

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO.1450
TO BE ANSWERED ON 27.11.2019**

RAILWAY DEVELOPMENT FUND

1450. SHRI VENKATESH NETHA BORLAKUNTA:

Will the Minister of RAILWAYS be pleased to state:

(a) whether the World Bank and the Railways are working together to create a Railway Development Fund that would partly finance the \$142 billion investment plans for the core infrastructure sector and if so, the details thereof;

(b) whether part of this plan funded by multilateral bodies and the World Bank, that has global experience and access to technology and the Government has held a meeting with senior officials of the World Bank in this regard recently, if so, the details thereof and the outcome thereof;

(c) whether the Railway officials attended a World Bank meeting on transportation, interacted with business leaders at the U.S. – India Business Council- met officials of the IFC and the IFC could help Indian Railways to monetize its huge assets and if so, the details thereof;

(d) whether it is also a fact that globally Railways get 30-40 per cent of their income from non-railway operations but in India, it is not even two per cent and putting the huge prime real estate held by the Railways into productive use would be the cornerstone of this strategy and if so, the details thereof; and

(e) whether the Government encourage U.S. businesses to invest in Indian Railways that has been opened up to 100 per cent FDI in most part of its operations and the steps taken/being taken to give a facelift to the IR and revolutionize the way Indians travel, transport

goods and services and conduct business, if so, the details thereof and the present status thereof?

ANSWER

MINISTER OF RAILWAYS AND COMMERCE & INDUSTRY

(SHRI PIYUSH GOYAL)

(a) and (b): Government had carried a study through World Bank to examine the feasibility of setting up of a Railways of India Infrastructure Development Fund (RIIDF). However, taking into account the fact that a National Investment and Infrastructure Fund (NIIF) has already been set up by the Ministry of Finance, it has been decided not to proceed with the proposal.

(c) As per available record with Ministry of Railways, no Railway official has attended any World Bank meeting on transportation and interacted with business leaders at the U.S. – India Business Council.

(d) It is true that globally several Railways get significant part of their income from non-Railway operations. Several steps have been taken to increase non-fare revenue of Indian Railways by monetization of land and other assets. These include:

i. Policy for leveraging Mobile Assets, Out of Home Advertising, Rail Display Network, Unsolicited proposals and Content on Demand.

ii. Commercial utilization of vacant land through Rail Land Development Authority (RLDA).

(e) Government of India has permitted 100% Foreign Direct Investment (FDI) on automatic route in the following activities/areas of Railway Infrastructure:

i. Suburban corridor projects through Public Private Partnership;

ii. High speed train projects;

iii. Dedicated freight lines;

iv. Rolling stock including train sets, and locomotives or coaches manufacturing and maintenance facilities;

v. Railway Electrification;

vi. Signalling systems;

vii. Freight terminals;

viii. Passenger terminals;

ix. Infrastructure in industrial park pertaining to railway lines or sidings including electrified railway lines and connectivities to main railway line; and

x. Mass Rapid Transport Systems

Foreign Direct Investment in these areas is subject to sectoral guidelines, which include necessary safety certification from central government or its authorized entity. The FDI policy is also open for U.S. businesses.

In order to give a facelift to the Indian Railways and cater to diverse needs of passengers, some of the steps taken include:

- i. Significant step-up in investment for capacity enhancement, Safety and Modernization of Railways.**
- ii. Improvement and upgradation of various passenger amenities like foot over bridges, lifts, escalators, toilets, battery operated vehicles, wheel chairs, waiting rooms.**
- iii. Leveraging information technology for online ticketing and enquiry services.**
- iv. Introduction of various premium train services like Humsafar, Tejas, Antyodaya, Utkrisht Double Decker Air-conditioned Yatri (UDAY), Mahamana and coaches like Deen Dayalu and Anubhuti.**
