

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:3841  
ANSWERED ON:17.08.2000  
KARNATAKA RAIL DEVELOPMENT CORPORATION  
CHELLAMELLA SUGUNA KUMARI;RUDRAGOUDA PATIL

**Will the Minister of RAILWAYS be pleased to state:**

- (a) whether the Government of Karnataka had requested the Union Government to participate in the equity of proposed Karnataka Rail Development Corporation for expeditious completion of railway projects in Karnataka;
- (b) if so, the details thereof; (C) the reaction of the Union Government thereto;
- (d) the details of implication of ownership of lines on which the trains would be run; and
- (e) the investment proposed to be made by the railways on the State Government owned Corporation?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS ( SHRI DIGVIJAY SINGH )

- (a) Yes, Sir.
- (b) Government of Karnataka has proposed to enter into a MOU with Ministry of Railways to form a company with limited liability to expedite project development by resource mobilisation of certain identified rail projects. It is proposed to have 26% equity each by Government of Karnataka and Ministry of Railways and the remaining equity is proposed to be given to financial institutions, banks and others.
- (c) Ministry of Railways is finalising the MOU in consultation with the Government of Karnataka.
- (d) The ownership of the lines will remain with the Ministry of Railways.
- (e) It is proposed to have authorised capital as Rs. 60 crores. Ministry of Railways proposed to take 26% equity.