

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS

RAJYA SABHA
UNSTARRED QUESTION NO. 1368
ANSWERED ON 02.08.2024

DECLINE IN FREIGHT TRAFFIC

1368 SHRI K.R. SURESH REDDY:

Will the Minister of RAILWAYS be pleased to state:

(a) whether Government has taken note of the fact that since 1951, the railway sector's share as a transporter of freight traffic has declined from 86.2 percent to 27 percent at present;

(b) if so, the details of the remedial steps that are proposed to be taken by Government keeping in view that the country's logistics sector is required to grow by 25 per cent to meet the traffic requirement of moving goods; and

(c) the initiatives taken by Government to ensure greater transparency in the operations of the Dedicated Freight Corridors (DFCs) in order to build trust with logistics providers and shippers?

ANSWER

MINISTER OF RAILWAYS, INFORMATION & BROADCASTING AND
ELECTRONICS & INFORMATION TECHNOLOGY

(SHRI ASHWINI VAISHNAW)

(a) to (c) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF UNSTARRED QUESTION NO. 1368 BY SHRI K.R. SURESH REDDY ANSWERED IN RAJYA SABHA ON 02.08.2024 REGARDING DECLINE IN FREIGHT TRAFFIC

(a) & (b) The railway freight volume (FY 2023-24) has increased 22 times since 1951. To create a 'future ready' railway system, Indian Railways have prepared the National Rail Plan (NRP). It aims to formulate strategies based on both operational capacities and commercial policy initiatives to increase railway modal share to 40-45%. The objective of the Plan is to "create capacity ahead of demand", which in turn would cater to the future growth in the transport sector upto 2050. NRP aims to make Indian Railways more efficient, cheaper, safer, greener and of global standard. The National Rail Plan mainly focuses on:

- (i) Estimation of rail freight share, demand forecast, rail network demand, capacity utilization and identification of bottlenecks; Reduction in transit time of freight by increasing the average speed of freight trains.
- (ii) Identification of future Dedicated Freight Corridors, High Speed Rail Corridors, High Density Networks and Highly Utilized Networks.
- (iii) Assessment of rolling stock and locomotives requirements for passenger and freight traffic and the total investment in capital.

In addition, the following steps have been taken to enhance traffic on Indian Railways:

- (i) Liberalized investment schemes (General-Purpose Wagon Investment Scheme, Liberalized Special Freight Train Operator scheme, Automobile Freight Train Operator) in wagons have been launched for induction of more wagons in the rail system.
- (ii) 'Gati Shakti Multi- Modal Cargo Terminal (GCT)' policy has been launched to develop freight terminals and increase cargo. 83 such terminals have been commissioned since policy launch in Dec 2021.
- (iii) To facilitate cargo aggregation and thereby, expand the commodity basket, a new transportation product "Cargo Aggregator Transportation Product" has been introduced.
- (iv) To encourage short lead traffic, concessions are being provided under the "Merry-Go-Round" (MGR) policy. Discount schemes for bagged consignments in open and flat wagons have been launched. Shortlead (90 km) concession scheme has been launched.

Rationalization of freight rates for automobile traffic has been done to promote transportation of automobiles by Rail. Charging of Special Haulage Rate for Bulk Cement (Cement in loose form) has been initiated.

(v) Freight booking, charging, payment, tracking of consignment, wharfage, demurrage, refund all processes have been computerized to make the freight booking easier and accessible.

(c) In order to ensure greater transparency and build trust with logistics providers and shippers, Dedicated Freight Corridors (DFCs) Corporation limited has initiated the following actions:

(i) All goods and parcel are being booked and allotted online on DFC routes are open to all customers on indent basis through Freight Operation Information System, Terminal Management System and Parcel Management System of Indian Railways.

(ii) Allotment of terminal development under Gati Shakti Multimodal Cargo Terminal policy is done through online portal “Indian Railways E-Procurement System” to the prospective bidders.
