



## V. INFRASTRUCTURE

### Railways:

- Railways, roads and rivers are the lifeline of the country. We are now in a position to **synergise the investments in railways, roads, waterways and civil aviation.**
- For 2017-18, the total capital and development expenditure of Railways has been pegged at ` 1,31,000 crores. This includes ` 55,000 crores provided by the Government.
- Among other things, the Railways will focus on four major areas, namely :
  - Passenger safety;
  - Capital and development works;
  - Cleanliness; and
  - Finance and accounting reforms.
- **For passenger safety, a *Rashtriya Rail Sanraksha Kosh*** will be created with a corpus of ` 1 lakh crores over a period of 5 years. Besides seed capital from the Government, the Railways will arrange the balance resources from their own revenues and other sources.
- Unmanned level crossings on Broad Gauge lines will be eliminated by 2020.
- Expert international assistance will be harnessed to improve safety preparedness and maintenance practices.
- In the next 3 years, the throughput is proposed to be enhanced by 10%. This will be done through modernization and upgradation of identified corridors.
- Railway lines of 3,500 kms will be commissioned in 2017-18, as against 2,800 kms in 2016-17. Steps will be taken to launch dedicated trains for tourism and pilgrimage.
- Railways have set up joint ventures with 9 State Governments. 70 projects have been identified for construction and development.
- A beginning has been made with regard to station redevelopment. At least 25 stations are expected to be awarded during 2017-18 for station redevelopment. 500 stations will be made differently abled friendly by providing lifts and escalators.
- It is proposed to feed about 7,000 stations with solar power in the medium term. A beginning has already been made in 300 stations. Works will be taken up for 2,000 railway stations as part of 1000 MW solar mission.
- Our focus is on swachh rail. SMS based ***Clean My Coach Service*** has been started. It is now proposed to introduce '**Coach Mitra**' facility, a single window interface, to register all coach related complaints and requirements.
- By 2019, all coaches of Indian Railways will **be fitted with bio toilets**. Pilot plants for environment friendly disposal of solid waste and conversion of biodegradable waste to energy are being set up at New Delhi and Jaipur railway stations.

- Transformative measures have to be undertaken to make Indian Railways competitive to retain their position of pre-eminence. The following steps will therefore be taken :
  - Railways will implement end to end integrated transport solutions for select commodities through partnership with logistics players, who would provide both front and back end connectivity.
  - Rolling stocks and practices will be customized to transport perishable goods, especially agricultural products.
- Service charge on e-tickets booked through IRCTC has been withdrawn. Cashless reservations have gone up from 58% to 68%.
- As part of accounting reforms, accrual based financial statements will be rolled out by March 2019.
- It will be our continuous endeavour **to improve the Operating Ratio of the Railways**. The tariffs of Railways would be fixed, taking into consideration costs, quality of service, social obligations and competition from other forms of transport.
- Metro rail is emerging as an important mode of urban transportation. A new Metro Rail Policy will be announced with focus on **innovative models of implementation** and financing, as well **as standardization and indigenization of hardware and software**. This will open up new job opportunities for our youth.
- A new Metro Rail Act will be enacted by rationalizing the existing laws. This will facilitate greater private participation and investment in construction and operation.

#### Road Sector:

- In the road sector, I have stepped up the Budget allocation for highways from ` 57,976 crores in BE 2016-17 to ` 64,900 crores in 2017-18. 2,000 kms of coastal connectivity roads have been identified for construction and development.
- This will facilitate better connectivity with ports and remote villages. The total length of roads, including those under PMGSY, built from 2014-15 till the current year is about 1,40,000 kms which is significantly higher than previous three years.
- An effective multi modal logistics and transport sector will make our economy more competitive. A specific programme for development of multi-modal logistics parks, together with multi modal transport facilities, will be drawn up and implemented.
- Select airports in Tier 2 cities will be taken up for operation and maintenance in the PPP mode. Airport Authority of India Act will be amended to enable effective monetization of land assets. The resources, so raised, will be utilized for airport upgradation.

#### Telecom and Digital India Mission:

- For transportation sector as a whole, including rail, roads, shipping, I have provided ` 2,41,387 crores in 2017-18.
- Telecom sector is an important component of our infrastructure eco system. The recent spectrum auctions have removed spectrum scarcity in the country. This will

give a major fillip to mobile broadband and Digital India for the benefit of people living in rural and remote areas.

