GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS

LOK SABHA
UNSTARRED QUESTION NO. 4104
TO BE ANSWERED ON 12.08.2026

MERGER OF KONKAN RAILWAY CORPORATION LIMITED

4104. SHRI KOTA SRINIVASA POOJARY:

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Government has repeatedly informed the Parliament that merger of Konkan Railway Corporation Limited (KRCL) with Indian Railways is possible only after participating State Governments relinquish equity stakes and if so, the details thereof;

(b) whether State Government of Karnataka has written multiple letters seeking an exit mechanism for relinquishing its equity in KRCL and if so, the details thereof along with those letters remain unanswered and the reasons for not responding;

(c) whether the similar exit request has been received from State Government of Maharashtra and if so, the details thereof including reply has been sent;

(d) whether the Third Financial Restructuring of KRCL includes dedicated funding for doubling of Konkan Railway line and if so, the details thereof; and

(e) whether the Government proposes to initiate merger of Konkan Railway with Indian Railways in view of three of four participating States having exited or expressed willingness to exit KRCL and if so, the details and timeline thereof and if not, the reasons therefor?

ANSWER

MINISTER OF RAILWAYS, INFORMATION & BROADCASTING AND ELECTRONICS & INFORMATION TECHNOLOGY

(SHRI ASHWINI VAISHNAW)

(a) to (e): Konkan Railway Corporation Limited (KRCL) was established in 1990 for construction of a 739 km line along the Western Coast from Roha (Maharashtra) to Thokur (Karnataka), connecting Mumbai to Mangalore, with

five shareholders, namely, Ministry of Railways, Government of Maharashtra, Government of Goa, Government of Karnataka and Government of Kerala. The present shareholding structure of KRCL is as under:-

SN	Name of Share holder	Shareholding in %
1	Government of India through Ministry of Railways	66.79
2	Government of Maharashtra	14.91
3	Government of Karnataka	10.17
4	Government of Goa	4.07
5	Government of Kerala	4.07

The infrastructure of KRCL, having become about 30 years old, requires substantial investment towards renewal/replacement of assets including rehabilitation of tunnels to ensure safety and also to increase capacity.

To meet this funding requirements, all shareholder State Governments were approached by the Ministry of Railways either to contribute towards the required capital expenditure in proportion to their shareholding or to relinquish their equity in favour of the Ministry of Railways.

In response, only the Government of Goa had agreed to transfer its shareholding to the Ministry of Railways.

The Government of Maharashtra has demanded reimbursement of its share capital contribution and the Government of Karnataka has sought various exit options.

However, the merger/integration of KRCL with Indian Railways is subject to KRCL becoming a 100% Central Government-owned entity through relinquishment/transfer of the equity held by the participating State

Governments. Such relinquishment/transfer is required to be dealt with in accordance with the Shareholding Agreement, which remains valid up to the date of discharge of all liabilities of the Corporation, and subject to requisite corporate, legal, administrative and other applicable approvals.

Out of the 739-route km of Konkan Railway jurisdiction, doubling of about 55 km between Roha-Veer and Madgaon-Majorda sections has already been completed. The work of preparation of feasibility survey for doubling of identified sections (263 km) to increase the capacity of route has been sanctioned.

The 3rd financial Restructuring of KRCL includes Capital restructuring and capex works related to safety, capacity augmentation, asset replacement and passenger amenities.

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