

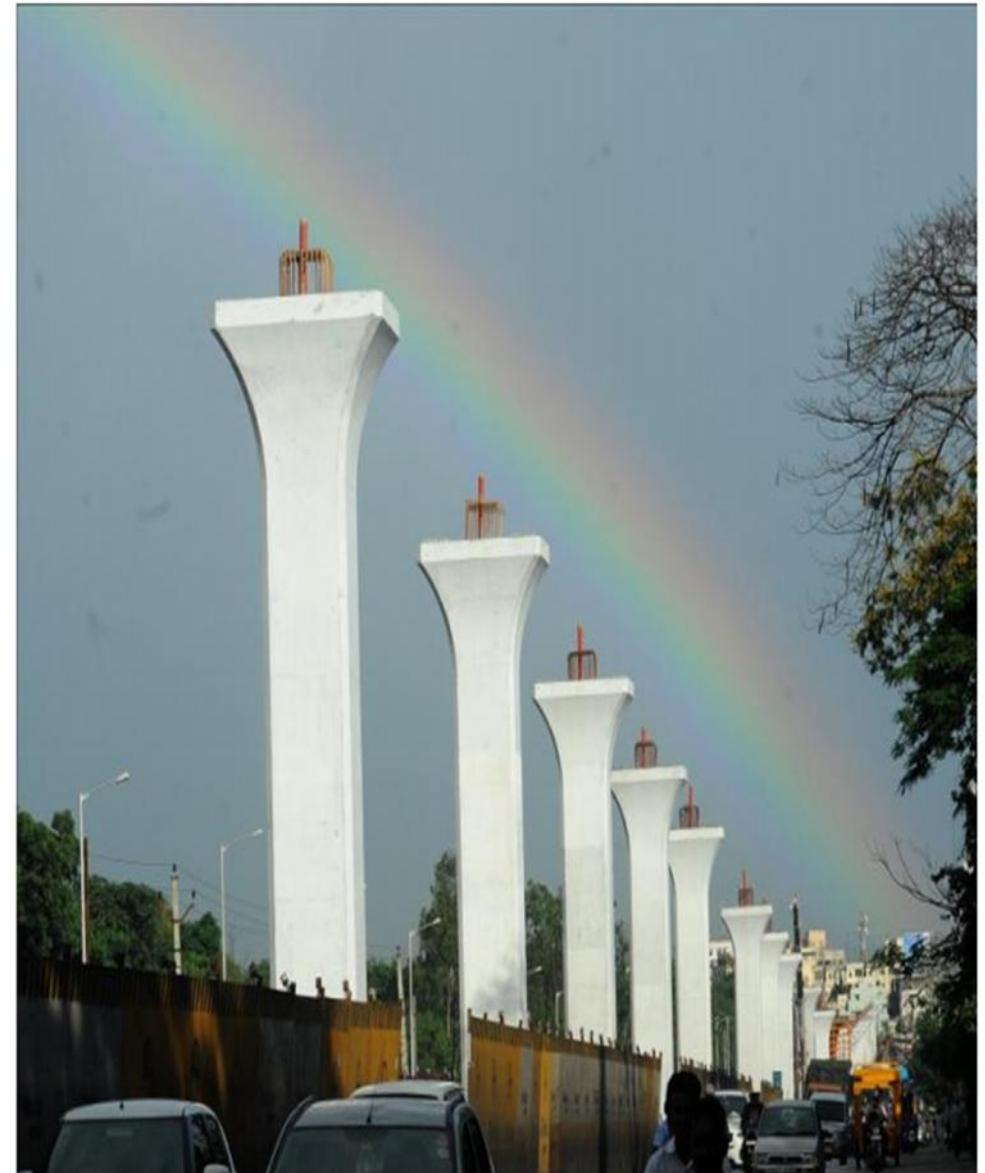


Project is Like a Flute ----- It may have many holes and emptiness but if people work on it carefully it can play magical melodies

