# SPEECH BY YBHG. DATO' SRI ZOHARI BIN AKOB SECRETARY GENERAL, MINISTRY OF WORKS MALAYSIA "INCREDIBLE INDIA"

## INDIAN RAIL LAND & STATION REDEVELOPMENT BUSINESS OPPORTUNITIES,

## RENAISSANCE HOTEL, KUALA LUMPUR 20 MARCH 2017

His Excellency T.S. Tirumurti, High Commissioner of India in Malaysia,

Tan Sri Dr. Ir Ahmad Tajuddin Bin Ali Chairman of the Construction Industry Development Board Malaysia (CIDB),

Y.Bhg. Dato' Ir. Ahmad Asri bin Abdul Hamid,
Chief Executive of the Construction Industry Development Board
Malaysia (CIDB),

Mr Vivek Saxena

Director Station Development, Indian Railway Board

Mr Sanjeev Kumar Lohia

Chief Executive Officer, India Railway Station Development Corporation

Mr Tarun Kumar Goyal

Joint General Manager (Marketing), Rail Land Development Authority

Mr Amarjit Gautam General Manager (Account) Rail Land Development Authority

Y.Bhg. Dato' Sri Ir Dr. Judin Bin Abdul Karim Chairman of CIDB Holdings,

Distinguished Guest, Ladies and Gentleman.

**Good Morning** 

Distinguished Guest, Ladies and Gentleman.

- A very good morning and a warm welcome to all. It is indeed a
  great pleasure to be here today to be able to witness the continuity
  of the Malaysia-India construction industry venture.
- 2. I would like to congratulate CIDB Malaysia and CIDB Holdings for organising this event, with a good turn out for a Monday morning.
- 3. I would also like to take this opportunity to thank His Excellency T.S. Tirumuthi and his officers for their assistance in organizing this event. Without their constant support and commitment, today's event would not have been made possible.
- 4. Today's installation of "Incredible India" is a continuity from the business opportunity seminar which was held almost a year ago, where both parties explored the possibility of joint ventures and business expansion in India. Initiatives of this kind will not only create paths for capable Malaysian construction players, but also serve as a venue for India to explore the areas where it can leverage on Malaysian's expertise to further develop and enhance existing amenities and infrastructure.
- 5. This time around, the event showcases viable opportunities in India rail land and rail station redevelopment for capable Malaysian construction players.

### MALAYSIAN SUCCESSFUL CONSTRUCTION EXPERIENCES IN INDIA

Ladies and gentlemen,

- 6. As you may have already know, Malaysia has had its hand in further developing India way back from 1996. As of end 2015, 81 projects in India were completed and delivered successfully by Malaysian construction players amounting to RM12.95 billion (or USD3.77 billion).
- Malaysian giants such as UEM, IJM, and SCOMI have created buzz in India by participating in joint ventures to develop India's infrastructures. UEM Builders, for instance, under the India Highway project has connected India through 700kms of roads connecting over 10 states, while IJM has emerged as the first Malaysian construction player to deliver Build Operate Transfer (BOT) model through the Tada Nelldore road project.
- 8. IJM, through its Indian subsidiary, has also carved its name through the completion of various housing development projects such as the largest integrated township development in Hyderabad on a land area of 8.3 million square foot; the biggest mixed development in Shantiniketan on over 6.5 million square foot of land area; and the MCD Civic Centre Building in Delhi.
- 9. Also worth mentioning among the list of successfully delivered Malaysian projects in India, is the Mumbai Monorail project

delivered by SCOMI which spanned over 19.54 km with the value of USD607 million.

10. These, among many more, have made the Malaysian wall of fame and have proven the capability of Malaysian construction players to perform across the Malaysian border. Through these too we have gained the trust of the Indian construction industry to together develop India.

