

Case Study

DIVERSIFICATION OPPORTUNITY ASSESSMENT



Client Diversified Indian Player in Energy & Engineering

Background The client was exploring diversification into **Railway Electrification (RE) EPC** due to synergies with existing business portfolio and Government's aggressive focus on 100% RE

SGA Support In-depth opportunity assessment for entering the market. The assessment included:

- ✓ Market size, segmentation (by region & agency), targets & forecasts
- ✓ Typical contract scope and awarded costs
- ✓ Qualifications criteria; process & payment flows
- ✓ RE ecosystem mapping and competitive analysis
- ✓ Primary insights from apex authorities and ecosystem players
- ✓ Operational considerations/ challenges and success factors

Result The study enabled the client to analyze its capabilities & resources vis-à-vis RE market and take a decision regarding the feasibility of entering the market

Snapshots

RAILWAY ELECTRIFICATION Project Size, Cost, and Timeline Trends

RAILWAY ELECTRIFICATION Project Ecosystem

RAILWAY ELECTRIFICATION Competitive Landscape

RAILWAY ELECTRIFICATION Typical Scope and Costs

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- RAILWAY ELECTRIFICATION**
 - ✓ Benchmark Value of awarded RE projects (DSETC), comprising OHE, TSS, SS etc.* is usually around INR XX lakh/TKM, though this can vary substantially both upwards and downwards depending on the inclusions in the detailed scope[†]
 - OHE erection/ commissioning cost – INR XX lakh/TKM (for Jan 2016 projects based on COREV EDI for New RE Contracts)
- RE + S&T + CIVIL**
 - ✓ Projects involving ancillary S&T and Civil/Track work along with RE elements can be awarded at INR XX Lakh – XX Cr/TKM depending on extent of civil works[†]
- BROADER TRACK PROJECTS WITH RE**
 - ✓ OHE & General Electrification in a doubling project was worth XX lakh/ km or XX% of the total project (PLC portion of INR XX + GGD-S&T-PLC) project (see RRM)
 - ✓ Noted as "Construction/Works Contract", values can range between XX Lakh – XX Cr/TKM depending on extent of Track, Roadbed, Bridges etc.[†]

* Information is based analysis of XX awarded projects. Scope is bank tender value and may not reflect additional inclusions in the Detailed Tender Documents.