

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

STARRED QUESTION NO:115

ANSWERED ON:01.03.2001

INVESTMENT FROM NON-TRADITIONAL SOURCES

PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of RAILWAYS be pleased to state:

- (a) whether in order to plan flow of investment from non-traditional sources of revenue, a Task Force was set up;
- (b) if so, the details of their recommendations;
- (c) whether Empowered Committees were formed to expedite issue of guidelines; and
- (d) if so, the details of their guidelines issued to Zonal Railways?

Answer

MINISTER OF RAILWAYS (KUMARI MAMATA BANERJEE)

(a) to (d): A statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d), OF LOK SABHA STARRED QUESTION NO.115 BY SHR GADHAVI TO BE ANSWERED ON 01.03.2001 REGARDING INVESTMENT FROM NON-TRADITIONAL SOURCES.

(a)&(b): Yes, Sir. In order to plan flow of investment from non-traditional sources of revenue, a Task Force comprising senior Railway Officers and representatives from FICCI, CII and ASSOCHAM was set up to undertake an in-depth study of various issues. The Task Force has recommended generating revenues from non-traditional sources like commercial utilization of land and air space, Own Your Wagon Scheme, BOLT (Build-Own-Lease-Transfer) Scheme, commercial publicity and other innovative financing packages including joint ventures and formation of SPVs (Special Purpose Vehicles) with private organizations.

(c)&(d): Yes, Sir and the following actions have been taken:

- i) Comprehensive guidelines have been issued to all the Zonal Railways for improving earnings from Commercial Publicity. The guidelines cover station premises, trains, level crossings, approaches to the major stations etc. In each area of activity, the action to be taken by the Zonal Railways have been spelt out.
- ii) Broad methodology for commercial use of railway land/air space has been issued to all Zonal Railways and the railways have been asked to take up the sites identified.
- iii) A new corporation namely RailTel Corporation of India Ltd has been set up to commercially exploit the Right of Way of the Railways along railway track for laying of optical fibre cable and marketing surplus capacity.
- iv) Introduction of 'Own Your Wagon' scheme. Its success, however, depends upon various factors like wagon availability in general, state of economy, demand for transport cost of capital etc. In order to bring the financing of the scheme in line with the prevailing money market conditions, the payment of lease charges has been linked to prime lending rate, depreciation benefit and corporate tax instead of a fixed rate for the entire contract period.