

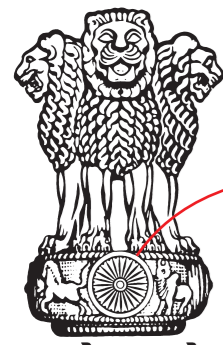


**MAKE IN
INDIA**

RAILWAYS



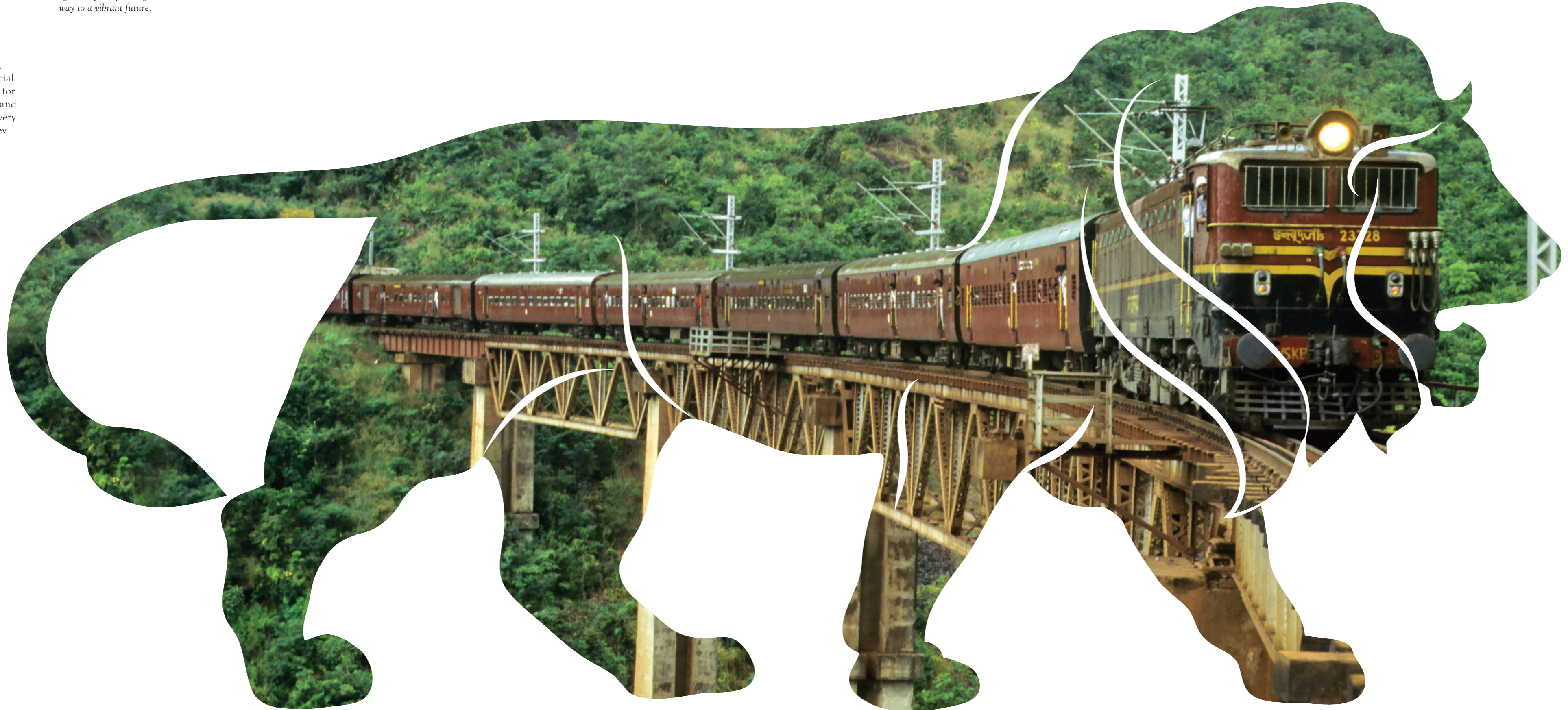
**FROM AGRICULTURE TO AUTOMOBILES
FROM HARDWARE TO SOFTWARE
FROM SATELLITES TO SUBMARINES
FROM TELEVISIONS TO MOVIES
FROM BRIDGES TO BIOTECHNOLOGY
FROM PAPER CLIPS TO POWER PLANTS
FROM ROADS TO CITIES
FROM FRIENDSHIP TO PARTNERSHIP
FROM PROFIT TO PROGRESS
WHATEVER YOU WANT TO MAKE:
MAKE IN INDIA**