#### PUBLIC PRIVATE PARTNERSHIP MODEL EMPLOYED IN MALAYSIAN RAIL DEVELOPMENTS

Ladies and gentlemen,

- 11. Partnership between the two countries has undeniably posed a win-win strategy for all parties involved. These projects have given the Malaysian construction players the avenue to gain valuable experiences as there are varying elements as compared to delivering projects on local soil. These players face geographical barriers, varying challenges. language local cultures and expectations, and probably varying construction materials that may be of different grades, uses and availability. These opportunities also promote the sharing of best practises, which nothing but benefit the two nations in the long run.
- 12. More and more new construction players are forging forward, embracing the challenge. For the Rajasthan Public Works

Department, Malaysian companies have voiced their interest to participate in 7 road building packages on Annuity Basis which totalled to USD1.5 billion. Among them are Alloy MTD, Najcom, DMIA and Bina Puri.

- 13. Malaysia has also expressed interest in participating in the Greenfield Super Expressway project which spanned over 810 kilometres between Mumbai and Nagpur, totalling to USD6 billion of project value. A Memorandum of Understanding is in the drafting process and is hope to be sealed by end of 2017 first quarter.
- 14. Another emerging opportunity which sparked interest among Malaysian construction players is construction of the New Delhi Convention Centre, which will be built on a 90-hectares land opening in Sector-25 Dwarka. The centre will consist exhibition halls, convention centres, banquet halls, financial centre, hotels as well as commercial and retail developments, sprawling over with the build-up space of 11 million square foot.
- 15. All these being mentioned, we are yet to touch the very essence as to why we are here today. The Indian government has identified the need to redevelop rail stations and rail land as well as passenger amenities in order to improve passenger experience and to elevate economic status of surrounding vicinities. I was made to understand that there are close to 400 railway stations that have been identified for this project which will be broken into three phases, with the first having 20 stations to be bid out.

- 16. I was also made to understand that the Indian government has identified that these rail stations/rail lands redevelopments will proceed through the Public Private Partnership (PPP) model, a model which Malaysia has championed through its railway projects such as the ongoing Light Rail Transit 3 (LRT3), the highly anticipated Mass Rapid Transit (MRT) and the upcoming East Coast Rail Line (ECRL).
- 17. The LRT3 is a five year project connecting over 37 kilometres of residential areas and its vicinities, and proudly stands as the first Malaysian rail project with green technology. It is expected to benefit 74,000 daily commuters through its 26 new stations, with five stations being integrated with MRT Line 1, Bus Rapid Transit (BRT), the Kelana Jaya Line and the Keretapi Tanah Melayu Komuter Port Klang Line. LRT3 will be able to move 36,720 passengers per hour per direction, with an expected minimum of 2 minutes frequency. The project is well underway, and is planned to be fully delivered by the year 2020.
- 18. The Malaysian MRT projects meanwhile will be implemented in three phases consisting the Sungai Buloh-Kajang (SBK) line, the Sungai Buloh-Serdang-Putrajaya (SSP) line and the Circle line, covering about 150 kilometres. The SBK line is already completed and is expected to be fully operational by July of this year, with the foreseen ridership of 400,000 passengers. The SSP line, on the other hand, will cover approximately 52.2 kilometres with an expected ridership of 529,000 passengers daily.

- 19. Once fully implemented and delivered, these two projects will become the role model of PPP, a model which benefits both the government and private sectors in many angles including financing and risk mitigating.
- 20. I would like to take this opportunity to assure my Indian counterparts that during throughout the implementation of these two projects, Malaysia has gathered vast experiences and overcame a handful of challenges, though more is yet to come. I believe that the Malaysian construction industry players are now more knowledgeable and hands-on and are willing to share their expertise with India.

#### **MOVING FORWARD**

21. I would also like to reiterate that moving forward in this initiative, in order to define and implement a more coordinated and collaborative approach, the two countries have agreed to appoint a Nodal Officer to facilitate all projects related investment in both countries. I am delighted to take on the responsibility for Malaysia and would like to assure the Malaysian construction players who are interested to take part in this initiative that you will have the support from the Malaysian government throughout your project implementation.

#### **CONCLUSION**

- 22. With the depth of experience the Malaysian construction players have especially in India, I am confident that they are able to match and deliver India's infrastructural needs. I urge more players to grab this opportunity to explore and gain valuable experience and carve Malaysia further into India's modernisation.
- 23. Once again, I would like to congratulate CIDB and CIDB Holdings for hosting this road show and for continuing this initiative through and through. Another round of gratitude to His Excellency and his officers who have taken their time out despite their busy schedule to be with us today.

Thank you.