AGENDA



- Economy – an outlook
- Infrastructure – challenges
- Case Study – L&T Metro Rail – Hyderabad
- Philosophy of L&T on Project Management
- Way forward – Speed that is required
- Q&A



A Daughter in Law ended her life due to death of
her mother in law – could not bear the sorrow

The Hindu
21-11-2013

Economy – an outlook



Domestic

High Inflation

- High Interest
- Rupee Depreciation
- Fiscal & Trade Deficit

- Death of leadership
- Parliament stalled
- No consensus

Govt's Inaction on reforms

Falling Investors' sentiments

- Retrospective amendments
- Downgrading by credit Agencies

Scams

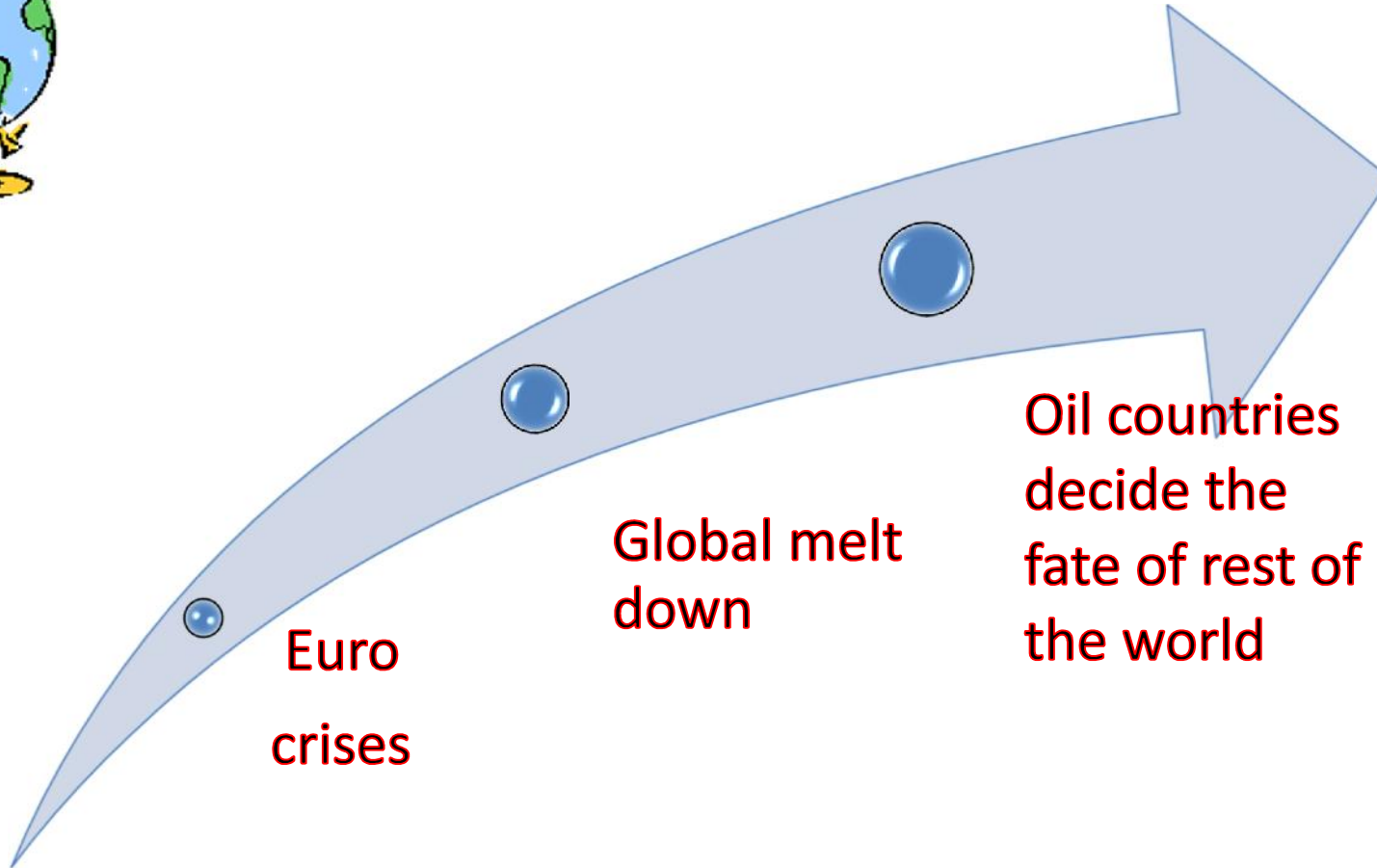
- 2G
- Coal gates
- Illegal fund raising
- Land Grabbing

