

# NEWS MAKER

## Crossing Hurdles, Hyderabad Metro Rail Chugs Ahead

In an exclusive interview to **A. Saye Sekhar**, **NVS Reddy**, Managing Director of the Hyderabad Metro Rail Ltd, has shared the emotional decade-long journey from the day one – April 12, 2007 when the HMRL was formed -- till now on how he endured too many major crises. He says the concessionaire, L&T Metro Rail, has created an engineering marvel by erecting and balancing the stations on a row of single pillars.

**P**iloting the successful cruise of a Rs. 14,132-crore mega project that seemed to have turned out to be stillborn, not once but, at least, twice is indeed a history. The Hyderabad Metro Rail has witnessed several poetic undulations and was stopped in its tracks what with agitations, hundreds of court cases, policy interventions, and bifurcation of a state, is finally becoming a reality.

The Hyderabad Metro Rail will be flagged off for its first 30-km-long journey connecting Miyapur to Nagole by Prime Minister Narendra Modi on November 28. It was Chief Minister of Telangana K Chandrashekar Rao who insisted that the Metro Rail must provide an end-to-end connectivity in its

inaugural run itself, even if the project is delayed by a few months.

The Public-Private Partnership (PPP) Model for the Metro Rail project was bitterly criticized by experts. After the concession agreement was signed, the revenue model of the project drew flak from the Delhi Metro Rail Corporation Chief E Sreedharan. In a letter to then Deputy Chairman of Planning Commission of India Montek Singh Ahluwalia, Dr Sreedharan had said that allowing commercial utilization by the concessionaire in 296 acres of government land was like "selling family silver".

The mega public infrastructure project seemed to have been called off at least on three occasions.

First when the concessionaire, Maytas Infra Ltd, was ensnared in a large corporate fraud of Satyam Computer Services Ltd. The Teja Raju-promoted Maytas Infra Ltd had been taken over by IL&FS in the later period. The admission by his father B Ramalinga Raju of Satyam Computers of fraud resulted in the government cancelling the concession agreement and notifying for tenders for selecting the concessionaire afresh.

Death of Chief Minister Y S Rajasekhara Reddy juddered the future of the project. It appeared as if it came to a grinding halt. Dr Reddy's demise was followed by amplified separate Telangana agitation which

reached its crescendo in the following months.

Enduring the crises that rocked the project almost regularly, NVS Reddy, the Managing Director of Hyderabad Metro Rail Ltd, the special

purpose vehicle formed for the implementation of the mammoth project, took upon his shoulders the responsibility of motivating his team mates to ensure that the team he built did not wither away.







NVS Reddy, MD, HMRL

Project Facts	
Project	HMRL
Concessionaire	L&T Metro Rail
Phase 1	3 Corridors
	71.3 km of track
	57 trains 171 coaches
	Each train carries 900 passengers
	1.80 lakh commuters every hour
	40 lakh passen- gers every day
	One Station for every km
	Four doors to each side of coach
	Ultra-modern ticketing system
	User-friendly ele- vators/escalators/ staircases
Project Cost	Rs. 14,132 crore
Viability Gap Funding	Rs. 1,458 crore
Fund by Telan- gana Govt	Rs 3,000 cr
Commercial Space for L&T	18.50 million sq. ft
Malls in phase I	6
	30% commercial space in 3 depots

(Courtesy: BBC)

## Excerpts

**How did you handle the crisis of Concessionaire Maytas-led consortium getting mired in corporate fraud and the agreement had to be scrapped?**

If you are aiming something big, you should be prepared for a failure. Else, you cannot face failure. It's like all hell breaking loose and as if all dreams have gone awry. I got trapped between the Planning Commission and DMRC Chairman E Sreedharan. Deputy Chairman of Planning Commission Montek Singh Ahluwalia wanted me to write to him about the PPP model and I didn't want to write owing to the hierarchical distance between him and me. Finally, I was advised to write to Gajendra Haldea, Advisor to the Deputy Chairman. Based on



that, Dr Ahluwalia wrote to Prime Minister Manmohan Singh saying Hyderabad Metro has shown the way.

Dr Sreedharan quipped: "One swallow doesn't make a summer. Hyderabad is an exception." And, the explosion of Maytas issue gave a shot in the arm to many, including Dr Sreedharan who was waiting for an opportunity to hit. Everybody attacked me and even my personal integrity came under cloud.

But now I am happy as my guru Dr Sreedharan lauded the model and visited the project twice and also because L&T has created an engineering marvel. Erecting huge stations on with single pillars balancing the structure is first time in the world.



Inside view of Command Control Centre



L&T Command Control Centre



**How confident were you on the PPP model and the Maytas proposal of paying back to the government?**

Nobody has ever experimented that model. It was a disruptive model we thought of. I believed and still believe PPP model works. The economy was booming then. India, Andhra Pradesh and Hyderabad were all booming. Had Ramalinga Raju, who had survived two major financial crises, survived the eco-

nomie recession of 2008-09 also, he would have been hailed as one of the world's greatest visionaries.

