

## Sectoral

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### Railways

#### 1. What is dedicated freight corridors?

It is a broad gauge freight corridor under construction in India by Indian Railway. There are 2 corridors in the country, i.e. the Western and Eastern freight corridors.

#### 2. What is rolling stock?

Rolling stock is all the engines and carriages including the locomotives, passenger coaches, freight wagons, guard's vans, etc. that are used on a railway.

#### 3. What do you mean by Diamond Quadrilateral in Indian Railways?

The Diamond Quadrilateral railway project has the mandate to develop high speed rail network across several metros of India. So far 6 corridors have been identified. These are: 1) Delhi-Mumbai. 2) Mumbai-Chennai 3) Chennai-Kolkata 4) Kolkata-Delhi and both diagonals i.e. 5) Delhi-Chennai. 6) Mumbai-Kolkata routes. For more information, [click here](#).

#### 4. What are the initiatives taken by the Indian government for the railways sector?

The following reforms have been announced for the railway sector in the Union Budget 2017-18: 1) The Gol will provide INR 55,000 crore (\$ 8.25 bn) towards capital and development expenditure of Railways. 2) A fund named Rashtriya Rail Sanraksha Kosh worth Rs 100,000 crore (\$ 15 bn) will be created, which will be directed towards passenger safety. 3) All the coaches of the Indian Railways will be fitted with bio toilets by the year 2019. 4) Railway lines of 3,500 kms will be commissioned in 2017-18.

#### 5. What are the investment opportunities available in railways sector?

The investment opportunities are available in the following areas: 1) Components manufacturing. 2) Infrastructure projects. 3) High speed train projects. 4) Railway lines to and from coal mines and ports. 5) Projects relating to electrification, high-speed tracks and suburban corridors. 6) Dedicated freight corridors. 7) The re-development of railway stations. 8) Power generation and energy-saving projects. 9) Freight terminals operations. 10) Setting up of wagon, coaches and locomotive units. 11) Gauge conversion. 12) Network expansion.

## 6. In which projects foreign investments is permissible under railways sector?

100 % FDI under automatic route is available for the following: 1) Construction, operation and maintenance of suburban corridor projects through PPP. 2) High speed train projects. 3) Dedicated freight corridors. 4) Railway electrification. 5) Signalling systems. 6) Freight terminals. 7) Passenger terminals. 8) Infrastructure in industrial parks pertaining to railway line/siding including electrified railways lines and connectivity to main railway line. 9) Mass Rapid Transport Systems (MRTS).

## 7. What is national railway plan?

The Government of India is going to come up with a ‘ National Rail Plan ’ which will enable the country to integrate its rail network with other modes of transport and develop a multi-modal transportation network.

## 8. What is the purpose of SFOORTI?

The Ministry of Railways, Government of India, has launched the Smart Freight Operation Optimisation & Real Time Information (SFOORTI) application to optimise freight operations and manage traffic flows.

## 9. What is R3i policy?

The policy aims to attract private sector participation in rail connectivity projects to create additional rail transport capacity. The policy allows for 4 models: a) Cost Sharing-Freight Rebate. b) Full Contribution- Apportioned Earnings. c) Special Purpose Vehicle (SPV). d) Private Line.

## 10. What is the purpose of R2CI?

This new policy was initiated to improve rail connectivity to coal and iron ore mines. The policy offers the developer involved in the construction of the line to levy a surcharge on the freight over a period of 10–25 years. The policy has two models, i.e. Capital Cost and SPV Models. The Capital Cost Model is relevant when there are 2 players, whereas the SPV Model is intended for a large number of players.

### **11. Define Participative models for rail connectivity and capacity augmented projects.**

This policy supersedes the R3i and R2CI policies notified earlier. The policy provides for supplementing government ' s investment in rail infrastructure projects by private capital flows. The policy contains the following models: 1) Non-government railway. 2) JV with equity participation by railways. 3) Capacity augmentation through funding by customers 4) Capacity augmentation – annuity model applicability. 5) Build Operate Transfer. A few projects undertaken under the participative policy of Ministry of Railways include Jaigarh Port-Digni Port, Hamarpur-Rewas Port, Chiplun-Karad, Vaibhavwadi-Kolhapur and Indore-Manmad.

### **12. How much FDI is allowed under Metro sector?**

Up to 100% FDI is permitted for Railway Infrastructure sector without any govt. approval. You can file your FDI application online along with supporting documents at <http://fifp.gov.in>. For more information, click [here](#).