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Russian Railways Gets $1.2 Billion From State for Investment Projects

By The Moscow Times

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Russian Railways currently has a charter capital of 1.97 trillion rubles.

The Russian government will increase the charter capital of state railroad monopoly Russian Railways by 64.3 billion rubles ($1.2 billion) to help the giant corporation carry out a series of investment projects, the government said in a statement Tuesday.

Russian Railways, the country's largest employer with a workforce of more than 1 million people, currently has a charter capital of 1.97 trillion rubles ($37 billion), meaning it will now rise by 3 percent to 2.03 trillion rubles ($38.1 billion), the Prime news agency reported.

Of the extra capital, 16.9 billion rubles ($316 million) will go to modernizing the century-old Trans-Siberian Railroad and its tributary, the Baikal-Amur Mainline, the statement said.

Another 19.3 billion rubles ($362 million) will be used for developing public transport in the Moscow region. Others projects on the list include the construction of a high-speed railway

between Moscow and Kazan.

Russian Railways warned the government in March that it would need 460 billion rubles ($8.6 billion) in state subsidies through 2020 to avoid net losses that could force the company to cut its investment program, the Vedomosti newspaper reported, citing a copy of a letter from the company.

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