- Under the **BharatNet Project**, OFC has been laid in 1,55,000 kms.
- A DigiGaon initiative will be launched to provide tele-medicine, education and skills through digital technology.
- For strengthening our Energy sector, Government has decided to set up Strategic Crude Oil Reserves. In the first phase, 3 such Reserves facilities have been set up. Now in the second phase, it is proposed to set up caverns at 2 more locations, namely, Chandikhole in Odisha and Bikaner in Rajasthan.
- In solar energy, we now propose to take up the second phase of Solar Park development for additional 20,000 MW capacity.

#### Electronic Manufacturing:

- We are also creating an eco-system to make India a global hub for electronics manufacturing. Over 250 investment proposals for electronics manufacturing have been received in the last 2 years, totalling an investment of ` 1.26 lakh crores.
- We have to focus on our **export infrastructure** in a competitive world.
- A new and restructured Central scheme, namely, Trade Infrastructure for Export Scheme (**TIES**) will be launched in 2017-18.
- The total allocation for infrastructure development in 2017-18 stands at `3,96,135 crores.

## VI. FINANCIAL SECTOR

- I now turn to the Financial Sector. The focus of TEC India agenda in this sector is on building stable and stronger institutions. We will continue with our reform agenda with several new measures.
- Our Government has already undertaken substantive reforms in FDI policy in the last two years. More than 90% of the total FDI inflows are now through the automatic route.
- The Foreign Investment Promotion Board (FIPB) has successfully implemented e-filing and online processing of FDI applications. FIPB can now be phased out. We have therefore decided to abolish the FIPB in 2017-18.
- The Commodities markets require further reforms for the benefits of farmers. An expert committee will be constituted to study and promote creation of an operational and legal framework to integrate spot market and derivatives market for commodities trading. e-NAM would be an integral part of such framework.
- The draft bill to curtail the menace of illicit deposit schemes has been placed in the public domain and will be introduced shortly after its finalization. There is an urgent need to protect the poor and gullible investors from another set of dubious schemes, operated by unscrupulous entities who exploit the regulatory gaps in the Multi State Cooperative Societies Act, 2002. This Act will be amended in consultation with various stakeholders, as part of our 'Clean India' agenda.
- The bill relating to resolution of financial firms will be introduced in the current Budget Session of Parliament. This will contribute to stability and resilience of our financial system. It will also protect the consumers of various financial institutions.

- Together with the Insolvency and Bankruptcy Code, a resolution mechanism for financial firms will ensure comprehensiveness of the resolution system in our country.
- A streamlined institutional arrangements for resolution of disputes in infrastructure related construction contracts, PPP and public utility contracts. After extensive stakeholders' consultations, we have decided that the required mechanism would be instituted as part of the Arbitration and Conciliation Act 1996. An amendment Bill will be introduced in this regard.
- Cyber security is critical for safeguarding the integrity and stability of our financial sector. A Computer Emergency Response Team for our Financial Sector (CERT-Fin) will be established. This entity will work in close coordination with all financial sector regulators and other stakeholders.
- Listing of Public Sector enterprises will foster greater public accountability and unlock the true value of these companies. The Government will put in place a revised mechanism and procedure to ensure time bound listing of identified CPSEs on stock exchanges. The disinvestment policy announced by me in the last budget will continue.
- The shares of Railway PSEs like IRCTC, IRFC and IRCON will be listed in stock exchanges.
- We see opportunities to strengthen our CPSEs through consolidation, mergers and acquisitions. By these methods, the CPSEs can be integrated across the value chain of an industry.
  - a) It will give them capacity to bear higher risks, avail economies of scale, take higher investment decisions and create more value for the stakeholders. Possibilities of such restructuring are visible in the oil and gas sector.
- An integrated public sector 'oil major' which will be able to match the performance of international and domestic private sector oil and gas companies.
- Our ETF, comprising shares of ten CPSEs, has received overwhelming response in the recent Further Fund Offering (FFO). We will continue to use ETF as a vehicle for further disinvestment of shares. Accordingly, a new ETF with diversified CPSE stocks and other Government holdings will be launched in 2017-18.
- The focus on resolution of stressed legacy accounts of Banks continues. The legal framework has been strengthened to facilitate resolution, through the enactment of the Insolvency and Bankruptcy Code and the amendments to the SARFAESI and Debt Recovery Tribunal Acts.
- Listing and trading of Security Receipts issued by a securitization company or a reconstruction company under the SARFAESI Act will be permitted in SEBI registered stock exchanges. This will enhance capital flows into the securitization industry and will particularly be helpful to deal with bank NPAs.
- The *Pradhan Mantri Mudra Yojana* has contributed significantly to funding the unfunded and the underfunded. Priority will be given to Dalits, Tribals, Backward Classes, Minorities and Women.

