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Infrastructure development projects are cost intensive and requires huge financial provisions.

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Chairman, SPML Infra

How do you see Prime Minister's initiatives in changing the infrastructure definition for new India?

The efficient infrastructure is the biggest enabler of growth. India with its growing economy is set to become the fastest construction market in the world by 2030. Infrastructure development is the backbone of economic progress and it has a significant contribution in all activities that help in development of a nation.

Prime Minister announced the ambitious 'PM Gati Shakti Master Plan' for building 'holistic infrastructure' in India. The idea behind it is the significance, government is giving to create robust infrastructure in the country. The Master Plan will subsume the INR 110 Lakh Crore fund announced under the National Infrastructure Pipeline and will provide a digital platform for integrated planning and coordinated execution of infrastructure projects consisting of several ministries and their respective departments. The platform will enable about 16 different ministries and several government agencies to access real time information about the on-going and upcoming projects for a balanced and synchronised approach while also bring down logistics costs. The infrastructure development landscape in India is expected to greatly benefit from the initiative and there will be a significant change in the way infrastructure projects are planned, awarded and executed in India.

2587 MLD Pumping House for SAUNI Yojana Phase-1, Gujarat.

What are the challenges encountered geographically during the execution of a project?

Infrastructure development projects especially large and complex ones face various kind of challenges that include troubles in getting statutory clearances, land acquisition delays, difficulties in obtaining financial support from banks, delayed payment by the client leading to cash flow crunch, changes in scope of work during the execution, logistic issues if the project sites are spread across cities or states like cross country pipeline, road and railway projects etc.

As the large projects has complexities due to geographical spread, another significant challenge is the inevitable political changes that occur at state level, which sometime forces the project to stop or necessitate adjustments to all vital elements of a project. The inter-dependencies between several implementing agencies have the consequential impact of a decision making process that also delays the execution of a project. Geographical intricacies can also be in the form of a number of stake holders in a project and interrelated activities between them will make the integration of project, connectivity, coordination, communication, and control actually challenging and demanding. The effective monitoring of progress in a project spread across wide geographical area is among

other challenges that have significant impact on the performance of a project.

What are the advanced technologies used in projects and how will it impact the construction of a project?

The construction sector in India is still least digitized in comparison to other sectors or the global construction markets. The pandemic disruption has changed the entire scenario and companies' engaged in construction activities have recognized the importance of advance technology and realise that non-digitization of process is affecting their businesses.

In construction projects, technological intervention is helpful right from the tendering stage. E-tendering ensures contract award process is more transparent and efficient while e-procurement is helping companies to make their purchase of material and equipment through digital channels on competitive rates with quality conformance. Digitization plays an important role to improve productivity with connected devices from reporting, document sharing, construction management, auto-archiving, data collection, integrated response trackers, mobile devices with automated alerts and notifications, online and virtual meeting, and GPS tracking. A good integration of advanced technologies like Internet of Things (IoT), 3D Printing, Robotics, BIM, Machine Learning, and Cloud Computing immensely help in better project planning and execution.

SPML Infra has recognised the importance of advance technologies much earlier and implemented a number of initiatives to help streamline the project planning, execution, monitoring and overall functioning of the organization which is being coordinated and controlled through technology. The modern management system, automation and technological intervention in our large water and power projects is helping us to have better control over the challenging situations and creating a swift remedial system. The next wave of digitization is coming through newer technologies including general ledger technologies like block chain and smart artificial-intelligence (AI) that will revolutionize the construction projects and we are not far away from using these in our projects as the post pandemic era demands contact less working with lesser human intervention.

300 Million Litre Raw Water Reservoir at Pokhran, Rajasthan.

What are your views on the increased private sector involvement in the infrastructure projects?

Infrastructure development projects are cost intensive and requires huge financial provisions. It is in India that most projects are funded by the government or through loans from the bilateral agencies. In developed economies, more than 50% of infrastructure projects are privately funded while developing and emerging markets see limited private investments with almost 70% of infrastructure projects are financed by the government budgets, 10% by multilateral banks and only 20% by private investors. The government has taken several remedial steps with policy reforms, swift clearances and other support system to address the issue and attract infrastructure investment. The changes in the hybrid annuity model (HAM), enhanced public private partnership (PPP), fast paced asset monetization, infrastructure investment trusts (InvITs) etc. is being employed to modernize existing and develop new infrastructure. But there are challenges to identify long term projects with viable financial returns as private sector can only pitch in if they receive some surety that their capital will be protected once they make the investment.

There have been instances wherein entire projects and investments made by the private sector have got stuck due to change in government policies. Large infrastructure development projects have significant legal hurdles, land acquisitions get significantly delayed, environmental clearances are difficult and these reasons gets the projects delayed and gestation period prolonged. While investments escalate, returns do not increase proportionately resulting in reducing the benefits that a private investor may have estimated. Even the contract claim process is tiresome and takes a very long time in case of project is put to arbitration. ■

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