

Rail Budget 2016-17

Press Note

The Rail Budget presented today is clearly aimed at expanding and strengthening the infrastructure and leveraging technology for all round growth.

Texmaco Rail and its subsidiaries, Kalindee and Bright Power, would be significant beneficiaries of the thrust in the Budget in stepping up the commissioning of New Tracks and increased outlay on Railway Electrification by almost 50%. The plan to accelerate the target of laying new lines from an average of 4.3 km/day in last 6 years to 7 km/day in FY '17, 13 km/day in FY '18, and 19 km/day in FY '19, would serve in a big way to de-congest the rail routes and meet the challenge of rail movement picking up to cope with the projected GDP growth. The proposal to introduce time-tabled freight trains will also remove the uncertainties attending the freight movement by train.

The Rail Minister must be complimented for his aggressive bid to reclaim the freight market share thru a series of measures including Railway Logistics push, new freight policies and a full-fledged market study for expanding the freight basket. The planned progressive utilization of 25T Axle load wagons (*against current 22.9 T*) will increase throughput and materially contribute to the economy of operations. Texmaco has already taken the lead in development of 25T Axle load bogie, supported by its state-of-the-Art world class Steel Foundry.

The opening up of leasing of General Purpose Wagons, which was hitherto not permitted, will substantially benefit the wagon industry and the users, especially, companies like Texmaco which have already entered the Lease Financing operation in joint venture with a leading French company.

Importantly, having taken a very positive direction, the Minister has also addressed pragmatically the dire need of raising the requisite funds to execute the projects on time. There are a number of proposals in this regard, such as, monetizing the assets to raise non-tariff revenues, setting up a fund with multi lateral assistance, joint ventures with States to open new vistas for ownership, LIC investment of Rs.1.5 lakh crore over 5 years and other innovative measures.

The Prime Minister's vision is indeed promising to bring '*achhe din*' for Railways.



D. H. Kela
Executive Director

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