

# Alstom, Medha in race for ₹26,000-cr Vande Bharat order



## Indian Railways to manufacture 200 lightweight trains; technical bids submitted

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**A**lstom India, Medha Servo, Titagarh Wagons, and Siemens are among the five bidders for a ₹26,000-crore order by the Indian Railways to manufacture 200 lightweight Vande Bharat trains, *Business Standard* has learnt. Russia's Transmashholding (TMH) is the fifth bidder.

The closure of the technical bids for the mega tender kickstarts the process of rolling out 400 Vande Bharat trains over the next three years, as announced by Finance Minister Nirmala Sitharaman in her Union Budget 2022 speech.

At least four of the five firms that have submitted the bids have formed consortia to participate in the tender. While Medha Servo has bid along

with Straddler, three others have formed partnerships with public sector undertakings (PSUs), said senior officials in the know. While Titagarh Wagons is in a joint venture (JV) with Bharat Heavy Electricals, TMH has partnered with Rail Vikas Nigam Limited (RVNL), a railways PSU, and German multinational corporation Siemens has joined forces with BEML. There is no clarity on whether Alstom India is part of a JV or it is going solo.

Officials said it would take 18-24 months for the Railways to procure the first prototype from the manufacturer. According to the tender document, these trains will be manufactured at railway production units in Latur and Chennai.

The value of the tender is currently at ₹26,000 crore, implying that

the cost to manufacture one 16-coach trainset of Vande Bharat is ₹130 crore. The tender was floated earlier this year, and three extensions were given to prospective bidders. The technical evaluation committee will examine the proposals made by the five bidders, after which the process will move to financial bids, where the

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company/JV with the lowest bid will be selected to manufacture these trains. Senior railways officials stated that the ministry is likely to award the contract to multiple entities, and wants to ensure that serial production of these trains begins in a matter of months.

So far, five pairs of Vande Bharat

trains have been introduced. The latest tender will also take the Railways one step closer to introducing sleeper-class Vande Bharat trains, an announcement Union Railways Minister Ashwini Vaishnaw made recently. The sleeper version of the train is likely to have a different interior design. Currently, Vande Bharat trains are running solely with a seating facility, which limits their ability to undertake long-distance journeys. While production of these trains would be expedited, there are questions about how the Railways plans to deal with speed restrictions slowing the train down and safety risks to its frontal nose panel.

The flagship Railway project was recently in the news after a cattle impact on the Gandhinagar-Mumbai train caused the nose panel of the train to break off.