Indian Railways Attracts US$ 942 Million FDI Equity Inflows Over Last 11 Years, Including Under the Automatic Route, to Boost its Infrastructure

MoUs signed with Switzerland, Germany, Russia, and Spain for High-Speed Rail, Freight & Passenger Operations, and Advanced IT Solutions through Technical Collaborations

Backed by Domestic Manufacturing of Locomotives, Coaches, Wagons, Metro Cars, and Critical Components, Indian Railways' Exports Reach ₹26,000 Cr During Last 9 Years

Indian Railways Rolling Stocks Exported to Developed and Developing Countries Including USA, UK, Germany, Australia, Canada, France, Spain, Italy, Mozambique, Mexico, Bangladesh, Sri Lanka, and Romania

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As per the Government's FDI Policy Circular dated 15.10.2020, as amended from time to time, 100% FDI is permitted under the automatic route under the Railway Infrastructure sector. The permitted areas include construction, operation and maintenance of the following:-

- Suburban corridor projects through PPP,
- High speed train projects;
- Dedicated freight lines;
- Rolling stock including trainsets and locomotives/coaches manufacturing and maintenance facilities;
- Railway Electrification;
- Signalling systems;
- Freight Terminals;
- Passenger terminals;

- Infrastructure in industrial part pertaining to railway line/sidings including electrified railway lines and connectivity to main railway line; and
- Mass Rapid Transport Systems.

A total Foreign Direct Investment (FDI) equity inflow from 2014-15 to 2025-26 (upto December 2025) in Railway Sector is US$ 942 Million.

The Gross Budgetary Support (GBS) for capital investment in Railways was ₹29,055 Crore in 2013-14. In order to provide adequate support for network expansion, rolling stock augmentation, safety improvement, passenger amentities, road safety works and technology upgradation, Government of India consistently augmented the Gross Budgetary Support (GBS) every year and for 2026-27, ₹2.78 lakh crore has been allocated. Adequate domestic funding has helped the Indian Railway sector to invest more in infrastructure and technology in order to compete with the global market.

Further, as an ongoing process of International technical collaboration, Ministry of Railways has signed Memorandums of Understanding (MoUs) with Switzerland, Germany, Russia, Spain etc. The MoU has been signed for technical cooperation in the areas of Freight and Passengers operations (Multimodal transport), High-Speed rail development, and IT solutions for railway operations and for administrative purposes, Predictive Maintenance of Assets etc.

Export to other countries

Over the past decade, India has developed a strong and diversified railway manufacturing eco-system comprising of Indian Railways' Production Units and Industry base.

Presently, Industry manufactures almost the entire range of railway rolling stocks such as locomotives, passenger coaches, wagons and critical components such as Traction motors, Gear Boxes, Motorized Bogies, Traction transformers, Metro cars, Propulsion system, Traction and Auxillary converters, Cable harness, Electronic cards, Magnetics etc. in India.

These items are exported to both developed as well as developing countries such as Australia, Canada, United Kingdom, USA, France, Germany, Mozambique, Mexico, Bangladesh, Sri Lanka, Romania, Spain and Italy etc.

With this supportive eco-system in place, during 2016-17 to 2025-26 (upto January 2026), total value of exports in Railway sector from India has reached US$ 3355 Million (~₹26,000 cr.).

This information was provided by the Union Minister for Railways, Information & Broadcasting and Electronics & Information Technology, Shri Ashwini Vaishnaw, in a reply to a question in Lok Sabha today.

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