

# Diversification is key to making profit

*Engineering Projects (India) Limited (EPI) is a central public sector enterprise with expertise in civil and structural work, material handling system, and defence-related projects, among others. EPI has successfully implemented projects valuing over ₹25,000 crore in India and abroad since its inception. It currently executes 91 projects worth more than ₹7,000 crore spread all over India. Excerpts from an interview with its chairman and managing director SPS Bakshi:*



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SPS BAKSHI,  
chairman and md, EPI

**What is scope in the present areas of operation of EPI?**

The projects secured were mainly in civil engineering sector besides multi-disciplinary projects such as material handling, irrigation and defence, among others. The company's present areas of operations, however, have been found to have limited scope for further growth.

**Have you identified any new areas of operation?**

A review has been carried out and it has been decided to

diversify into high technology areas. The company has decided to diversify into areas of mass transportation, power sector and modernisation of steel plants, which offer better profitability.

**What do you envision to be the preferred mode of transportation and why?**

In the field of mass transportation, monorail systems has major scope in the next 20 years — not just in India but overseas also. In towns that have population of less than 30 lakh, with huge traffic congestions, monorail systems have the potential of providing transportation solutions. They are, therefore, the most suitable mode of transporta-

tion in cities with a lesser population but growing at a faster pace. Cities such as Lucknow, Raipur, Bhopal and Nagpur readily come to mind in this connection. In larger cities, Metro rail can be the main mode of transportation with monorail systems providing feeder or secondary services in congested areas. The advantage with mass transportation, both metro rail and monorail systems, is that it offers clean mode of transportation. It will also help in reducing use of personalised transport as these modes will provide point-to-point connectivity.

**What steps has the company taken to realise this strategy?**

EPI has recently signed an

memorandum of understanding (MoU) with Scmi Engineering Berhad of Malaysia to undertake monorail projects in India and abroad. EPI has also identified that there is considerable scope for business in the infrastructure sector in Sri Lanka, Maldives and some African countries. Since EPI did not have any representation in these countries, we were looking for a strategic partner with whom it could join hands in the identified areas.

**What is your company's corporate vision?**

EPI has a vision to achieve a turnover of ₹5,000 crore in the next two or three years taking it to ₹10,000 crore thereafter. We aim to be the premier public sector enterprise in the field and the leader in the multi-modal transportation systems. It is with this vision that, in addition to the existing areas, the company is diversifying into new areas of operations, which provide better profit margins and higher productivity, and has signed MoUs with strategic partners.