GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS

LOK SABHA
UNSTARRED QUESTION NO. 5344
TO BE ANSWERED ON 25.03.2026

RAILWAY FREIGHT SERVICES

5344. SHRI SRIBHARAT MATHUKUMILLI:

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Government has assessed that existing freight tariffs, booking rules, service rigidity and reliability issues of Railways affect the last mile connectivity cost, predictability and competitiveness for shippers, transporters and MSMEs and if so, the details thereof;

(b) whether these factors has led to a growing preference for road transport despite higher costs, thereby increasing logistics burdens on businesses and if so, the details thereof;

(c) the steps taken/being taken by the Government to make rail cargo more shipper-friendly including tariff rationalisation, small-lot and single-wagon services, time-tabled freight operations and use of parcel vans for general cargo;

(d) whether any performance benchmarks/service-level assurances are proposed for freight customers and if so, the details thereof; and

(e) the impact of these measures expected on logistics costs, modal shift and ease of doing business?

ANSWER

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

(SHRI ASHWINI VAISHNAW)

(a) to (e) Railways are environment friendly, cost competitive and energy-efficient mode of transportation, yielding substantially lower CO2 emissions in transportation as compared to transportation by road. The difference in CO2 emissions between Rail and Road is as under:

Mode of transportation	CO2 emission per tonne per Km
Road	101 gm
Rail	11.5 gm (about 89% less)

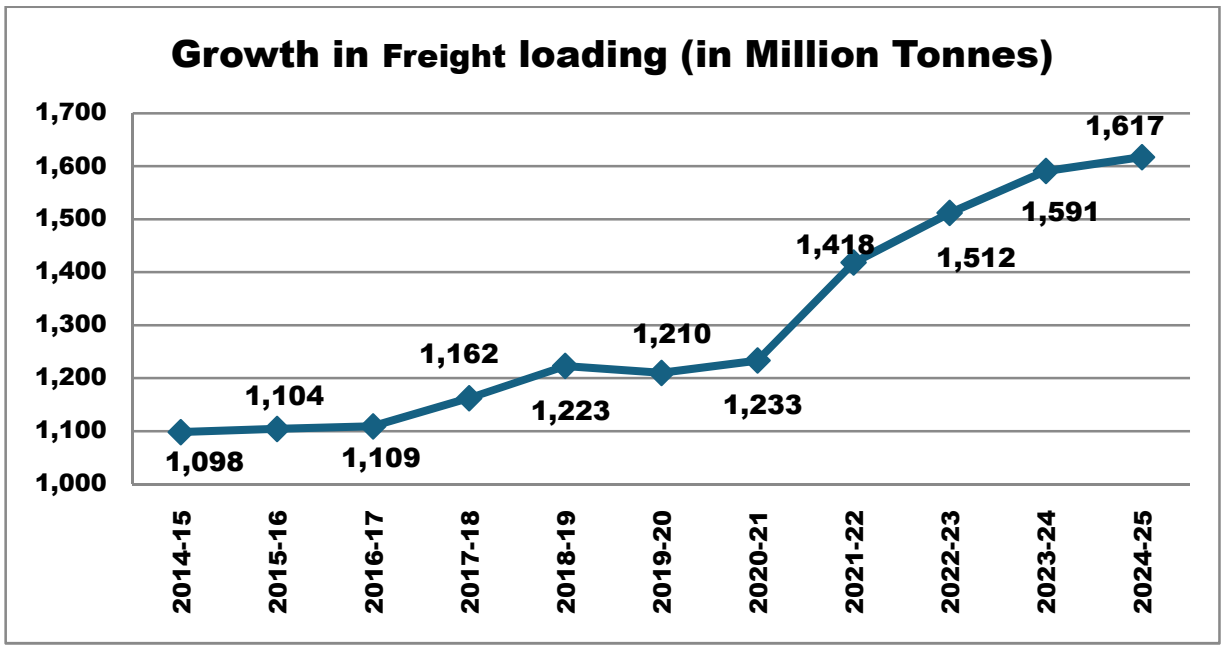
Ref: - NITI Aayog Report titled "Fast Tracking Freight in India, June 2021"

Shifting of one million metric tonne (MMT) of cargo from road to rail reduces the carbon emission by about 5.37 Crore Kg. During the period from 2014 to 2025, about 562 MMT freight has shifted to Railways which corresponds to reduction in carbon emission amounting to about 3,018 crore kg.