GDP 4.0%

Expiry of Credibility



Global Trust Deficit



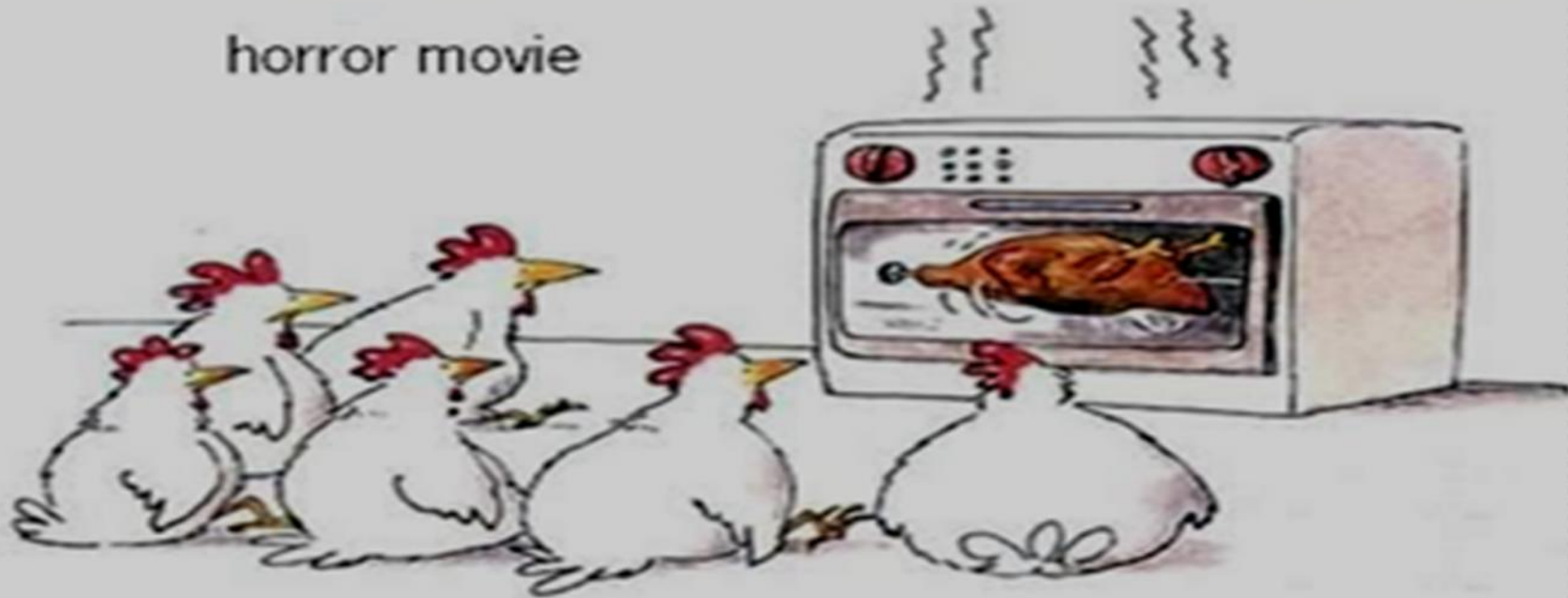
Where are we ? -----



Economy

A regime of "Unrest"

horror movie



Killing Investment Interest

Cost of Doing Business In India – WB ‘s report on the “Ease of doing Business”

