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Second line of Mumbai Metro project cost to touch Rs 11,000 cr

Our Bureau

Kolkata, May 31 Reliance Infrastructure (R-Infra) expects the project cost of the second line of Mumbai Metro rail network to touch Rs 11,000 crore, up by more than 40 per cent over Rs 7,660 crore as estimated by the Mumbai Metropolitan Region Development Authority (MMRDA).

A consortium led by R-Infra has emerged as the single bidder for the 32-km-long project connecting Charkop in the west with Mankhurd in the east. The company is currently implementing the 12-km elevated stretch connecting Versova – Andheri – Ghatkopar.

R-Infra has bid for Rs 2,298 crore capital grant for the second Metro line. The maximum grant available is Rs 3,064 crore, which is 40 per cent of the MMRDA's estimate of the project cost.

“We have sought government funding to the extent of 30 per cent of the original project cost. However, our estimates suggest that the actual project cost will far exceed the initial estimates and may touch Rs 11,000 crore,” a company spokesperson told *Business Line*.

Ruling out any negative impact of the higher project cost on the viability, the official said that according to company’s estimates the Charkop-Mankhurd section of the Metro is expected to witness a daily passenger traffic of 13 lakh in 2014. “This is slightly higher than the MMRDA passenger traffic estimates. Also we have taken into account the projected revenue flow from real estates and other sources,” he said.

According to the company, the work on Versova – Andheri – Ghatkopar Metro, progressing nearly 18 months ahead of schedule, will be completed in September 2010.