

# Contracts finalised for Colaba-Bandra-Seepz metro, cost up by 28%

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CONCLUDING A three-year tendering process, the Mumbai Metro Rail Corporation (MMRC) finalised contracts for the city's first underground Metro Rail, the Colaba-Bandra-Seepz corridor, taking the overall project cost up by 28 per cent.

With work set to start by October this year, the MMRC expects to partially commission the Metro from Seepz to Bandra-Kurla Complex by the end of 2020, and the complete line till Colaba by 2021.

The tendering process for the 33.5-km Colaba-Bandra-Seepz Metro, which is one of the costliest infrastructure projects planned for the city, had been stalled as the contractors had quoted amounts much above the MMRC's estimations.

After vetting the bids through a technical committee of experts and E Sreedharan, former Delhi Metro Rail Corporation head, the MMRC decided that the 27.7-percent cost rise was actually the market-discovered cost and decided to award the seven-work packages to five consortia of companies.

The MMRC will now spend Rs 18,115 crore on civil construction of the underground corridor, as compared to Rs 14,179 crore estimated earlier.

A senior MMRC official said, "The original detailed project report, which RITES had drafted, took costs incurred in Delhi as the benchmark with a 10 per cent mark-up. We later identified 28 factors where the expense on an underground project in Mumbai is significantly higher than in Delhi."

For instance, he added, the Colaba-Bandra-Seepz Metro stations are planned to accommodate eight-coach trains with more entry and exit points, while the Delhi underground Metro stations were constructed for six-coach trains with fewer entries and exits. Similarly, Mumbai has a 2-3 metre water table, which Delhi does not have, and Delhi's underground strata comprises soil, while Mumbai's tunneling will have to be done completely in rock, which works out to be more expensive.

"We have decided to revisit the detailed project report for a total cost overview some time in 2018, once we have tendered out other system components as well and have the market-discovered costs for those too. However, the general expectation is that the amount of risk and variability in civil work will not be seen in system components," the official said.

The original cost of the entire project, along with system components, was Rs 23,136 crore. The Japan International

Cooperation Agency (JICA) had agreed to provide a loan for 57.2 percent of the project cost. The rest is to be provided by the state and central governments, through equity contribution from the Mumbai International Airport Ltd as the Metro will provide airport connectivity, subordinate debt, property development and other measures.

"Informally, JICA has indicated to us that they are willing to foot the cost rise in civil works to the extent of their contribution as it is a market-discovered price. We will work out the details later," the MMRC official said.

One of the consortia, which has bagged two packages, includes a company, J. Kumar Infraprojects, which is currently under the Mumbai civic body's scanner for alleged irregularities in road works. The company is also the lowest bidder for certain packages of two other elevated Metro projects being planned in Mumbai.

"Since JICA is financing the project, we have gone by JICA's guidelines about companies' eligibility. We have tested this consortium as per JICA's guidelines, consulted JICA, and found it not ineligible for the Colaba-Bandra-Seepz Metro contract," the MMRC official said.

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## CONTRACTORS FOR THE SEVEN PACKAGES

Name of consortium	Stations	Kilometres	Cost of construction
Larsen & Toubro-STEC	Cuffe Parade, Vidhan Bhavan, Churchgate, Hutatma Chowk	3.12 km	₹2,988.53 crore
Hindustan Construction Company-MMS	CST, Kalbadevi, Girgaon, Grant Road	3.07 km	₹2,521.89 crore
Dogus-Soma	Mumbai Central, Mahalakshmi, Science Museum, Acharya Atre Chowk, Worli	3.53 km	₹2,557.84 crore
CEC-ITDCEM-TPL	Siddhivinayak, Dadar, Sitladevi	5.3 km	₹2,830.10 crore
JKumar-CRTG	Dharavi, Bandra Kurla Complex, Vidyanagari, Santacruz	3.85 km	₹2,817.02 crore
JKumar-CRTG	CSIA Domestic Airport, Sahar Road, CSIA International Airport	3.74 kms	₹2,118.40 crore
Larsen & Toubro-STEC	MIDC, SEEPZ, Marol Naka	3.19 km	₹2,281.45 crore