

CHEMICAL INDUSTRY OUTLOOK 2021

Exploring New Horizons of Growth

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A detailed ball-and-stick model of a molecular structure, likely a polymer or a complex organic molecule, is shown in the lower right quadrant. The atoms are represented by green spheres, and the bonds are shown as light brown rods. The background is a soft, out-of-focus green, suggesting a natural or biological context. The overall design of the cover features large, overlapping circles in shades of orange, red, and blue, creating a modern and scientific aesthetic.

“AIMING TOP POSITION IN THE EPC INDUSTRY FOR H2O2”

A. K. Tyagi, CMD, Nuberg Engineering Limited spoke about industry trends, partnerships, installations in 2020, revenue and profitability in FY2020-21, solution offerings, R&D facility and IoT portfolio. Read the excerpts:



A. K. TYAGI
CMD, NUBERG ENGINEERING LIMITED

What are the industry trends in 2021?

The COVID-19 pandemic has brought an unprecedented challenge to the EPC industry. Undoubtedly, it has changed the way we think, live and do business. It has negatively affected both the demand and supply side of industrial projects and there are fundamental shifts that the EPC sector will need to navigate for a successful year. This includes increasing and ageing world population-based change in demand, changes by oil-based economies, enhanced digitization and

increased need for environmental sustainability. Some of these shifts were already underway in the sector; now, there are added changes emerging out of the pandemic year including the move towards local production of essential products, realignment of supply chains and remote management.

While the changes may look daunting, the opportunities in the EPC sector are huge and the challenges are surmountable for players who commit to global leadership. The world will be a better place with the foundation laid by the EPC sector and 2021 looks to be the landmark year for the sector.

Installations related to chemical, hydrocarbon and fertilizer sectors in 2020?

We have quite a few projects currently running with large Indian PSUs. One project with Oil and Natural Gas Corporation (ONGC) is being completed in Karaikal. Following this, we have two other projects with ONGC in Uran and Hazira. There are also projects going on with Hindustan Petroleum Corporation Limited (HPCL) and High

Explosive Factory (HEF). We are also working with Ordnance Factories Board (OFB) for defence requirements and have a project underway with the TATA Group.

We have commissioned one plant in chemical and two plants in the hydrocarbon sector in 2020.

How have partnerships helped terms of solution provisioning?

With an experience of over 25 years in the industry, we have worked all around the globe with almost all the technology licensors for products that we operate in. This makes it easy for us to get technological tie-ups and thus gives us an additional edge while pitching for a new customer. Association with various technology partners and licensors have helped Nuberg EPC hone itself into a globally excellent EPC and LSTK organization in the market today.

We have been able to position ourselves as the number one player in the EPC industry for Hydrogen Peroxide and Calcium Chloride. We are the number two EPC Company for Caustic Soda/ Chlor-Alkali Plants globally. We are amongst the world's fastest-growing EPC organizations with a specialized team of more than 300 engineers providing global competitiveness.

“We are working across various markets worldwide and hope to have new clients from Africa, Central Asia and Southeast Asia”

Share revenue and profitability numbers for FY 2019-20 and what is the forecast for FY 2020-21?

While the profit ratio in FY20 was robust with a CAGR of 30%, the year 2020 impacted the entire industry. We are likely to see a drop from the high growth rate in FY21. The situation has been volatile and we can only expect marginal growth in FY21.

What portion of your revenue is within India and outside India in FY 2019-20 and what is the forecast?

In FY 2019-20, 10 per cent of revenues were from within India and 90 per cent from overseas markets. We are expecting the same ratio in FY21. We are presently executing projects in countries such as Egypt, Saudi Arabia, India, Oman, Algeria, Bangladesh and Morocco.

Q Are there any plans for adding manpower, entering new geographies, and introducing new processes for the company?

We are working across various markets worldwide and hope to have new clients from Africa, Central Asia and Southeast Asia. With expected business growth we will surely look at augmenting our talent base too.

Q Nuberg EPC provides multiple solutions. List some of your wins in 2020?

As a single point solution company, we provide services in chemicals, hydrocarbons and fertilizers from concept to commissioning. We make sure that experts and engineers can fully handhold every project to ensure completion safely and dependably. Clients get EPC and LSTK solutions from us that are not only cost-

gen Purification Dispensing Plant project is the first-ever fuel cell grade plant in India. Other recent project wins are from Assam Bio-Refinery and Rashtriya Chemicals & Fertilizers (RCF).

Q What are the innovative products/solutions that you are planning to introduce in 2021?

Apart from Chlor Alkali, Caustic Soda, Sulphuric Acid and Hydrogen Peroxide, we have delivered several other projects/products such as Anisole, Sulfolane and Sulfur Bentonite. With our R&D facility, which has been our speciality, we have pipelined products that are in process for the customers to experience.

Q How are you planning to leverage your R&D facility based in Sweden?

We have an R&D facility in Sweden to bring innovative process technologies to our customers. At present, we have developed and patented technology for Hydrogen Peroxide. In future, we would be developing other process technologies too that are cost-efficient in terms of process design and plant project management.

company for Caustic Soda/Chloro-Alkali plants globally. We hope to become global leaders in more product areas and proudly represent Indian excellence.

Under our USP's, we can proudly mention that we are the single point solution company that has been working for more than two decades to provide our clients with cost-effective and top-notch quality plants. We are a team of specialized engineers who have been dedicated to serving and delivering clients all across the globe with engineering, procurement, construction and commissioning.

Also, with over 60+ greenfield project executions and zero accident in our history so far, we hold a global experience to provide safe, reliable and timely delivery of industrial plants.

Nuberg EPC is fast incorporating the latest in digital technologies and work processes which includes IoT-enabled monitoring and maintenance of projects and commissioned plants. We are also incorporating Big Data for smarter design and inspections, AI-driven intelligent automation, AR and VR for superior safety, communication, and training and 3D software for accuracy in delivery.

Automation in the EPC industry requires unique skill sets and technical capabilities and that provides a competitive edge when bidding for projects. Automation enables the development of the detailed initial design that is more than 95 per cent fit thus enabling real-world estimation of engineering resources, material and labour. Such automation also helps us to focus on construction execution and related supply chain at an earlier stage thus compressing timelines and costs.

Nuberg EPC is also moving towards skid-mounted plants which will drastically compress the time required to build plants, especially for small size plants. Nuberg EPC will also be able to provide clients with significant cost, timeline and modularity advantages. ■



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effective but also safe, reliable and environment friendly. It is this strength that helped Nuberg EPC win the Sprea Misr 500 TPD Sulphuric Acid Plant project on EPC & LSTK basis in Ramadan City, Egypt during the pandemic. Recently, we have also won a new project in Gujarat in association with Indian Oil. This Hydro-

Where will be Nuberg EPC placed in the EPC segment, and what is your USP? Do you plan to incorporate IoT based products/solutions in your portfolio?

We are already globally recognized as the number one player in EPC for Hydrogen Peroxide and Calcium Chloride. We are also identified as the number 2 EPC