
BHEL to put up locomotive plant

Tuesday, 02 Sep, 2008

ET reported that Bharat Heavy Electricals is planning to set up a Greenfield project for manufacturing locomotives in the country.

As per report, the company is already in talks with global majors such as French train maker Alstom, German rail transit solutions firm Bombardier Transportation, Siemens and General Electric for forming a JV.

The report added that BHEL proposes to offer 49% equity to its partner in the new venture. The project will start with an initial investment of INR 10 billion. BHEL is already looking for tie up with a foreign locomotive manufacturer to set up an electric locomotive factory at Madhepura in eastern Bihar.

The move comes after BHEL decided to bid for the tender floated by Indian Railways to procure 660 electric locomotives at an estimated cost of INR 250 billion.

The report further added that the company has a board meeting on September 17th where the issue of offering 49% in the JV will be discussed. It will announce the JV by end of this month. The company has already identified 2 locations Bhopal in Madhya Pradesh and Vizag in Andhra Pradesh where this project will be set.

For more news visit at www.steelguru.com