



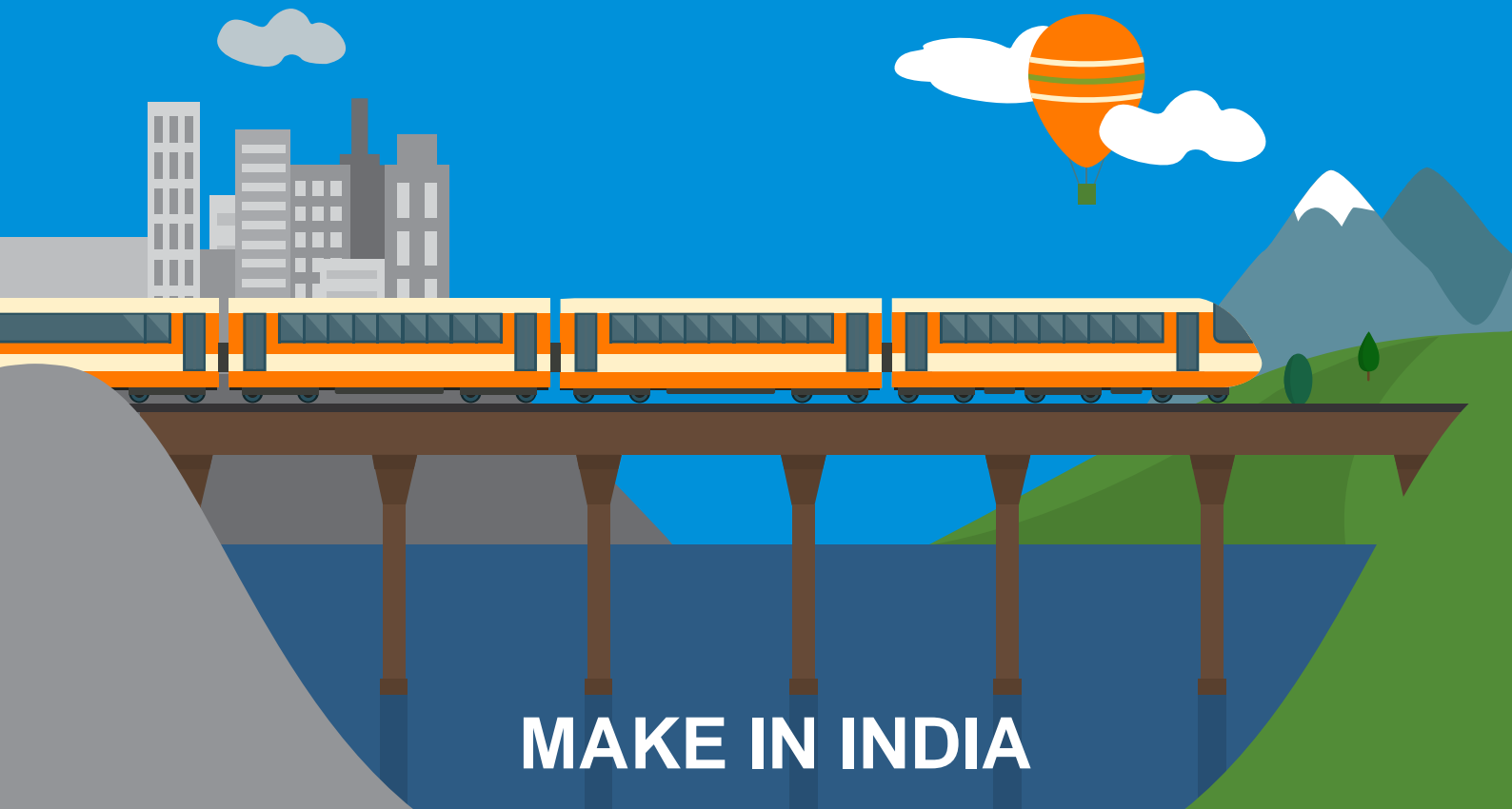
**Department of Industrial Policy and  
Promotion**

**Ministry of Railways**

# Railways Sector

**Achievements Report**

**January 18, 2017**



**MAKE IN INDIA**

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# Railways Sector


Indian Railways is the backbone of long distance passenger transport in India with a network that spans more than 66030 km, making it the world's third largest rail network and the fourth largest rail freight carrier. The Railways runs 12,000 trains connecting more than 8000 stations and carrying 23 million passengers, and over 7000 freight trains, carrying 3 million tonnes of freight every day. Indian Railways **transports 90% of the total coal moved in the country**, supplying 50% of the power in India.


