

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 577
TO BE ANSWERED ON 01.12.2021**

TECHNOLOGY UPGRADATION AND MODERNIZATION

†577. SHRI RAMCHARAN BOHRA:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways is formulating any scheme to attract foreign investment in sectors like technological upgradation and modernization;**
- (b) if so, the details thereof;**
- (c) whether the Railways also proposes to privatize certain areas of its operation; and**
- (d) if so, the details thereof?**

ANSWER

**MINISTER OF RAILWAYS, COMMUNICATIONS AND
ELECTRONICS & INFORMATION TECHNOLOGY
(SHRI ASHWINI VAISHNAW)**

(a) and (b): Foreign Direct Investment (FDI) has already been allowed 100% on automatic route in Railway Sector (except the prohibited activity i.e. Railway Operation) since 22nd August, 2014 as per the consolidated FDI Policy of Government of India. The major activities in Railway Sector where FDI is allowed 100% are:-

- (i) Suburban corridor projects through PPP,**
- (ii) High speed train project;**
- (iii) Dedicated freight lines;**
- (iv) Rolling stock including train sets and locomotives/ coaches manufacturing and maintenance facilities;**
- (v) Railway Electrification;**

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- (vi) Signalling systems;**
- (vii) Freight Terminals;**
- (viii) Passenger terminals;**
- (ix) Infrastructure in industrial part pertaining to railway line/ sidings including electrified railway lines and connectivities to main railway line; and**
- (x) Mass Rapid Transport Systems.**

As per the figure compiled by Department of Promotion of Industry and Internal Trade (DPIIT) the total FDI received in Railway sector since 2014-15 to 2021-22 (Upto June, 2021) is approx. 719.98 million US dollars.

(c) and (d): There is no proposal to privatize any area of operation of Railways. However, Public Private Partnerships and out-sourcing of certain facilities like cleaning, pay and use toilets, retiring rooms, parking etc. is done on need based manner to improve efficiency. There is a proposal to use Public Private Partnership mode for inducting modern rakes to run passenger trains on select routes with an objective to provide improved service delivery to passengers.