Subject	Rank	Remarks
Overall ease of doing business	134	Preceded by that of Uganda and the Republic of Yemen --
On “Starting a Business”	179	
On “obtaining construction permits”	182	
On “trading across borders”	132	
In “enforcing contracts”	186	

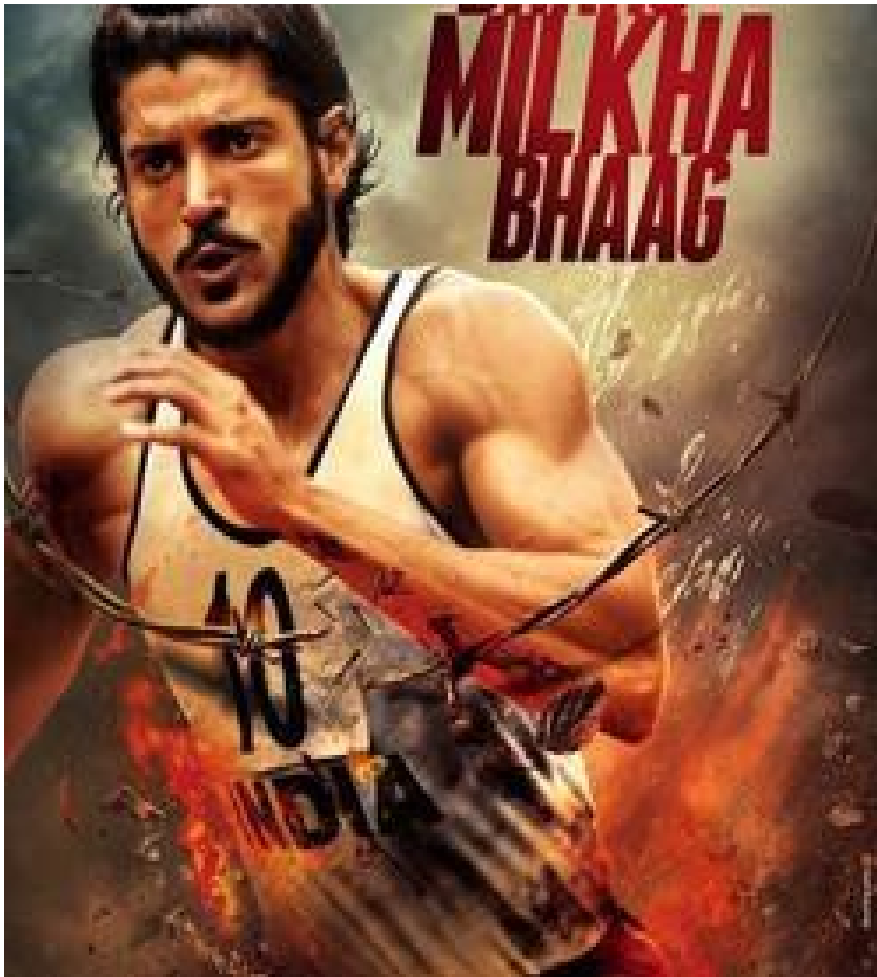
Infrastructure Challenges



Building up an Infrastructure facility -----



Bhaag Milkha Bhaag



Bhaag Developer Bhaag

- In PPP – we keep running like Milkha Singh – to get clearances from multiple agencies

HOW TO BRING BIZ BACK TO INDIA ? 1/3

- The Indian Govt still has procedures and rules that are designed , to develop projects under closed economy to satisfy the outdated and prototype activities in the field of environment & forests on account of which a vast number of projects keep awaiting approvals of highest authorities despite setting up Cabinet Committee on Investment (CCI) on Infrastructure front