- The Stand Up India scheme was launched by our Government in April 2016 to support Dalit, Tribal and Women entrepreneurs to set up greenfield enterprises and become job creators.
- a) Over 16,000 new enterprises have come up through this scheme in activities, as diverse as food processing, garments, diagnostic centres, etc.

## VII. DIGITAL ECONOMY

- Promotion of a digital economy is an integral part of Government's strategy to clean the system and weed out corruption and black money.
- It has a transformative impact in terms of greater formalization of the economy and mainstreaming of financial savings into the banking system.
- This, in turn, is expected to energize private investment in the country through lower cost of credit. India is now on the cusp of a massive digital revolution.
- A shift to digital payments has huge benefits for the common man. The earlier initiative of our Government **to promote financial inclusion and the JAM trinity** were important precursors to our current push for digital transactions.
- Already there is **evidence of increased digital transactions**. The BHIM app has been launched. It will unleash the power of mobile phones for digital payments and financial inclusion.
  - 125 lakh people have adopted the BHIM app so far. The Government will launch two new schemes to promote the usage of BHIM; these are, Referral Bonus Scheme for individuals and a Cashback Scheme for merchants.
- Aadhar Pay, a merchant version of Aadhar Enabled Payment System, will be launched shortly. This will be specifically beneficial for those who do not have debit cards, mobile wallets and mobile phones.
  - A Mission will be set up with a target of 2,500 crore digital transactions for 2017-18 through UPI, USSD, Aadhar Pay, IMPS and debit cards. Banks have targeted to introduce additional 10 lakh new PoS terminals by March 2017. They will be encouraged to introduce 20 lakh Aadhar based PoS by September 2017.
- Increased digital transactions will enable small and micro enterprises to access formal credit. Government will encourage SIDBI to refinance credit institutions which provide unsecured loans, at reasonable interest rates, to borrowers based on their transaction history.
- The **digital payment infrastructure** and grievance handling mechanisms shall be strengthened. The focus would be on rural and semi urban areas through Post Offices, Fair Price Shops and Banking Correspondents. Steps would be taken to promote and possibly mandate petrol pumps, fertilizer depots, municipalities, Block offices, road transport offices, universities, colleges, hospitals and other institutions to have facilities for digital payments, including BHIM App.
- Government will consider and work with various stakeholders for early implementation of the interim recommendations of the **Committee of Chief Ministers on digital transactions**.

- The **Committee on Digital Payments** constituted by Department of Economic Affairs has recommended structural reforms in the payment eco system, including amendments to the **Payment and Settlement Systems Act, 2007**. Government will undertake a comprehensive review of this Act and bring about appropriate amendments. To begin with, it is proposed to create a **Payments Regulatory Board in the Reserve Bank of India** by replacing the existing Board for Regulation and Supervision of Payment and Settlement Systems. Necessary amendments are proposed to this effect in the Finance Bill 2017.

## VIII. PUBLIC SERVICE

- We have made a strong beginning with regard to **Direct Benefit Transfer (DBT) to LPG and kerosene consumers**. Chandigarh and eight districts of Haryana have become kerosene free. 84 Government schemes have also boarded on the DBT platform.
- The Government e-market place which is now functional for procurement of goods and services, has been selected as one of the winners of the South Asia Procurement Innovation Awards of the World Bank.
- Our citizens in far flung regions of the country find it difficult to obtain passports and redress passport related grievances. We have decided to utilise the Head Post Offices as front offices for rendering passport services.
- A Centralized Defence Travel System has now been developed through which travel tickets can be booked online by our soldiers and officers. They do not have to face the hassle of standing in queues with railway warrants.
- A comprehensive web based interactive Pension Disbursement System for Defence Pensioners will be established. This system will receive pension proposals and make payments centrally. This will reduce the grievances of defence pensioners.
- At present our citizens, especially those belonging to the poor and unprivileged sections, go through cumbersome procedures of Government recruitment. There are multiplicity of agencies and examinations. We propose to introduce a system of single registration and two tier system of examination.
- Over the years, **the number of tribunals have multiplied with overlapping functions**. We **propose to rationalize the number of tribunals and merge tribunals wherever appropriate**.
- We will also commemorate the centenary year of *Champaran Satyagrah* this year. Government of India will support Government of Gujarat to commemorate 100 years of Sabarmati Ashram in 2017, in a befitting manner. 200 years ago in 1817, a valiant uprising of soldiers led by Buxi Jagabandhu took place in Khordha of Odisha. We will commemorate the same appropriately.