GOVERNMENT OF INDIA MINISTRY OF RAILWAYS

LOK SABHA UNSTARRED QUESTION NO. 4087 TO BE ANSWERED ON 18.03.2020

FDI IN RAILWAYS

4087. SHRI BHARTRUHARI MAHTAB:

Will the Minister of RAILWAYS be please to state:

- (a) the areas in Railways specified by the Government for Foreign Direct Investment (FDI) along with the total FDI in such areas so far;
- (b) the extent to which the FDI in Railways is likely to help the Government to achieve its goal of railway safety in the country;
- (c) whether the Government has received representations from various Railway Unions against allowing FDI in Railways;
- (d) if so, the details thereof and the reasons therefor along with the action taken by the Government on such representations so far; and
- (e) the other steps taken by the Government to address the issues of railway employees and to protect their rights in the country?

ANSWER

MINISTER OF RAILWAYS AND COMMERCE & INDUSTRY (SHRI PIYUSH GOYAL)

(a): Till 22nd August, 2014, Foreign Direct Investment (FDI) in Railway Sector was restricted only to "Mass Rapid Transport System". However, FDI has now been opened up/permitted in the following activities/areas of Railway Infrastructure (100% on automatic route) under the extant FDI Policy of Government since 22 August, 2014:-

"Construction, Operation and Maintenance of:-

- (i) Suburban corridors projects through PPP;
- (ii) High Speed Train Projects;

- (iii) Dedicated Freight Lines;
- (iv) Rolling Stock including train sets and locomotives/coaches manufacturing and maintenance facilities;
- (v) Railway Electrification;
- (vi) Signaling systems;
- (vii) Freight terminals;
- (viii) Passenger terminals;
- (ix) Infrastructure in industrial park 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 till December, 2019 is approx. 1071 million US dollars.

- (b): Additional capital investment including from FDI for augmentation modernisation of Railway's infrastructure helps to achieve the goal of Railway safety.
- (c) to (e): A few representations have been received from Railway Unions regarding FDI. It has been clarified that there are inbuilt safeguards to protect interest of the existing employees of Railways.