The Ashoka Chakra is a central element in India's national emblem and also forms the centrepiece of India's national flag. The wheel denotes peaceful progress and dynamism – a sign from India's enlightened past, pointing the way to a vibrant future.

सत्यमेव जयते

Since time immemorial, the Lion has been the official emblem of India. It stands for strength, courage, tenacity and wisdom – values that are every bit as Indian today as they have ever been.



TRAIN GAIN.

HANDLING 3 MILLION TONNES OF FREIGHT AND 23 MILLION PASSENGERS DAILY, THE WORLD'S THIRD LARGEST NETWORK IS ON A FAST TRACK TO UNPRECEDENTED PERFORMANCE AND PROFITABILITY.

- 4TH LARGEST RAIL FREIGHT CARRIER IN THE WORLD.
- USD 1,000 BILLION WORTH OF PROJECTS TO BE AWARDED THROUGH PUBLIC PRIVATE PARTNERSHIP.
- 1.3 MILLION-STRONG WORKFORCE.
- WORLD'S LARGEST PASSENGER CARRIER.

NEW INITIATIVES

THE MAKE IN INDIA PROGRAM INCLUDES MAJOR NEW INITIATIVES DESIGNED TO FACILITATE INVESTMENT, FOSTER INNOVATION, PROTECT INTELLECTUAL PROPERTY AND BUILD BEST-IN-CLASS MANUFACTURING INFRASTRUCTURE.

1 NEW PROCESSES

- SPECIAL FOCUS ON EASE OF DOING BUSINESS
- DE-LICENSING & DEREGULATION

2 NEW INFRASTRUCTURE

- INDUSTRIAL CORRIDORS
- INDUSTRIAL CLUSTERS
- SMART CITIES
- NURTURING INNOVATION
- SKILL DEVELOPMENT

3 NEW SECTORS

- OPENING OF CRITICAL SECTORS LIKE DEFENSE, CONSTRUCTION AND RAILWAYS FOR FDI

4 NEW MINDSET

- DEDICATED TEAMS THAT WILL GUIDE AND ASSIST FIRST-TIME INVESTORS FROM TIME OF ARRIVAL
- FOCUSED TARGETTING OF COMPANIES ACROSS SECTORS

FACTS + FIGURES



REASONS TO INVEST

- 100% FDI in the railway infrastructure segment has been allowed recently which has opened up opportunities for participation in infrastructure projects such as high-speed railways, railway lines to and from coal mines and ports, projects relating to electrification, high-speed tracks and suburban corridors.
- Indian Railways has begun exploring the PPP mode of delivery and aims to award projects worth USD 1,000 Billion through the PPP route.
- The sector aims to boost passenger amenities by involving PPP investments in the provision of foot-over bridges, escalators and lifts at all major stations.
- Last-mile connectivity to boost business activity in and around ports and mines has been proposed through the formation of special purpose vehicle (SPV) companies under the Public Private Partnership (PPP) model.

- The Indian Railways aims to involve private equity through individuals, NGOs, trusts, charitable institutions, corporates, etc. to provide passenger amenities such as battery-operated carts to facilitate movement for senior citizens and the differently abled, at stations.
- To strengthen rail connectivity with various ports, IR has floated SPVs under the PPP mode. Pipavav Rail Corporation Ltd., Bharuch-Dahej Railway Development Company, Kutch Railway Company Ltd., Hassan-Mangalore Railway Development Company, Obullavaripalle-Krishnapatnam Railway Company Ltd., and Anugul-Sukinda Railway Company Ltd., have been established.
- Three rail connectivity projects namely Gevra Road-Pendra Road new line, Raigarh-Bhupdeopur new line and Jaigarh Port connectivity projects are being implemented through the joint venture route.

