



## **INFRASTRUCTURE INDUSTRY AND LOGISTICS FEDERATION OF INDIA**

### **Press Release**

#### **Rail Budget Innovative and Forward Looking - ILFI**

**New Delhi, Thursday 26<sup>th</sup> February, 2015:** The innovative and forward looking Railway Budget 2015-16 will bring in a waft of fresh air in the working of railways and can be a major tool for transforming the India's mammoth railway network into a modern, profitable and a financially viable entity, according to Dr Mahesh Y Reddy, Director General, Infrastructure Industry and Logistics Federation of India (ILFI).

While complimenting the Railway Minister Shri Suresh Prabhu for coming up with a Budget that refrained from increasing the passenger and freight fares, Dr Reddy opined that the 11 thrust areas that are highlighted can address the malaise that are being faced by the railways. "Focus on passenger amenities, induction of newer technologies, digitization, automation, security, innovative ways of revenue generation, capacity augmentation and most importantly structures to ensure transparency and accountancy are welcome steps that can give a critical push to the operations of the railways and empower it to overcome some of the legacy problems," he added.

One important factor that stands out was the rapt attention in which both opposition and treasury benches listened to the Budget, without any interruption whatsoever. "The development agenda is discernible and praiseworthy and the business-like manner in which he started implementing the projects in hand in the last five months or so since he has taken over as the minister is a standing testimony to his professionalism and arduous manner he is chasing the development agenda," Dr Reddy averred.

Welcoming the slew of measures proposed in the Budget to tone up the railway network including the setting up of Transport Logistics Corporation of India to provide logistics solutions to railways, Dr Reddy opined that never before railways have given such importance to application of information technology for enhancing passenger amenities, toning up the public private partnership and improving the financial viability of the railway network. "Powerful message given out by the minister that railways should be the most powerful physical and cultural link to progress and how that will act as a catalyst for fulfillment of Make in India, Digital India and financial inclusion programs is powerful and laudatory," Dr Reddy observed.

Having regard to the fact that the Railway Minister has not increased the fare –passenger and freight- in the Budget, it is becoming increasingly clear that the railways have to depend on internal resource generation by better performance and cost cutting and tapping pension funds, bilateral and multilateral resources to finance the projects. “ Basic to this is the need for speedy implementation of the projects such as corporatization, freight corridors, gauge conversions, augmenting wagon utilization and pressing new ones into service etc.” he said. Also, somewhere down the line the minister will have to take a call on new trains to be introduced, after due review of the existing projects, he added.

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