

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1723
ANSWERED ON:01.12.2011
RCF IN KERALA
Kodikunnil Shri Suresh

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways propose to start a Rail Coach Factory (RCF) at Kanjikode in Kerala;
- (b) if so, the details thereof ;
- (c) whether State Government of Kerala has provided sufficient land to the Railways for the purpose;
- (d) if so, the present status of the project; and
- (e) the time by which the said RCF is likely to be made operational?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI K.H. MUNIYAPPA)

- (a) Yes, Madam.
- (b) Subsequent to announcement of this factory in Railway Budget speech for 2008-09, a proposal was framed to set up the factory at an estimated cost of Rs.1215 crores under JV/PPP mode for manufacture of 600 coaches per annum. Planning Commission had accorded 'in principle' approval and had appraised the project. Expanded Board for Railways had also commended the project. The land for this factory was to be given free of cost as per the earlier commitment by Government of Kerala. Government of Kerala later requested to consider the cost of land as state Govt's equity and indicated preference for formation of Public Sector Undertaking for this unit. Government of Kerala have also intimated terms & conditions of land lease if a Pvt. Sector/PSU Joint Venture partner is selected.
- (c) Government of Kerala is yet to hand over the land to the Ministry of Railways.
- (d) Does not arise.
- (e) The time frame to set up such projects is approximately 3 years from the date of award of contract.