



## Afcons Spread Into Various Segments Within The Construction Sector And Also It Spread Into Overseas Arena; The Economic Down Turn Did Not Affect Us Significantly

**CE&CR:** *When was your Company established? What have been your areas of operation? What priority areas are you planning to deal with in the future?*

**K.S.:** Afcons was formed as a Joint venture entity with Rodio of Switzerland and Hazrat & Company of India, joining together as Rodio & Hazarat Company in 1959. Initially

Afcons was into piling and foundation engineering. In 1966, Afcons entered into marine segment, in '70's into Bridges and overseas foray, in 80s into Roads, in 90s into LNG tanks and civil structure, in 2002 into Hydro and UG segments and in 2009 into offshore construction (Oil & Gas)

In 1973, when the Foreign Exchange Regulation Act was introduced in India, Rodio wanted to exit India and an employee led consortium along with Hazrat & Company took over Afcons after paying off Rodio in 1975. In 1976 the name of the company was changed to Asia Foundation and Constructions Ltd (AFCONS). In 1977 in tune with the changed business profile of the company the name was changed to Afcons Infrastructure Ltd.

In the year 2000, Afcons was taken over by another construction giant (i.e) M/s Shapoorji Pallonji & Co. Incidentally, SP & Co. is 140 years old conglomerate and known for its investment in Tata & Sons Ltd. (holding company of the entire Tata Group) to the tune of 18.4% (the largest single group stake holding). Today SP holds 97% stake in Afcons.

**CE&CR:** *Is your Company ISO certified? What does it mean to the Company? What does it mean to your clients?*

**K.S.:** Afcons is ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 Certified company. It means Quality



*Mr. K. Subrahmanian, Managing Director, Afcons Infrastructure Ltd., in an interview with CE&CR, reveals some key facts about company's growth history, quality, conscientiousness, mammoth projects, various high profile awards and CSR activities.*

Management System, Environmental Management System and Occupational Health and Safety Management Systems implemented in Afcons fulfills ISO requirement. All the three systems are well established, documented, implemented and maintained.

**CE&CR:** *What has been the Company's turnover in the past? What is the likely turnover in the near future?*

**K.S.:** As on march 2009, Company's turnover is Rs.2,212 crores. As on March 2010 expected turnover is Rs.2,500 crores.

**CE&CR:** *What are the major infrastructure projects in India that have been implemented by your Company?*

**K.S.:** Some of the major projects in India and abroad are as follows :-

1. Vallarpadam Rail project in Kochi - (Kerala) completed well on schedule. It is considered as a milestone project for both Afcons as well as for India. The total cost of the lien is estimated to be about Rs.300 crores
2. Offshore Platform for ONGC at a value of US \$ 366 million (Rs.1,440 crores). The scope of work includes setting up ICP-R platform with a bridge connected to ICG existing complex, a flare tripod, laying 1.2 km of submarine pipelines and modifications/integration with the ICP and ICG platforms.
3. Barakhamba Underground Project for Delhi Metro. Top down construction methodology was used.
4. Shell Hazira Marine Project- one of the marine projects from a very demanding client i.e. M/s. Shell - USA. We had a high level of safety norms and global standards of construction and commercial administration.
5. Madagascar Ambattery jetty Project - This project done

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for a consortium led by M/s.SNC-Lavlin, Canada is getting completed in Jan 2010 - 3 months ahead of schedule.

6. Jetty modification works for M/s.Reliance Industries at Jamnagar - Afcons completed this job 2 months ahead of schedule earning bonus as well.

**CE&CR:** *What was your Company's experience during the recent economic recession? What measures were taken to overcome the recession effects?*

**K.S.:** Afcons spread into various segments within the construction sector and also it spread into overseas arena, the economic down turn did not affect us significantly, although it led to delay in collections from some of its private sector clients. Although the projects from the private sectors and from countries like Dubai have substantially came down, it was balanced to some extent from the Government projects on account of the renewed efforts by the Indian Government to give boost to the infrastructure through its various stimulus packages. However, the rate of growth that was achieved in the past did go down although it did not go below the levels already achieved.

**CE&CR:** *What are the awards your Company has been honoured with in recognition of its achievements?*

**K.S.:** Some of the awards the company has been honoured with are:

- (a) World Quality Paris 2009 Commitment certificate in the Gold Category in recognition of commitment to quality, leadership, technology and innovation / Presentation material
- (b) Letter of appreciation from Rail Vikas Nigam Ltd, Chennai (A Govt. of India Enterprise) for construction of longest bridge on Indian Railways

- (c) Letter of appreciation from Dodsai Engineering & Construction Pte.Limited, Abu Dhabi, UAE.
- (d) Letter of appreciation from Government of NCT of Delhi, PWD, Flyover Proj. Division, New Delhi - for Construction of Grade Separator near Apsara Border, Delhi
- (e) Letter of appreciation from IHI for completing piling works of 2 tanks T101 & T102 and base slab for T101 for LNG Kochi
- (f) Letter of appreciation from Delhi Metro Rail Corporation Ltd for completing Three Million Man Hours worked without reportable incident for Airport Metro Express Line
- (g) Letter of appreciation from Shell Gas & Power for works performed at Hazira site in Gujarat
- (h) Letter of appreciation from Konkan Railway Corporation Ltd, for construction of Konkan Railway Bridge across Zuari river
- (i) Certificates awarded to AFCONS from BVQI for ISO 9001-2008, ISO 14001:2004, OHSAS 18001:2007

**CE&CR:** *What are the specific efforts taken by the management for the employee welfare and for reducing the employees' attrition rate?*

**K.S.:** Afcons Infrastructure Ltd. has extended its hand in providing and having better welfare activities across the organization:

1. Employees & families Get-together parties at project sites
2. Picnic for employees and families
3. Cultural events (sports/drama etc) & festival Celebration at project sites and corporate office.
4. Grievance Handling of employees and families
5. Sports club at each project site for employees
6. Extreme & remote project sites have facilities for washing & ironing clothes,special pickup and drop to nearby school and market for families,mobile facilities tie up with Mobile companies.