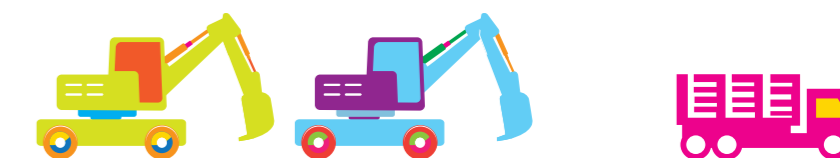
STATISTICS

- The Indian Railways network spans more than 64,600 kms, making it the world's third-largest rail network.
- It is the largest passenger carrier and the fourth-largest rail freight carrier in the world.
- Increasing urbanisation coupled with rising incomes (both urban and rural) is driving growth in the passenger segment. Growing industrialisation across the country has increased freight traffic over the last decade.
- Both passenger and freight traffic volumes have increased steadily in the past five years. While passenger traffic witnessed a CAGR of 5.2% during 2008-13, freight traffic has registered a marginally lower CAGR of 4.9% during the same period.
- The sector runs 12,617 trains, carrying over 23 Million passengers daily and connecting more than 7,172 stations. The Indian Railways runs more than 7,421 freight trains, carrying about 3 Million Tonnes of freight every day.
- The sector's total track length is 116,000 kms. It also comprises 63,870 coaches, more than 240,000 wagons and 1.3 Million employees.
- FDI in railway-related components stood at USD 559 Million, for the period April 2000 to May 2014.



GROWTH DRIVERS

- The long-term strategic plan of the Ministry of Railways is to construct six high-capacity, high-speed dedicated freight corridors along the Golden Quadrilateral and its diagonals.
- The sector has taken up port connectivity on priority, through the PPP mode of funding in tandem with the Sagar Mala Project of Port Development. Railways will facilitate connectivity to new and upcoming ports through private participation. So far, in principle, approval has been granted for building rail connectivity to the Ports of Jaigarh, Dighi, Rewas, Hazira, Tuna, Dholera and Astranga under the Participative Model Policy of the Indian Railways, amounting to a total investment of INR 40 Billion.
- The 2014-15 Union Budget envisages a diamond quadrilateral network of high speed rail, connecting major metros and growth centres of the country.
- The development of identified stations to international standards with modern facilities and passenger amenities on the lines of newly developed airports, through PPP mode.
- Private investment in railway logistics is to be encouraged – the IR proposes to modernize its logistics operations by setting up logistic parks that provide for warehousing, packaging, labelling, distribution, door-to-door delivery and consignment tracking in order to achieve better efficiency, mechanisation of loading and unloading will be given top priority.
- A scheme for private participation in parcel movement will be launched shortly whereby procurement of parcel vans or parcel rakes by private parties will be facilitated.
- To develop a network of freight terminals, the Policy of Private Freight Terminals on the PPP model is being further refined.
- A proposal is in place to harness solar energy by utilizing rooftop spaces of railway stations, other railway buildings and land, through the PPP mode.
- During the period of 2012-17, Mass Rapid Transit Systems (MRTS) projects are being planned in Ahmedabad, Bengaluru, Hyderabad, Chandigarh, Chennai, Delhi, Jaipur, Kochi, Kolkata, Mumbai, Patna, Pune, Lucknow and Surat through the PPP model.
- The share of private investment in MRTS projects is expected to increase from 13% during 2007-12 to 42% during 2012-17.
- Rail tourism is on the anvil, with emphasis on the introduction of eco-tourism and education tourism in the North-eastern states, the identification of special pilgrim circuits such as the Devi Circuit, the Jyotirling Circuit, the Jain Circuit, the Christian Circuit, the Sufi Circuit, the Sikh Circuit, the Buddhist Circuit, and the Temple Circuit. Specially packaged trains for these circuits have been proposed and private participation will be encouraged.