Indian Railways have undertaken various initiatives to provide impetus to the Make in India program and also encourage investment in railway infrastructure through investor-friendly policies. Indian Railways have also taken up port connectivity on priority, through the PPP mode of funding in tandem with the Sagarmala project for Port Development.


Some of the recent **key achievements** are:


 **First semi-high speed train**, The Gatimaan Express between Delhi's Hazrat Nizamuddin station and Agra Cantonment, was launched on April 5, 2016. This is the fastest train in India, running at up to 160 km/h to give a journey time of 1 hour 40 min on the 188 km route.

 **Mumbai-Ahmedabad high speed rail project** has been **sanctioned at a total cost INR 97,636 crore**.

 **Biggest 'Make in India' initiative** with JV agreements worth INR 40,000 crores signed between Ministry of Railways and **M/S Alstom Manufacturing India** for **setting up an Electric locomotive factory at Madhepura**, and with **GE Global Sourcing India Pvt. Ltd** for setting up a Diesel locomotive factory in **Marhowra** for rolling stock manufacturing (November 2015).

 **2828 km of Broad Gauge lines commissioned in FY 2015-16** which is **highest ever** & 1983 km of Broad Gauge lines in FY 2014-15 **against an average of 1528 km during 2009-14**.

 During 2014-16, 3105 RKM have been electrified, which is an average of 1552.5 RKM/annum as against 1236 RKM/annum during 2009-14.

 1,098 RKM Optical Fibre Cables (OFC) have been laid in FY15-16. The total OFC network commissioned by Indian Railways is 48,818 RKM OFC enabling high speed communication network over Indian Railways.



## Policy Initiatives & Investments

### FDI Policy

#### 100 % FDI is permitted through automatic route

for construction, operation and maintenance railway infrastructure since November 2014. Some of the key areas open for investments are:

- I. Suburban corridor 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 connectivity to main railway line
- x. Mass Rapid Transport Systems.

### Major Investments & FDI Inflows

The sector has witnessed USD 281.77 million FDI equity inflow during April 2014 to December 2016.<sup>2</sup> The major investments in the sector have been in the manufacturing of railway wagons, coaches, mechanical & electro-mechanical signaling system, safety and traffic control systems.

*Details of some of the major FDI equity inflow are provided in the table.*

Foreign Collaborator	Country	Indian Company	FDI Inflow (in USD million)
ALSTOM Transport Holdings B.V.	Netherlands	ALSTOM Transport India Ltd	85.20
BOMBARDIER Transportation Holdings	Singapore	BOMBARDIER Transportation India Pvt Ltd	39.50
ANSALDO STS Australia Pty Ltd	Australia	ANSALDO STS Transportation Systems India	21.52
GE Capital International	Mauritius	TITAGARH WAGONS LTD	14.73
INVERSIONES EN Concesiones	Spain	CAF India Pvt Ltd	11.57

### Infrastructure Development

#### Manufacturing Rolling Stock

M/s **GE Diesel Locomotive Pvt. Ltd.** is setting up a Diesel Locomotive Factory (DLF) at Marhaura, Saran district, Bihar for manufacture and supply of 1000 high power Diesel Electric Locomotives over a period of 10 years. GE is also setting up a locomotive maintenance unit (one of two) at Roza (Shahjahanpur, UP) to service the locomotive factory coming up in Marhaura. **M/s ALSTOM** is setting up an Electric locomotive factory at Madhepura, Bihar for manufacture and supply of 800 high horse power (12,000HP) electric locomotives over 11 years.

<sup>2</sup> Data from DIPP FDI Cell



**Land has already been provided** to both these companies for setting up of the factories and preliminary work has started.

### High Speed Rail Project:

India and Japan are collaborating on the Mumbai–Ahmedabad High Speed Rail Project using Shinkansen technology covering a total of 508 km. A new entity named National High Speed Rail Corporation Ltd was set up in February 2016 to implement the project. Japan International Cooperation Agency (JICA) has also appointed a General Consultant (GC).

### Dedicated Freight Corridors

Two Dedicated Freight Corridors (DFC), one on the Western route (Jawaharlal Nehru Port to Dadri) and another on the Eastern route (Ludhiana to Dankuni), **have been fast-tracked**. INR 25,320 crore worth of contracts have been awarded in the last two years for the implementation of DFCs.

The first ever section on DFC of 56 km between Durgawati-Sasaram has been commissioned.

New freight corridors which have been identified are

- East-West Corridor (2328 km) (Kolkata-Mumbai)
- North-South Corridor (2343 km) (Delhi-Chennai)
- East Coast Corridor (1114 km) (Kharagpur-Vijaywada)

### Rail Wheel Plant

Rail Wheel Plant at Bela near Chhapra has been commissioned and regular production of cast wheels for rolling stock has commenced.

