

It only gets bigger!

Huge money is going to be spent around multiple projects. These projects have to be managed, awarded to contractors, and their progress needs to be monitored. This will require automation.



Chief executive of Bengaluru-based software product firm Aurigo Balaji Sreenivasan says he is excited about the outlay for infrastructure in this year's Union Budget. The company is investing in sales and marketing; in localising products for the public sector and infra projects.

GOUTAM DAS

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March 29: In this year's budget, 46 per cent of the plan allocation has been set aside for infrastructure. This could spur technology investments as stakeholders would need software to aid project management. One firm that expects to benefit is home-grown software product maker Aurigo. The firm provides software solutions for capital project and programme management, facilities management, real estate and construction management.

Chief executive and co-founder **Balaji Sreenivasan** talks about the opportunity the allocation has created for his company.

• What is driving the need for IT automation in the infrastructure sector?

We are going to spend more and more money to build the country over the next five-eight years. We are spending Rs 17,000 crore on

Railways, Rs 20,000 crore on roads, Rs 5,000 crore on power, and Rs 100,000 crore on urban development. This money is going to be spent around multiple projects. These projects have to be managed; awarded to contractors, their progress needs to be monitored. Lot of data has to be overseen. This is driving the need for automation.

• Are there any policies in place to monitor data?

Abroad, there are very clear policies in place. In the US, there is the American Recovery and Reinvestment Act (ARRA), which forces government agencies and contractors to provide data on project progress on a periodic basis. We don't have any such policies in India. But agencies here need to finish projects on time, contractors need to be profitable, and recently, the government has mandated

that any contractor defaulting on timeline of upto three projects, will not be allowed to bid in future projects. So agencies and contractors need to start putting processes in place to monitor

• How has the Union Budget announcement helped Aurigo thus far?

We are excited about this year's budget. Last year's budget itself had a huge impact on us — our

enquiries had started increasing from public and power sectors. We are going to see a continued trend in that. We are investing in sales, marketing; investing in localising our product for the public sector and infra projects in India.

• Can you size the market opportunity in India?

In any project, we are able to save 7 to 8 per cent of the total project cost. To save this, companies need to spend only half a per cent of their budget or 0.25 to 0.50 per cent of their project cost on IT automation. In terms of software spend on project management for infrastructure, this is a \$100-\$150 million market for us in India.

• Multiple stakeholders are involved in an infrastructure project. Who buys your solution?

The Bengaluru Interna-

tional Airport, for instance, is building Terminal 2. They are in the design phase. We are in touch with them. BIA would need software to monitor the project. Those awarded the contract needs to finish the project on time — they would need software to manage the project. BIA will bring in a project management company. They would need a software to oversee contractors. All three stake holders need software — they need a collaboration tool to estimate, manage, monitor. All three of them would be our prospect here.

• Aurigo has been through two rounds of private equity funding. Are you looking to raise more funds?

We raised around \$7 million till date. Right now, we are not in requirement of funds but we are looking at inorganic methods to scale the business in other geographies, mainly in the US. The US is our primary market.

