
India Railways finds no takers for Madhepura loco venture

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BL reported that Indian Railways has found no takers for its electric loco unit at Madhepura, which the Railways proposed to set up as a joint venture.

Out of the three qualified bidders Alstom, Bombardier and Siemens not a single player has submitted any firm offer.

The winning bidder was supposed to set up a JV with the Railways in 74:26 ownership pattern. The JV was supposed to have procurement cum maintenance contract with the Railways. Indian Railways was to procure 800 locomotives of 12,000 horse power over a 10 year period.

A source said that “The bidders wanted more time, more clarifications on some clauses.” The project bid also required the company to set up a township comprising housing units, school and hospital around the factory.

Mr Lalu Prasad’s India Railway Minister keenness to put up the factory soon, Railways may now try to put up the electric loco factory as a departmental production unit like the Diesel Locomotive Works and Chittaranjan Locomotive Works. The departmental production units are entirely owned and operated by the Indian Railways. For this, however, the Ministry requires a Cabinet approval.

Incidentally, Railways had adopted this route for its wheel plant at Chhapra. The Chhapra wheel plant, which the Railways had initially planned to set up as a JV unit was converted to a departmental production unit in the absence of any offers that Railways perceived as attractive.

(Sourced from Business Line)

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