With Maytas failure, I became a butt of jokes in every cocktail circuit. My wife used to say: "There is no spring in your walk." But, I somehow could smell a rat at least two months earlier. Because, they were unable to achieve the financial closure and the information from the Maytas consortium wasn't forthcoming on several queries we kept raising. They were faltering.

Soon after the scrapping of the project, I enlarged the guarantees – Rs. 60 crore and Rs. 11 crore and that was the first 'earning' of the HRML.

The support given then by Dr YS Rajasekhara Reddy was unforgettable. He stood by me like a rock. Even Dr Ahluwalia had endorsed the PPP model and said it was a corporate governance failure and how was Hyderabad Metro Rail project connected to Satya-Maytas fraud. For a couple of months, I was benumbed.



**Was it the first crisis you had faced in your career? Have your team mates sought a repatriation to their parent departments?**

In three decades of my career, I had tasted two failures. First one was the collapse of a flyover in the arterial road of Punjagutta following which all had raised pointers at me. It was Chief Minister Dr Rajasekhara Reddy who firmly stood by me then. Anybody else would have sacked me.

I came under tremendous pressure from private sector which offered me Rs. 1 crore salary and had asked me to quit government service. A corporate firm had sent a blank cheque and asked me to join them. I cannot accept a failure and cannot be called one.

After all, they say, rats leave a sinking ship. I cherry-picked each and every member of my team from power and “otherwise lucrative” positions, owing to their personal integrity. No corruption is allowed and if you are interested, you would be working for a mission called Hyderabad Metro Rail. Not one of them had left the organization in spite of crisis. All of them are part of today’s success story.

**Was there pressure from political administration?**

I belong to Indian Railway Accounts Services (IRAS). It was Chief Minister Mr N Chandrababu Naidu who had brought me to the State on deputation and made me Director-Finance of Electricity department as part of implementing reforms. Later, he entrusted me the job of Project



Director of Multi Modal Transit System (MMTS) which is a big hit with people now.

After the Congress government was elected to power, several people went to Dr Rajasekhara Reddy and complained against me alleging that I was politically leaned towards the TDP, in a bid to drive me out. It didn't cut much ice with him. I was made the Additional Commissioner

of Municipal Corporation of Hyderabad. Later, MD of HMRL. Dr YSR Reddy's death was a devastation to me personally and to the project too.

Telangana agitation became intense and then Chief Minister K Rosaiah was only busy handling it. He wasn't very keen on the project. He used to ask whether Hyderabad required a metro rail at all. However,

it was during his time, that the concession agreement with L&T was signed after putting off the bid process by six times. Dr Ahluwali and the Centre came in as a big support. Then Mr N Kirankumar Reddy became the Chief Minister who had encouraged me to get the project works commenced, even as the city was burning with agitations.

Once the L&T launched the erection of pillars for elevated track, several objections, court cases and agitations demanding stoppage of the entire metro rail plan rattled the project. In fact, close to 200 court cases were filed, of which we won 190 and some are still pending disposal. We have ensured that land acquisition, alignments and routes were designed to perfection.

**How was the journey with the Telangana Rashtra Samithi (TRS) Government?**

It's with them at the helm the project began to move on a fast track. Soon after the elections, the State was separated and Mr K Chandrasekhara Rao was elected the Chief Minister. Again, my detractors and motor mouths became busy to get me out of the position, especially because I don't belong to the State. But Mr Rao, who was very quick in coming to grips with the administration after leading his party from the path of agitation into governance, understood the nuances and instructed me to continue doing my work. The project began moving on a faster pace, but came to a standstill due to some objections on alignment. After Mr KT Rama Rao became the Minister for Municipal Administration, the metro rail project was accelerated.

Even though the first and second stretches were ready quite a few months ago, the Chief Minister KCR insisted that we should throw it open to public once we were done with last mile connectivity in this stretch. We realized his wish and the Hyderabad Metro Rail will run a distance of 30 km covering 24 stations with a train having with three coaches every 15 minutes; and every three minutes during peak hours. In this 30-km stretch, the HMRL would transport 60,000 to 75,000 passengers every hour and 10-15 lakh passengers every day. App-supported bicycles, modern amenities, shopping at stations, feeder buses and electric vehicles into nearby colonies for the benefit of commuters are going to change the streetscape of the city.

We will complete the phase I connecting the three lines in close to 70 km between Miyapur to LB Nagar; Jubilee Bus Station to Mahatma Gandhi Bus Station; and Nagole to Raidurg with 66 stations to carry 30 lakh passengers a day at 1,80,000 travelers an hour by November 2018. Then we will take up the other phases. 📍