INVESTMENT OPPORTUNITIES

- Manufacture of components.
- Infrastructure projects:
 1. High speed train projects.
 2. Railway lines to and from coal mines and ports.
 3. Projects relating to electrification, high-speed tracks and suburban corridors.
 4. Dedicated freight corridors.
 5. The re-development of railway stations.
 6. Power generation and energy-saving projects.
 7. Freight terminals operations.
 8. Setting up of wagon, coaches and locomotive units.
 9. Gauge conversion.
 10. Network expansion.



FDI POLICY

- 100% FDI under automatic route is permitted for the following:
1. Construction, operation and maintenance of sub-urban corridor projects through PPP.
 2. High speed train projects.
 3. Dedicated freight lines.
 4. Rolling stock including train sets and locomotive/coaches manufacturing and maintenance facilities.
 5. Railway electrification.
 6. Signaling systems.
 7. Freight terminals.
 8. Passenger terminals.
 9. Infrastructure in industrial parks pertaining to railway line/siding including electrified railway lines and connectivities to main railway line.
 10. Mass Rapid Transport Systems.



FINANCIAL SUPPORT

For manufacturing activity:

STATE INCENTIVES:

→ State governments offer additional incentives for industrial projects. Incentives are in areas such as rebates in land cost, relaxation in stamp duty on the sale or lease of land, power tariff incentives, concessional rates of interest on loans, investment subsidies/tax incentives, backward areas subsidies and special incentive packages for mega projects.

EXPORT INCENTIVES:

→ Various kinds of incentives on exports are available under foreign trade policy.

AREA-BASED INCENTIVES:

→ Incentives for units in SEZ/NIMZ as specified in respective Acts or setting up of projects in special areas such as the North-east, Jammu & Kashmir, Himachal Pradesh & Uttarakhand.

TAX INCENTIVES: R&D INCENTIVES:

→ Industry/private sponsored research programs: a weighted tax deduction of 200% is granted to assesses for any sums paid to a national laboratory, university or institute of technology, or specified persons with a specific direction, provided that the said sum would be used for scientific research within a program approved by the prescribed authority.

→ Companies engaged in manufacture, having an in-house R&D centre. Weighted tax deduction of 200% under section 35 (2AB) of the Income Tax Act for both capital and revenue expenditure incurred on scientific research and development. (Expenditure on land and buildings are not eligible for deduction).



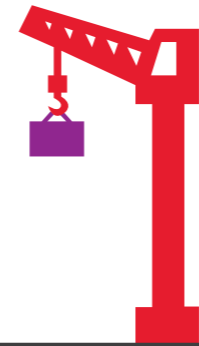
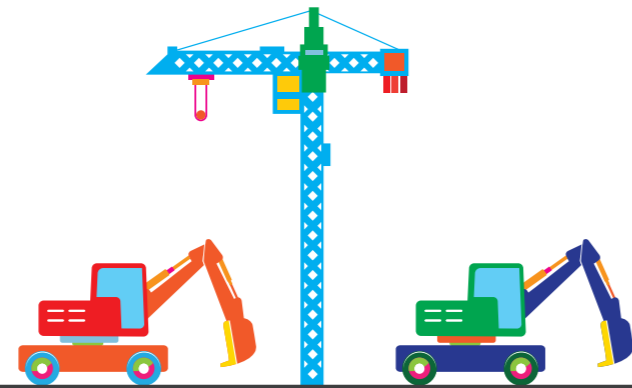
SECTOR POLICY

- Indian Railways Vision 2020.
- Participative Policy of December, 2012.



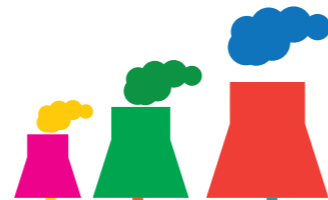
FOREIGN INVESTORS

- EMD (USA)
- GE (USA)
- Siemens (Germany)
- Alstom (France)



