

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 4097
TO BE ANSWERED ON 10.08.2016**

PPP INVESTMENT IN RAILWAYS

4097. SHRIMATI V. SATHYA BAMA:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways plans to increase the investment with the help of Public Private Partnership (PPP);**
- (b) if so, the details thereof and the funds raised so far through PPP and the projected funds to be raised during the next three years;**
- (c) whether private investment mobilisation in the Eleventh Plan was just 4 per cent of the Plan Outlay, which is far less compared to the private capital share in other sectors like ports, telecom, electricity, airports and roads; and**
- (d) if so, the details thereof and the measures taken and methods adopted by which the Railways plans to increase the PPP investment on par with other sectors?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(a) & (b): Yes, Madam. Some of the areas identified by Railway for investment through Public Private Partnership (PPP) are: building last mile connectivity for ports/mines/industrial cluster, setting up of manufacturing units for rolling stock, building Private Freight Terminals (PFT), procurement of wagons, private operation of containers trains and redevelopment of stations among others.

Till now investment of more than ₹ 35,000 crores has been committed for projects in these areas. The target of Extra-Budgetary Resources through Partnership for 2016-17 is ₹ 18,340 crore. No projection of funds has been made for 2017-18 and 2018-19. However, in the Budget 2015-16, it was announced to step up the investments with a plan to spend ₹ 8.56 lakh crore in next 5 years (2015-2019) which envisaged approximately 15% through PPP.

(c) & (d): As per the Twelfth Five Year Plan Document (2012-2017) issued by the erstwhile Planning Commission, 25% of total Eleventh Plan Investments of Ministry of Railways came from Extra Budgetary Resources. Precise mobilisation from private investment has not been compiled for the period by Ministry of Railways. Also since different sectors have different characteristics, the figures are not comparable.

Ministry of Railways has taken several policy measures to attract private investment namely, new Participative Policy for capacity augmentation, issuing sectoral guidelines for Domestic/Foreign Direct Investment (FDI), preparing Model Concession Agreements (MCAs) for PPP models, liberalizing Private Freight Terminal (PFT) policy, Station redevelopment policy, setting up Loco manufacturing units through PPP etc.
