Processes will be further aligned towards sustainable growth. Alternative fuels and Energy efficiency of course being the key drivers. But most of all, we will continue to innovate and introduce world-class products and solutions, such as our recently introduced Industry's first Dual-Fuel Backhoe Loader for our customers."

Last but not the least, a sector that showed standalone performance amidst the pandemic was the warehousing and logistics sector. Though initially, like all economic activities the sector was brought to a standstill, the latter phase saw the sector emerging to be a most promising economic activity supporting the country in meeting its daily essentials. Owing to its promising growth figures, analysts predict the market to grow at a CAGR of 10.7 percent between 2020-2024; with stakeholders keenly investing in cutting-edge technologies. The sector saw a flow of \$425.2 million funds across 40 major deals during the year that passed, wherein a maximum of 32.5 per cent from the total deals came in Q1 and Q2. The sector also reflected a promising opportunity for the startups – with early stage startups gaining 45 per cent of total funding deals and late stage startups 73.65 per cent.

The year 2021 that has just begun though and is wrapped in the 'New Normal' mode of operations, also brings with it a new set of opportunities for the infrastructure sector. The sector awaits and reflects a positive sentiment of growth amidst the uncertainties of the pandemic.

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