---Dr. Montek Singh Ahluwalia
(Infrastructure Conclave 2013)

Infrastructure projects worth **Rs 12.5 lakh** crore are held up for want of various clearances : one –fifth of India's GDP

HOW TO BRING BIZ BACK TO INDIA ? 2/3

- To prevent Investment from leaving India , Infrastructure and industry projects should get going .
- It is impractical to assume that PPP documentation is “cast in stone” and in any unforeseen development will not require to be addressed in public interest.
- The Govt should ensure that all projects are awarded to the private sector after securing key sovereign clearances .
- Sectoral regulatory authorities need to be developed into truly independent bodies that are free from political and bureaucratic interference.

HOW TO BRING BIZ BACK TO INDIA ? 3/3

- Predictability and certainty should be the foundation on which we should build our taxation policy , while tax evasion has to be firmly handled.
 - US based IBM – Rs 11000cr ; British Telecom Gaint Vodafone – Rs 11200cr ; Nokia , Major Oil company Shell
- Introduction of Transfer Pricing between two domestic companies where there is no tax arbitrage can only lead to needless litigation.
- We have a huge potential , a strong vision to grow , our execution seems to be faltering .
- Long term infrastructure funding thro Pension /Insurance funds – need of the hour.

All Is Well -----



**SOLDIER : SIR WE ARE SURROUNDED FROM ALL SIDES BY ENEMIES ,
MAJOR : EXCELLENT ! WE CAN ATTACK IN ANY DIRECTION .**



Hyderabad Metro – a Case study









- Originally on Govt resources
- Changed to PPP mode
- Invited Bids – MAYTAS own
- Bid cancelled and Bid security was forfeited by GoAP due to non achievement of FC
- 2nd Time bids were invited
- L&T own on lowest VGF criteria
- Challenges – a way of life to L&T

Project – Salient Features



- First and large integrated Metro and Transit Oriented Development project -PPP
- Short construction period for 72 Km stretch – 5 years
- First Communication Based Train Control (CBTC) system to be used in India
- Cantilever stations with spine and wing technology with central pier
- Rail Inclination is 1 in 40 instead of conventional Railway standard 1in 20
- Brand Ambassadors selected from common people – 8 categories



