SITTING in his office at Cyber Towers, HiTec City, L&T Hyderabad Metro Rail CEO Vivek B. Gadgil seems slightly on edge. Talking about L&T’s work in construction of Metro lines across several of India’s cities, Gadgil wonders why only in Hyderabad the media is “nosy”, and keen to run down every aspect of the Metro.

Indeed, ever since the engineering giant began work on the 72-km Hyderabad Metro line in June 2012, it’s been a series of hurdles. There have been protests from traders, heritage conservationists, green activists, politicians, not to forget its own run-ins with the Hyderabad Metro Rail Ltd, a corporate entity of the Telangana government. A PMO project monitoring group is also supervising the Metro, following the tussles with the TRS government. In September, there were even reports that the central government had taken over the project.

But at a recent meeting between the four—CM K. Chandrasekhar Rao, L&T chairman A.M. Naik, Gadgil, and Hyderabad Metro Rail MD NVS. Reddy—it appeared as if an olive branch had been extended. Gadgil says there’s no tussle with the TRS government as “painted by the media”. “It is the prerogative of the state to suggest changes. We never said no to changes in alignment. But there is a process. L&T will need to study technical and financial issues, right-of-way clearances, timeline and land acquisition. It’s a joint effort,” stresses Gadgil. NVS. Reddy is more forthcoming. “L&T has agreed in principle to change the alignment. A formal government communiqué will take a few days,” he says.

In one of the country’s largest PPPs, L&T had entered into a public-private partnership agreement with the united Andhra Pradesh government in September ’10 to design, build and operate the Metro at a cost of ₹14,132 crore. The government of India sanctioned ₹1,458 crore of this cost as a one-time capital grant. The state government would bear the cost of land acquisition, utility shift-
HEART OF THE METRO MATTER
The logjam over suggested changes in alignment of Hyderabad Metro continues

Metro Rail to take a route behind the state assembly to avoid cutting into the Telangana Martyrs memorial.

In Old City, Rail line to pass from Kalapathar area to avoid some places of worship.

CHANGES SUGGESTED BY THE TELANGANA GOVERNMENT

A separate meeting of L&T, HMR officials and MIM to be held to discuss realignment of the Metro route in the Old City to save 40 religious structures. MIM wants the rail line to pass along the banks of the Musi river instead of the congested Dar-Ul-Shifa-Mir Alam Mandi Road.

66 stations

REVENUE MODEL

50-55% passenger fares

45% property development by L&T on 1.85 million square feet of commercial zones

5% parking, ads etc

ing etc which NVS. Reddy pegs at ₹2,000 crore. Now, L&T was the second player in the mix, bagging the Metro deal after the Satyam scandal broke and its subsidiary, Maytas Infra, was stripped of the Metro contract in June 2009. It was the first time that 269 acres of public land was being given by the government to a private developer (on a 35-year lease) to build a Metro project.

Critics have ranged from Delhi Metro guru E. Sreedharan, who slams the PPP model, to Hyderabad social scientist C. Ramachandraiah, who calls it a project designed around real estate rather than moving people from place to place. Sreedharan sniffed trouble early on. In a letter to then Planning Commission deputy chairman Montek S. Ahluwalia in September '08, he said giving 269 acres of government land to B. Teja Raju's Maytas Infra was “like selling the family silver”.

A leaked letter from Gadgil to NVS. Reddy, complaining about the various roadblocks and suggesting that the Telangana government take over the Metro project, is the basis of the latest controversy. This was on the heels of KCR making a statement in the assembly that the Metro rail line should not pass in front of the assembly building or disturb the Telangana martyrs memorial nearby.