Further, Railway is also cost efficient mode of transportation with an average cost of ₹1.96 per tonne per kilometer which is significantly lower than road where the logistics cost is around ₹3.78 per tonne per kilometer. (*Ref: NCAER report titled "Assessment of Logistics Cost in India, September 2025" instituted by DPIIT, Ministry of Commerce and Industries*)

Indian Railway has taken several measures during the last few years to enhance bulk and non-bulk cargo loading and revenue. Freight loading since 2014 is as below:

Year	Freight loading (in Million Tonnes)
2014-15	1,098
2015-16	1,104
2016-17	1,109
2017-18	1,162
2018-19	1,223
2019-20	1,210
2020-21	1,233
2021-22	1,418
2022-23	1,512
2023-24	1,591
2024-25	1,617



The freight loading has increased to 1,617 MT in 2024-25, thus making Indian Railways the second largest freight carrying Railways in the world.

To increase rail traffic following measures have been taken:

- **Capacity augmentation, removing bottlenecks in operations by yard remodeling, construction of bypass/chord lines, rail flyovers etc., have been taken up in a big way during the last 11 years. The details of new tracks laid are as under:**

Period	New track 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 (Km)	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

- **Further, 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 which would provide higher freight speed, reduce cargo transit time and improve predictability of cargo delivery.**

- **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 Feb 26)	47,966

- **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.**

- **To improve the efficiency of rail freight handling at the terminals, Indian Railway has adopted two-pronged approach: encouraging development of modern rail freight terminals under Gati Shakti Multi-Modal Cargo Terminal (GCT) policy and augmenting/ upgrading the infrastructure at Railway owned goods sheds. So far, 128 GCTs have already been commissioned. In addition, for improvement of customer amenities at goods and parcel terminals all across the country, an amount of ₹14,500 crore has been allocated for the financial year 2023-24, 2024-25 and 2025-26.**

- **In addition, 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:

- **A "Bulk Cement Terminal Policy" for setting up terminals on Railway land has been launched recently as part of Railway reforms for facilitating Bulk Cement transportation.**
- **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, Shea nuts, etc.**

- **The Joint Parcel Product (JPP) initiative with India Post was introduced on pilot basis in 2022 over certain routes to target business-to-customer (B2C) and business-to-business (B2B) market with focus on e-Commerce and MSME market with an affordable price as per the market trends of weight category between 35 Kgs to 100 Kgs. Under the scheme India Post provides First & Last Mile services, and Indian Railways provides the middle mile services.**

- **Further, Indian Railways has a dedicated system for, carrying parcels across the country in Parcel Vans (in addition to the Brakevans) by attaching the same to the scheduled Passenger-carrying trains in the form of leased/ non-leased services. In addition, full Parcel trains comprising of Parcel Vans also run in the form of leased and non-leased services. These Parcel Vans are used for transportation of various types of goods, including e-commerce items, Fast Moving Consumer Goods (FMCG), perishables, general merchandise, industrial raw materials, machinery, consumer goods, and more.**

- **Business Development units are functional at all Railway Divisions for engagement and co-ordination with various stakeholders to assess the traffic potential as well as and readiness of logistics service provider for the first and last mile services.**

- **To enhance ease of doing business and efficiency in operations, Indian Railways is leveraging advanced technologies like Artificial Intelligence (AI), Internet of Things (IoT), and Automation to enhance freight operations and reduce wagon turnaround times, Key innovations include Freight Maintenance Management (FMM), Real-Time Train Information System (RTIS), Control Chart Automation, Control Office Application (COA), Railways, Radio Frequency Identification (RFID), and integration of train timing data via RTIS/ Remmlot systems and Data Loggers. The integration of FMM and COA with IoT devices has been successfully implemented to improve operational efficiency.**

These measures are expected to improve the efficiency and attractiveness of rail freight, encourage modal shift from road to rail, reduce overall logistics costs, and enhance ease of doing business in the country.

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