

**GOVERNMENT OF INDIA  
ROAD TRANSPORT AND HIGHWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:2347  
ANSWERED ON:27.08.2012  
FOREIGN INVESTMENT IN TRANSPORT SECTOR  
Chitthan Shri N.S.V.

**Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:**

- (a) whether the foreign investment in transport sector has considerably declined during the last three years;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the efforts being made by the Government to allure foreign investors in this sector; and
- (d) the total amount of foreign investment made during the last three years?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI JITIN PRASADA)

(a) to (d) The Government does not maintain any conclusive statistical data separately for foreign investment in road sector. Foreign Direct Investment up to 100 % is allowed in road sector under the automatic route in Construction and maintenance of roads and highways offered on BOT basis including collection of Toll. To attract foreign investors in this sector, Ministers had bilateral meetings and also visited many countries to meet the investors and apprised them about project opportunities in road sector. Delegations of the Ministry of Road Transport & Highways have also conducted road shows to explain Government policy and guidelines to foreign investors. Government has also announced the setting up of Infrastructure Debt Funds (IDFs) to provide long-term, low-cost debt for infrastructure projects. The funds would allow infrastructure developer's access to domestic and offshore investors on a long-term basis. Several foreign companies have successfully participated in the award process for developing highways.