

# Russia's TMH-RVNL JV emerges lowest bidder for 200 Vande Bharat trains

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A joint venture of Russian firm Transmashholding (TMH) and railways-owned Rail Vikas Nigam (RVNL) has emerged as the lowest bidder for the manufacture and maintenance of 200 lightweight Vande Bharat trains, *Business Standard* has learnt.

The consortium made a bid of around ₹58,000 crore, with the cost to manufacture one train set at ₹120 crore.

This is aggressive bidding, considering that the railways' own estimate per train is ₹130 crore.

This comes after all the five bidders — French rolling stock major Alstom, Medha Servo with Swiss firm Stadler Rail, German major Siemens with state-owned BEML, Kolkata-based Titagarh Wagons with Bharat Heavy Electricals (BHEL), and TMH-RVNL — qualified in the technical round earlier in the day.

The second-lowest bidder for the mega contract is Titagarh-BHEL, which quoted a price of ₹139.8 crore to manufacture one Vande Bharat train. The bid results have experts in doubt over the ability of the parties to execute the order.

“The emergence of TMH-RVNL as the lowest financial bidder for 200 Vande Bharat trains and the consortium of BHEL and Titagarh Wagons as



**The selected lowest bidder would have to make 120 trainsets while the second-lowest selected bidder would have to deliver 80 trainsets**

the second-lowest bidder present a challenge for the timely production of the Vande Bharat trains. Although the quoted rates appear to be very aggressive, it may be so due to TMH's desperate quest to enter the Indian market. They have no footprint in India and it will not be an easy task for them to deliver these trains in time," said Sudhanshu Mani, former general manager of Integral Coach Factory (ICF), Chennai.

Mani said that the development is a dampener for competent manufacturers like Alstom, Siemens, and Stadler and can bring some uncertainty for this ambitious project. Their bids ranged from ₹145-165 crore per train set.

Officials told *Business Standard* that while the contract has not been awarded yet, doubts over execution

ability may not be as profound.

“The tender document is specific at a granular level in terms of the technical input. Moreover, the manufacturing facilities belong to Indian Railways, which takes care of the usual risks associated with first-time players,” a senior official said.

The selected lowest bidder would have to manufacture 120 trainsets at Railways' Marathwada Rail Coach Factory (MRCF) in Latur, Maharashtra. The second-lowest selected bidder would have to manufacture 80 trainsets at ICF. The maintenance of these trains will be done for 35 years.

The tender comprises a ₹26,000-crore payment on the delivery of the trains. ₹32,000 crore is expected to be paid to the winning bidder for maintenance.