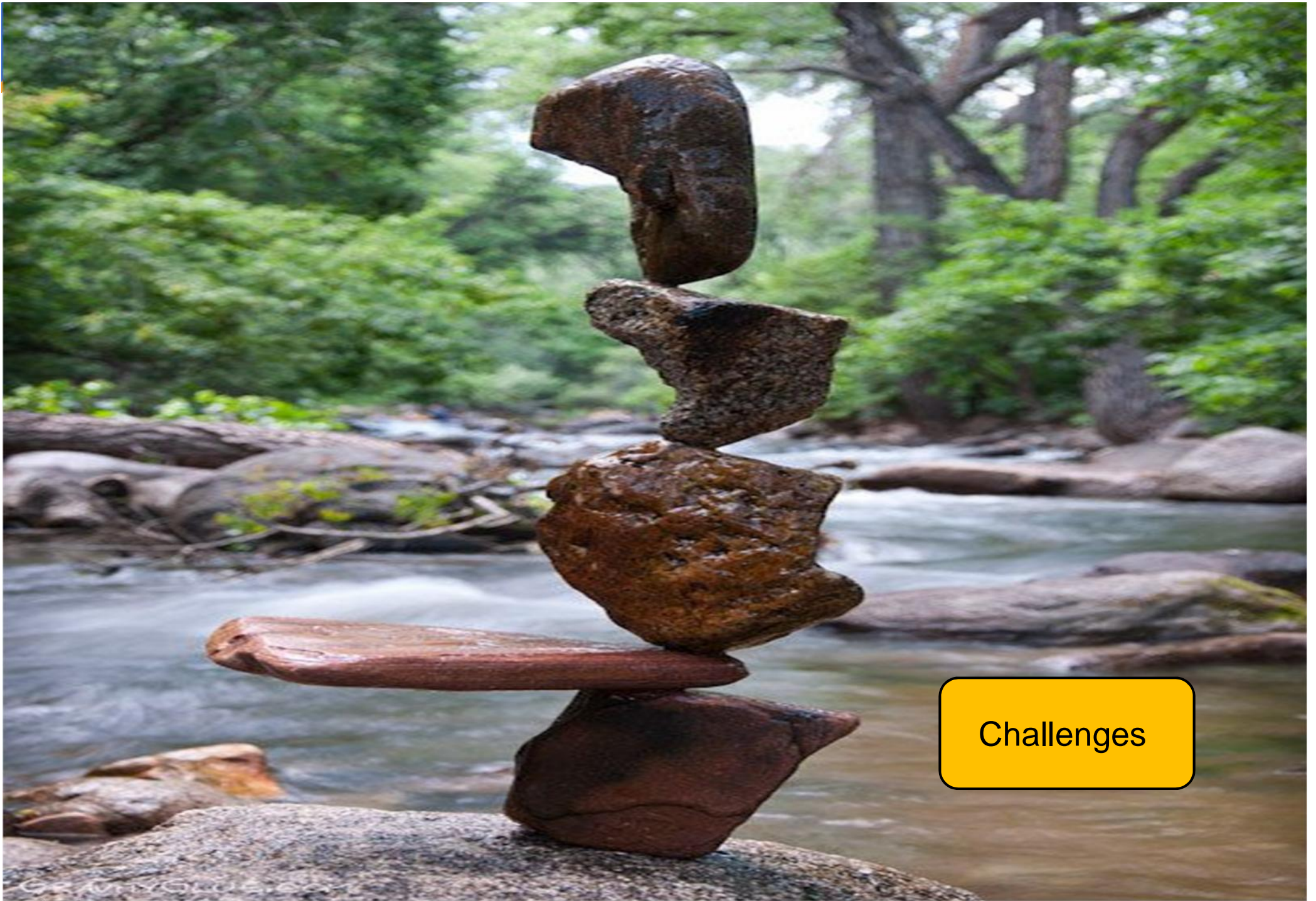
2013 Global Engineering Project of the Year



2013 Gold Award for Occupational Health & Safety



2013 Metro Rail Project of the Year



Challenges

- FC was achieved within 180 days from signing of CA for Rs 115bn but joy was short lived
- No separate credit dispensation for Interest or tax sops
- Construction and Revenue Risk – No partnership
- Right of Ways and Alignment changes
- Traffic management
- Utilities both under ground and over ground
- Applicability of Metro Act while project was bid under AP tramway Act.
- Impact of Micro economic factors

- Perennial issues and time overrun
 - Railways clearances
 - Defence permission
 - Religious sentiments
 - Land acquisition and demolishing of properties
 - Court cases
- No single window clearances

storm water drains etc, it does not have the financial resources on hand to take up the works resulting from HMR project on its own. Also, GHMC has nothing to do with the concession Agreement between Government of AP and HMR Limited and the Guidelines on Viability Gap Funding issued by the Government of India. It is also not the concern of the GHMC whether the Government of AP and HMR Limited share the revenues from advertisements and commercial exploitation of properties under the HMR project.