AGENCIES

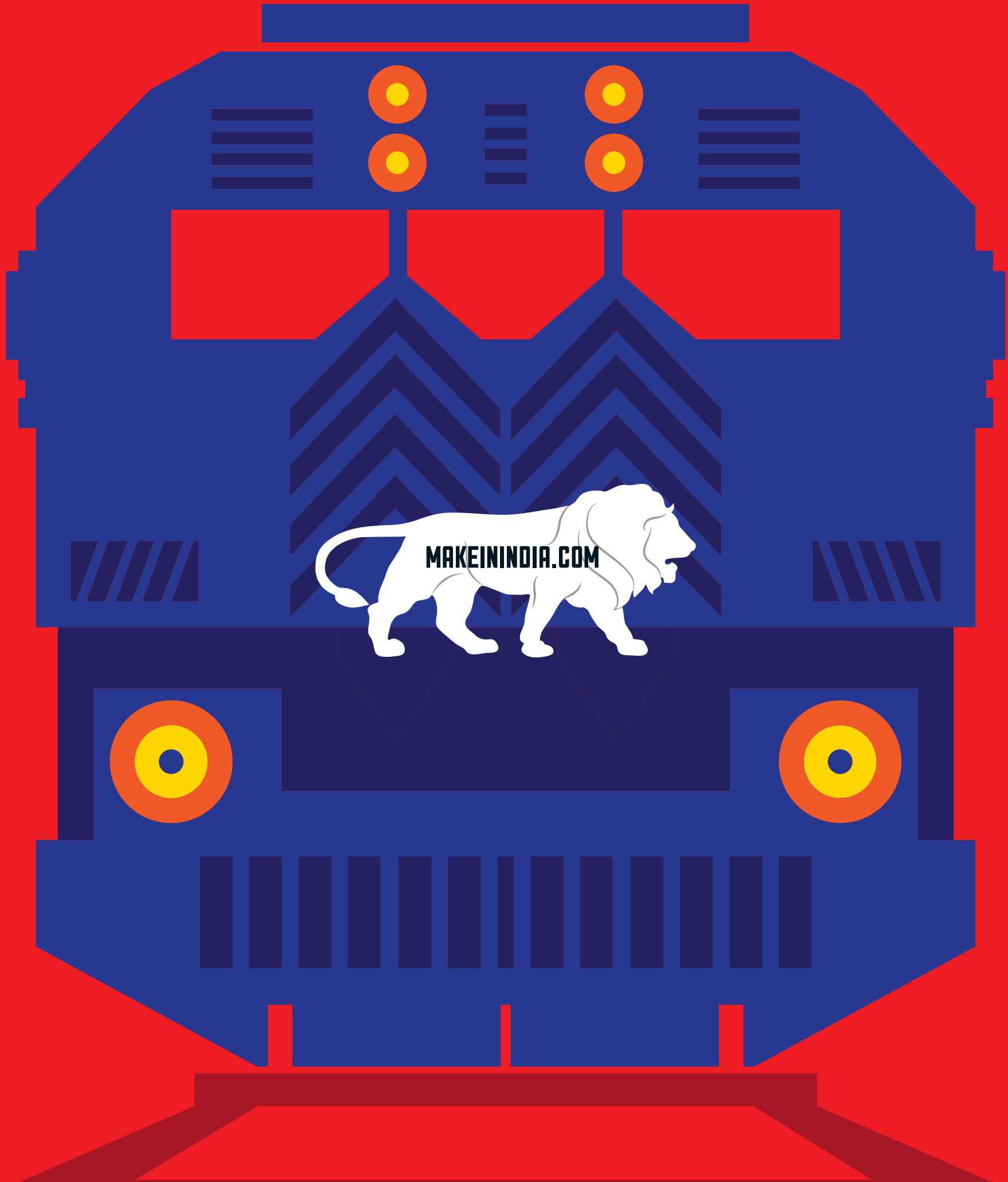
- Indian Railways (<http://indianrailways.gov.in>)
- Container Corporation of India Ltd. (<http://concorindia.com>)
- Dedicated Freight Corridor Corporation of India (<http://dfccil.org>)
- Rail Vikas Nigam Ltd. (<http://rvnl.org>)
- Railtel Corporation of India Ltd. (<http://railtelindia.com>)
- Rail India Technical and Economics Services Ltd.
- IRCON International Ltd.
- Rail Land Development Authority.
- Mumbai Railway Vikas Corporation Ltd.



सत्यमेव जयते

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