

Metro Builder Sold for \$250M, Bid Contested

By [The Moscow Times](#)

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A company linked to businessman Valery Abramson won the bidding to buy a Moscow subway builder that could benefit from a planned increase in spending on subway construction, the Federal Property Management Agency said Thursday.

But engineering company E4 said immediately afterward that it could dispute the victory by Tsentrstroi that offered the highest bid of 7.6 billion rubles (\$250 million), more than triple the starting bid of 2.2 billion rubles. E4 said the federal property agency unfairly prevented it from the bidding.

Calls to the agency's press service went unanswered Thursday afternoon.

Moscow's new Mayor Sergei Sobyenin has said that City Hall planned to build more than 50 kilometers of metro lines by 2015 to extend the system that is now 300 kilometers long. Sobyenin said separately — and without clear reference to these plans — that spending on

metro construction could reach 1.5 trillion rubles, or \$48 billion.

Alexander Peisakhov, who did the bidding for Tsentrstroj, is a co-owner of another company that is reportedly controlled by Abramson's Infrastruktura, Interfax said, citing a source at the Federal Property Management Agency. Tsentrstroj competed against three other companies in the bidding.

E4 complained that it wasn't cleared by the federal property agency for the bidding despite compliance with "all the rules" for a potential bidder. It said it reserved the right to dispute the decision by the agency.

"Such practice of holding auctions is nontransparent, which on the one hand may prevent the state from gaining the most revenue from privatization and on the other hand does harm to the investment climate," the company said in a statement.

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