Gadgil tells Outlook that such HMRL and L&T correspondence is “normal”. Asked if L&T might actually exit from Hyderabad Metro, Gadgil's reply is cryptic. “How can we exit, you tell me? It is an agreement between three parties, HMRL, state government and L&T. How can one of us decide?” Gadgil asks.
At his office in the Metro Rail Bhavan, NVS. Reddy is much more cheerful. He presents a scrapbook of newspaper clippings. All the negative coverage is marked in red and the positive stuff in green. Reddy shows me all the reports under “red” and the slow transition happening to “green”. “The media too was being played by vested interests initially, but whenever big projects are undertaken there is always resistance at first. Even when the Rajiv Gandhi International airport and Outer Ring Road were being built, there was a hue and cry. Today, everyone praises them. Hyderabad is the fifth most populous city in India. I often tell people, we are not building a metro, we are redefining Hyderabad.”

After pitching phrases like futuristic, green city, urban rejuvenation, and making Hyderabad a city for citizens, not cars, NVS. Reddy talks figures. “This is the fastest progressing project in the country. In all, 60 per cent of the foundations are done despite working on already congested roads. In just two years, we have completed 28 km of viaducts and 55 per cent of the pillars. That said, 65 per cent of our challenges are non-engineering ones like working around heritage/religious structures and groups with vested interests,” he says.

Reddy is scathing in his criticism of Ramachandraiah, the social scientist who spearheads the agitation against the Metro. “One man has brainwashed many minds. But I am an incorrigible optimist. We will complete the project on time by June 2017,” he says. This optimism is, however, not fully shared by L&T CEO Gagdil who says it might overshoot the deadline by six months or more.

Ramachandraiah, who is written papers against the Metro like ‘Undoing a City’ and ‘Maytas, Hyderabad Metro and the Politics of Real Estate’ (JFW), says the entire Corridor II from Jubilee Bus Station to Falaknuma must be scrapped since it involves the issue of Sultan Bazaar traders and many other heritage structures. “L&T was banking on commercial exploitation of 212 acres. But I am told that given the real estate slump after bifurcation, it’s not even finding 20 per cent occupancy. Ultimately, the city is just being vandalised by these structures,” says Ramachandraiah. (NVS. Reddy rules out taking the Metro line underground at either Sultan Bazar or near the assembly because costs would skyrocket.)

Retired IAS officer and historian V.K. Bawa—who filed a PIL in the high court in 2012 seeking stoppage of all works near the state assembly, Mozamjahi market and Charminar—was one of the first to moot underground routes near heritage structures. Today, he sounds forlorn. “It looks like a fait accompli. By staying silent on the matter for so long, the concerned authorities will say that it is too late to make any changes,” feels Bawa.

Telangana deputy CM Mehmood Ali says the CM has instructed ministers to extend all possible cooperation to L&T Metro while also keeping in mind local issues. “Alternative routes were suggested in the Sultan Bazaar area and assembly route. We are looking into the matter,” he says. KCR himself has said the leakage of correspondence between Gagdil and NVS. Reddy was a conspiracy of the ‘Andhra media’ to derail the Metro.

Heritage conservationist Sajjad Shahid says that in the Old City, the Metro will pass through precincts where development is controlled. “For example, a major part of the metro will pass through the route where Shias offer Bibi Ka Alam. Heritage monuments like the Purani Havelli, Aza Khana-e-Zehra, Mecca Masjid, Spanish mosque, Archaeology museum, Allahuddin’s building, high court and Mozamjahi market will be affected by the narrow corridors running so close to them. Why are we so callous when it comes to Hyderabad’s heritage? When the metro can go underground in Chennai and Bangalore, why can’t it be done in Hyderabad?” wonders Sajjad.

Meanwhile, both Gadgil and NVS. Reddy maintain that work is going on at a feverish pace. An 8-km stretch from Nagole to Mettuguda will open in March 2015. To follow will be Miyapur-Sanjeeva Reddy Nagar (11.5 km) in August 2015 and the Mettuguda-Begumpet line (11 km) in November 2015. NVS. Reddy, who says Sreedevaran is his guru, however differs with him on the PPP model. “I am from the Manmohan Singh school of economics. When a Metro line cannot yield profits, it is best to bank on real estate revenue,” says the HMRL MD. Of late, Sreedevaran seems to have warmed up a bit to his junior who worked with him on the Konkan Rail. In September, he participated in a Metro test run from Nagole to the Survey of India stations.