

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAJYA SABHA
UNSTARRED QUESTION NO. 2508
ANSWERED ON 13.03.2026

DIVERSIFICATION OF FREIGHT REVENUE IN RAILWAYS

2508 SMT. SUDHA MURTY:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether Government has reviewed the evolving freight revenue profile in light of changing energy patterns in view of freight operations contributing around two-thirds of Railway revenue and coal accounting for nearly half of freight earnings;
- (b) the steps being taken to diversify freight revenue by increasing the share of non-coal commodities, including containerised cargo and other non-bulk goods; and
- (c) the measures proposed to strengthen alternative revenue streams to ensure the long- term financial sustainability of Railways in the context of India's energy transition and climate commitments?

ANSWER

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

(SHRI ASHWINI VAISHNAW)

(a) to (c): The Government is continuously reviewing the evolving freight revenue profile in the context of global energy transitions and India's climate commitments. Recognizing the significant contribution of coal to current earnings, Indian Railways (IR) has adopted a multi-pronged strategy to diversify its commodity basket and ensure long-term financial sustainability. Various measures like "Bulk Cement Terminal Policy" for facilitating Bulk Cement transportation have been introduced to reduce the dependence on Coal traffic. Several pilot projects such as "Assured transit train service", "Door to Door" logistic services at Sonik Goods Shed (SIC) and "Door to Door" parcel service have also been introduced to further strengthen the revenue share of container cargo.

Further, to diversify and strengthen freight revenue Indian Railways has taken several measures during the last few years which includes:

- To increase the network capacity, rail network expansion has been taken up in a big way by construction of new lines, multi tracking of existing lines and gauge conversion of existing lines. The details of new tracks laid during the 10 years are as under:

| Period | New Tracks Commissioned |
|---------|-------------------------|
| 2009-14 | 7,599 km |
| 2014-25 | 34,428 km |

Further as on 01.04.25, there are 431 (154 New Line, 33 Gauge Conversion and 244 Doubling) projects sanctioned. The summary of which is as under:

| Category | No. of Projects | Total Length (km) | Length completed till Mar'25 | Balance length (Km) | Cost (Cr.) |
|-------------------------|-----------------|-------------------|------------------------------|---------------------|------------|
| New lines | 154 | 16,142 | 3,036 | 13,105 | 3,77,389 |
| Gauge conversion | 33 | 4,180 | 2,997 | 1,183 | 43,820 |
| Doubling/Multi tracking | 244 | 15,644 | 6,736 | 8,909 | 2,53,711 |
| Total | 431 | 35,966 | 12,769 | 23,197 | 6,74,920 |

- Removing bottlenecks in operations by yard remodeling, construction of bypass/chord lines, rail flyovers etc.
- The construction of Eastern Dedicated Freight Corridor (EDFC) from Ludhiana to Sonnagar (1337 Km) and Western Dedicated Freight Corridor (WDFC) from Jawaharlal Nehru Port Terminal (JNPT) to Dadri (1506 Km) has been taken up. Out of total 2843 kms, 2741 route kms (96.4%) has been commissioned and operational.
- Indian Railways has taken up electrification of Railway lines in a mission mode. So far, about 99.4% of Broad Gauge (BG) network has been electrified. A comparison of electrification before and after 2014 is as follows:

| Period | Route Kilometre |
|---------------------------|-----------------|
| Before 2014 | 21,801 |
| 2014-26 (upto 01.03.2026) | 47,966 |

- Procurement of Wagons and Locomotives: To increase freight carrying capacity, large numbers of IR wagons have been procured and locomotives have been manufactured. During 2014 to 2025, about 2 lakh wagons have been procured and more than 10,000 locomotives have been added for increasing freight loading and mobility.
- Industry participation in investment in General Purpose Wagons, Special Purpose/High- Capacity wagons and Automobile carrier wagons for cement, oil, steel, fly-ash, automobile etc. By the FY 2024-25, around 240 rakes of special purpose wagons, 374 rakes of general-purpose, wagons and 48 rakes of automobile wagons have been inducted.
- Under the 'Gati Shakti Multi-Modal Cargo Terminal (GCT)' policy so far, 128 new GCTs have been commissioned, with an estimated traffic capacity of 198 million tonnes per annum (MTPA). In addition, for improvement of freight and parcel terminals from the financial year 2023-24 onwards, an amount of ₹14,500 crore has been allocated.
- Ensuring increased availability of rakes/wagons against demand.
- Increasing the loadability for carrying additional traffic per wagon. Length of freight trains has also been increased to increase throughput per train.
- Use of Information Technology in freight operations to improve monitoring and utilization of assets.
- Induction of higher horsepower locomotives.
- Improvement in maintenance practices of wagons and locomotives resulting in increased availability of loco and rolling stock for traffic use.
- Improvement in track and signaling standards to carry higher volume of traffic.
- Training of staff and officers to adopt the new technology and management practices.

Because of the above measures, the freight loading has increased from 1,233 MT in 2020-21 to 1617 MT in 2024-25. During 2024-25, IR has transported 1617 MT thus becoming second largest freight carrying Railways in the world.

Further, Indian Railway has taken various steps to promote the improvement of freight segment through freight rationalization, adoption of various freight incentive schemes for transportation of bulk and small cargo & various concession and services. Some of them are as under:

- Introduction of Gross Tonne Kilometer based haulage rate for Bulk Cement in Tank Containers,
- Cargo Aggregator Transportation Product to promote Fast- Moving Consumer Goods (FMCG), White Goods, Electronics, Automotive Components, etc.,

- Liberalised Automatic Freight Rebate Scheme in Traditional Empty Flow Directions,
- Concession on Short lead traffic,
- Discount in freight to Fly Ash /Bed Ash traffic booked in Open/flat Stock & covered wagons,
- Rationalisation of Haulage rate of Automobile traffic,
- Promotion of Bamboo Traffic in North Eastern Region by granting exemption from levy of Busy Season Charge (BSC).
- To enhance the capacity of the automobile stock, various new wagons have been introduced such as ACT 1, ACT 2, ACT 3, NMGHS, etc.
- Discount on empty haulage of containers transporting Chemical Gypsum and Tiles traffic,
- Classification of new commodities such as Potassium Sulphate, Ammonium Bicarbonate Food Grade, RUF Pitch, Liquefied Isobutylene, Liquefied Ethane, etc.