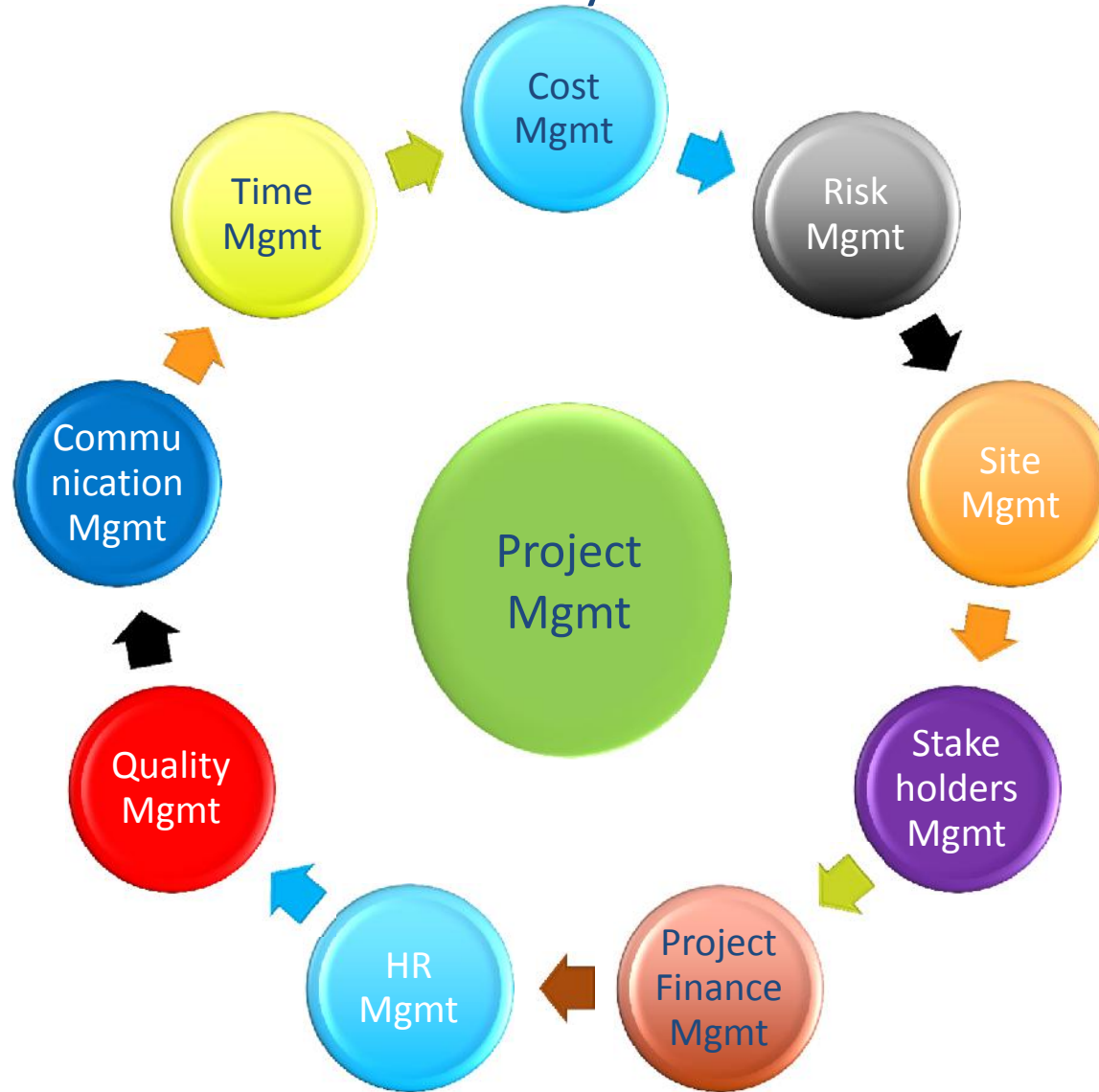
Project Management



How we perceive a Project Management

- Progress and growth for business organizations are through effective and efficient management of projects .
- Any operations undertaken for the first time is a project.
- Most project problems are not technical but managerial in nature from project perspective.
- Project preparation before bidding is of paramount importance.
- Extensive use of BIM (Building Information Models) – 3 dimensional intelligent model for planning , designing , building and managing projects.
- Imbibes globally accepted best practices in PM

Not only Walk the Talk but also Write the Talk



Proper Project Planning from conception to completion stage

Speed that is required -----



Never ever give up!



Thank U



Happy 2014