The installed capacity of the plant is 1 lakh wheels per annum. A forged wheel factory at Raebareli by Rashtriya Ispat Nigam Limited has also been setup.

### DEMU Factory

DEMU factory at Haldia with a production capacity: 400 coaches/annum was commissioned in January 2015 and Mid-life Rehabilitation Workshop with a capacity 250 coaches/annum for coaches at Jhansi completed was commissioned in April 2015.

### Electric Loco Assembly

Construction of Electric Loco Assembly & Ancillary Unit of Chittranjan Locomotive Works (CLW) at Dankuni in West Bengal has been completed.

### LHB Coach Manufacturing

Modern LHB Coach manufacturing facility has been commissioned at ICF Chennai.

### Traction Alternator Factory

Foundation stone has been laid for setting up of Traction Alternator Factory at Vidisha to manufacture 100 traction alternators per annum of high horse power diesel locomotives, which were earlier being imported.

### PPP in Railways

Indian Railways generated an **investment of INR 15,000 crore through PPP projects during 2015-16, which is highest till date**. In order to give momentum to the PPP projects, partnership with State Governments and industry is being encouraged to undertake coal and mining



connectivity projects. Some of the major PPP initiative in the sector are as below:

- Rail connectivity to Tuna Port at a cost of INR 142 crore has been implemented and was commissioned in July 2015.
- Approvals under Joint Venture model have been granted to build rail connectivity to the ports of Jaigarh at a cost of INR 771 crore, Rewas at a cost of INR 349 crore, and Dighi at a cost of INR 724 crore. The implementation of rail connectivity to these ports is in progress.

### Research and Development

- “Technology Mission on Indian Railways (TMIR)” for development/research/innovation in Railway Technologies in association with Department of Science & Technology, MoHRD and representatives of industry has been set up.
- **MoUs with Countries:** Ministry of Railways have signed MoUs/Protocols during the last two years for technical cooperation in the rail sector with (i) Sweden, (ii) France, (iii) Japan, (iv) Russia (v) United Kingdom (vi) Slovak Republic, (vii) Kazakhstan (viii) Canada, (ix) South Korea, (x) China, (xi) Czech Republic and (xii) Germany. The MoUs enable technical visits, exchange of technical experts, reports and documents, training programme, feasibility studies/pilot projects.
- **Four Centres** of Railways Research **have been set up in** premier educational institutions.

- A permanent mechanism for “Standing Intra-Government Technical Collaboration Panel” (SITCOP) has been formed to converge Government’s internal capabilities to create better and futuristic rolling stock for Indian Railways with minimal foreign dependence in critical areas. The SITCOP meets twice a year to review progress on collaborative projects assigned to inter-area action teams assigned by the body.

### Ease of Doing Business

Indian Railways has undertaken a slew of initiatives for improving efficiency and transparency. Some of the key initiatives to enable ease of doing business are as follows:

- Implemented 100% e-procurement solution for all kinds of contracts – goods, works and services.
- Discontinued dual freight policy for Iron Ore, making domestic and export rate the same. (May 10, 2016)
- Withdrawal of 10% port congestion charge levied on cargo moving to inland distribution points (April 13, 2016)
- Rationalization of Merry-go-round system w.e.f. April 1, 2016
- Rationalization of freight rates for Coal traffic
- Two/multi point and mini rake in all kinds of covered wagons; mini rakes allowed up to 600 km (from earlier 400 km) w.e.f. March 15, 2016



- Automatic freight rebate scheme in traditional empty flow direction traffic introduced on June 25, 2015 with a view to convert empty running of rakes into loaded one.
- Roll on – Roll off scheme launched on Digha Rail Bridge over River Ganges near Patna. Under this scheme loaded trucks would be moved on the flat wagons to avoid congested roads across Ganges.

### Skill Development

Indian Railways is the **world's 8th largest employer** in the world with a 1.4 million work force.

The Ministry of Railways , under Skill India initiative has been setting up training centres. Out of 53 locations identified for setting up training centers, **12 have started training through training partners.**

### Customer Initiatives

- Nomination of 'Key Customer Managers' with an aim to provide an appropriate mechanism to the major freight customers/ stakeholders to redress their day-to-day problems/ grievance.
- A process of structured dialogue called "SAMVAD" between customers and top Railway authorities has been initiated under which continuous feedback from customers will be sought. The "SAMVAD" at all India level will be quarterly. At Zonal level, it will be bi-monthly.
- Indian Railways have started using social media such as SMS & Twitter for public grievances. Use of social media has helped Indian Railways to gather feedback and proactively ensure the safety and wellbeing of passengers.



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