

1. **Discuss the prospects & challenges in adopting an integrated multimodal transportation system in India with reference to government initiatives in this regard.**

**Answer:**

Integrated Multimodal Transportation System (IMTS) serves to interconnect different modes of transport – road, rail, air, water – seamlessly and therefore improve efficiency and speed of goods and passengers movement.

Government has come up with ambitious multi-modal programme which includes development of 35 multi-modal logistics parks, 50 economic corridors and involving states and private sector for setting up Special Purpose Vehicles for implementation.

Other initiatives such as the GST, „Infrastructure“ status to logistics sector, Sagarmala Project, Bharatmala Project, Setu Bharatam etc. will give an impetus to IMTS.

**Prospects of IMTS in India**

- Geographical position of India gives it the potential to emerge as a transit hub.
- Rapid urbanization, focus on Smart Cities and rising freight and passenger traffic.
- Inflow of FDIs in infrastructure sector.
- Renewed focus on modernizing railways, development of ports and inland navigation.
- Industrialisation and development of ancillary industries.

**Nevertheless, the adoption of IMTS faces following challenges in India:**

- Fragmented and unorganized logistics industry, with large number of fleet operators and warehouses, deploying small capacities and poor technologies.
- Bureaucratic hurdles in coordination among various government agencies and Ministries. IMTS requires coordinated planning at multiple levels and amongst various departments.
- Poor quality roads and hindrances in inter-state movement.
- High railway freight tariffs due to cross-subsidization with passenger trains.
- Absence of integrated cargo infrastructure in air freight.
- Inefficient and time-consuming loading-unloading at ports and poor connectivity between ports and hinterland.
- Delays in project completion – leading to subdued participation of private players, and rising NPAs of banks.

In order to put India on a faster growth trajectory, the above-mentioned challenges should be addressed by proactive implementation of government’s initiatives and international agreements like TIR, TFA and TiSA and incentivizing participation of states and private sector towards the cause of IMTS.

## **PRACTICE QUESTIONS**

### **Answer the following Questions**

1. Contract farming can help in the expansion of organized food processing industry in India by strengthening backward linkages. Comment. What changes are required in the existing regulatory structure to address issues related to contract farming in India ?
2. In view of the direct link between tenure security and food security, there is need for a conducive legal framework for land rights in India. Discuss.