

Setting up of Diesel Locomotive Manufacturing Unit at Marhoura.

Details of project

Name of work : Setting up of Diesel Locomotive Manufacturing Unit at Marhoura

Year of approval : Supplementary Demands for Grants 2006-07

Pink Book Item no. : 324 of 2007-08

Anticipated cost : Rs.2052.00 Cr.

Expenditure upto 03/08 : Rs.0.28 Cr.

Fund allotted in 08-09 : Cap.Fund Rs.150 Cr. Dep(PPP) Rs.167 Cr.

Capacity : Manufacture of 150 diesel locomotives per year.

Progress:

S.No	Description of activity	Status
1.	Detailed Estimate	1 st Part Detailed Estimate amounting Rs.153.06 crores sanctioned on 1-06-2007.
2.	Land acquisition	<p>Land acquisition papers for land of 369 hectares (or approx. 912 acres) were earlier filed with DLAO/Saran on 22-02-2007. Revised land acquisition papers for 1202 acres of land have been filed with DLAO/Saran on 26th March, 2007. Land record verification has been done.</p> <p>In the meantime, vide Extraordinary Gazette of India No.247 dated 19-02-2008, the project of "Setting up of Diesel Locomotive Manufacturing Unit at Marhoura" has been notified as "Special Railway Project". Notification of "Competent Authority" under clause 7A of section 2 of the Railway (Amendment) Ordinance, 2008 has also been issued vide Extraordinary Gazette of India No.261 dated 25-02-2008 GM/ECR has approved the nomination of Shri Kamal Nayan, (SG/IRSE, Batch – 1987) as competent authority as per para 7 (A) of the Ordinance, 2008 for the purpose of land acquisition for DLF, Marhoura project. Nine draft notifications under 20A for 09 different villages for acquisition of 1203.89 acre land, after vetting by Ministry of Law, are under publication.</p>

3.	Power Supply	Application for 9.2 MVA load at 132 KV double circuit line submitted to BSEB on 15 th March, 2007. BSEB had sent an estimate for Rs.12.08 crores for single circuit transmission line due to space constraint at grid sub-station, Chhapra. It has now been decided that two bays at GSS/CPR and double circuit transmission line from GSS/CPR to DLF/Marhoura will be constructed. BSEB has submitted estimate on 13-07-2007 for Rs.16.37 crores. The processing for payment is complete. However, payment has been pended until allotment of land.
4.	Placement of project team	The project is currently being handled by CAO/DLF/Marhowra/ECR, who has joined on 24-07-2007. Chief Engineer has joined on 18-10-2007 and CME on 31-10-2007. Posting order for FA&CAO of Core Team is yet to be issued.
5.	Public-Private-Partnership	<p>Ministry of Railways have appointed a Consultant M/s Price Waterhouse Coopers for advisory on setting up of new unit.</p> <p>Final report for the first part, which is on strategy, has since been received and the consultant has been given a go-ahead for the second part of the report i.e. bid process management.</p> <p>A final decision on Joint Venture will be taken based on the response in the bidding process.</p> <p>Status on selection of developer for setting up new Manufacturing Units in Joint Venture:</p> <ul style="list-style-type: none"> • Draft Agreements (Procurement contract, maintenance contract and shareholders' agreement) approved by the Board(MM). • Legally vetted copy of final Land Lease agreement incorporating views of AM/Adviser's Committee has been submitted by the Consultant (PWC) and put up to Board(ME) for approval. • Legally vetted copy of Procurement Contract has been received from the Consultant. Other draft agreements (Shareholders' agreement and Maintenance Contract) are under legal vetting with the Consultant. • Procurement Specialist for validating procurement contract hired by the Consultant, has started work. Work likely to be completed in a week's time. • After validation of Procurement Contract and legal vetting of draft agreements, final bid document (RFP) will be put up for approval by Board(MM, FC & CRB) and MR. Likely date of submission is 30-04-2008. • A fresh RFQ based on approval by Planning Commission will be issued shortly.

		<ul style="list-style-type: none">• Further bid process will depend on the reply to the reference made to the Ministry of Finance.• Bid process is likely to be completed by August, 2008. <p>The project is expected to be completed in about 2 to 2½ years after CCEA's approval is obtained for going ahead with bidding process for Joint – Venture.</p>
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