

## With civil contracts awarded, freight corridor project firmly on track

1,260 km of civil,  
2,200 km of systems  
contract this year

### MAMUNIDAS

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While most of the land acquisition and statutory clearances for the Dedicated Freight Corridor (DFC) are complete, project execution has also begun with the award of civil contracts for 1,100 km.

The 1,100 km covers two legs of the Eastern corridor – Mughalsarai-Sonnagar and Khurja-Kanpur – and Rewari to Palanpur on the Western side. Construction, mainly excavation and earthwork, has already started on these sections. Track-laying is also part of civil works.

### Tendering progress

Tenders for another 1,260 km of civil works are in various stages of finalisation. "We hope to invite bids and award contracts for these by December," said RK Gupta, Managing Director, DFC Corporation of India Ltd (DFCCIL).

Alongside, tendering for systems contracts – covering electrical (laying overhead wires and substations) and signalling works – is underway for 2,200 kms that they could also be awarded this year.

"Once civil contracts are awarded for a stretch, we want electrical and signalling, along with testing and commissioning of the line to be completed in four years' time. There will be intermediate milestones for contractors within this four-year timeline," said Gupta.

Thus, if the work of the electrical or signalling contractors is delayed because of the civil contractor, DFCCIL will pay compensation to the former by penalising the latter. The penalties would be around 0.5 per cent of the contract value per month.

### Constraints

One major problem DFCCIL is now facing in award of contracts is the absence of sufficient number of bids, especially in the Western corridor that is being funded by the Japan International Coopera-



R K Gupta, MD, Dedicated Freight Corridor Corporation

tion Agency (JICA). The JICA funding norms stipulate involvement of a Japanese partner as the lead contractor even in civil contracts.

This has resulted in poor bidding, as not many Japanese firms are willing to enter the Indian civil construction market.

In one of the Western corridor civil contract – for a 322-km stretch between Iqbalgarh and Vadodara – awarding got delayed by eight months because of a single bidder, which DFCCIL officials are not comfortable with.

In contrast, there has been

no dearth of bidders for the Eastern corridor contracts.

On completion, much of the project is expected to go live by 2018 – the DFC will increase freight capacity on trains, apart from reducing transit time for moving goods.

At present, the average speed of goods trains in India is about 25 km/hour. The main reason for it is the higher priority given to passenger trains, which share the same congested railway network. This is despite freight generating two-thirds of the Indian Railways' total revenues.

The DFC tracks will move only goods trains. That will make it possible for freight customers to also avail themselves of time-tabled services – a privilege now extended only to passenger trains. Train speeds may go up three times as would be fully automated signalling and no level-crossings.

"Also, not having to stop multiple times will lead to the trains consuming less fuel," pointed out HD Gujrati, Director-Operations and Business Development, DFCCIL.