

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MANOJ SINHA): (a) Indian Railways have placed orders on private firms for manufacture and supply of Electric Multiple Unit (ACEMU) coaches and Mainline Electric Multiple Unit (MEMU) coaches with the provision that drawings and technical details would be provided free of cost by Integral Coach Factory (ICF), Chennai and Rail Coach Factory (RCF), Kapurthala as these coaches were to be manufactured as per Railways' design. It is not possible to manufacture these coaches unless design and drawings are made available to the manufacturer.

In the last five years, the rates at which contracts were placed for procurement of Electric Multiple Unit (ACEMU) coaches were lower than the cost of manufacturing of similar coaches at Integral Coach Factory/Chennai. In the year 2012-13, contracts were placed for the first time, for procurement of Mainline Electric Multiple Unit (MEMU) coaches from three sources. The rates (excluding taxes and duties) of two sources were lower and of one source was marginally higher (1% excluding taxes and duties) than the cost of manufacturing of similar coaches at Rail Coach Factory/Kapurthala.

(b) and (c) Procurement of coaches from other sources *i.e.* both public and private sector is done when the requirement exceeds the manufacturing capacity of Railways' own Production Units.

Utilization of railway coach factories

2299. DR. PRABHAKAR KORE: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that Government favours private manufacturers to make coaches without fully utilizing the capacity of its own coach factories that were set up at a huge cost;

(b) if so, the reasons for not utilizing its own coach factories; and

(c) the steps taken by Government for maximum utilization of its coach manufacturing factories in future and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MANOJ SINHA): (a) No Sir. Procurement of coaches from public sector or private sector manufacturers is done only to meet the additional requirement of coaches after fully exhausting the in-house manufacturing capacity of Indian Railways.

(b) Does not arise.

(c) Does not arise.