

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:4904

ANSWERED ON:09.12.2010

PRIVATE PLAYERS IN FREIGHT MARKETING

Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Kodikunnil Shri Suresh; Majhi Shri Pradeep Kumar; Meghwal Shri Arjun Ram; Nirupam Shri Sanjay Brijkishorilal; Patel Shri Kishanbhai Vestabhai; Singh Shri Dushyant; Sugumar Shri K.; Venugopal Shri K. C.; Yadav Shri Dharmendra

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways hit hard by an acute fund crunch that is delaying its ambitious expansion plan;
- (b) if so, whether the Railways are eager to engage private players to invest in freight marketing;
- (c) if so, whether the Railways propose to amend freight marketing policies to make it more investor friendly;
- (d) if so, the steps taken by the Railways in this regard; and
- (e) efforts made by the Railways to meet the funds requirement?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI K.H. MUNIYAPPA)

(a) Yes, Madam. It is true that availability of budgetary, extra budgetary and internally generated resources is inadequate vis-à-vis the scale and magnitude of infrastructure augmentation and modernization required by Railways.

(b) to (d) Formulation of Freight Marketing policies is an ongoing and continuous process that aims at attracting private investment in increasing carrying capacity and loading of Railways. The following policies have been notified to attract private investment in Railways' freight business:

- (i) Wagon Leasing Scheme (WLS)
- (ii) Liberalized Wagon Investment Scheme (LWIS)
- (iii) Special Freight Train Operator (SFTO) Scheme
- (iv) Private Freight Terminal (PFT) Scheme
- (v) Development of Automobile and Ancillary Hub
- (vi) Automobile Freight Train Operator (AFTO) Scheme

(e) Initiatives taken in recent years to meet the funding requirement for investment include, besides increase in budgetary support, greater mobilization of internal and extra budgetary resources through PPP, and borrowing through Indian Railway Finance Corporation (IRFC), etc.