Infrastructure push for Railways

What is the issue?

The National Rail Plan prepared by Indian Railways along with other projects can have a transformative effect in the infrastructure of railway system.

What are the recent optimisms in the railway sector?

- Indian Railways recorded the highest ever annual freight loading of 1,233 million tonnes (mt) in 2020-21, exceeding the preceding year's 1,210 mt.
- Railway staffs have operationalised the Oxygen Expresses, delivering more than 30,000 tonnes of liquid medical oxygen amidst the pandemic.

What is the National Rail Plan about?

- National Rail Plan (NRP) for India aims to create a **'future ready'** Railway system by 2030
- Keeping the year 2050 as the horizon, NRP charts out a strategic grid for Railways to follow for the short term (up to 2024), medium term (up to 2031) and long-term.
- Intends to increase modal share of the Railways in freight to 45%.
- Reduce the transit time of freight substantially by increasing average speed of freight trains to 50Kmph.
- Identify new Dedicated Freight Corridors and new High Speed Rail Corridors.
- A cumulative outlay for the entire plan period 2021-51 is estimated at Rs.38,20,516 crore.

Does the expectation in the document appear realistic?

- The aim to grab 45 % of the country's freight market by 2030 (from the current 26 %) which is predicated on its carrying capacity appears unrealistic.
- NRP's bold statement that the revenue surplus generated by the Railways would be adequate to finance future capital investment post 2030 is under question.

How can the railways achieve the ambitious objectives set out in the

NRP?

- Need to address productivity and efficiency indices in order to maximise resource utilisation and improve average system velocity.
- Need to cater to freight transport demand of other commodities (non-conventional as well as conventional high-value) through appropriate interventions for enhancing the modal share.
- A single window, end-to-end solution for logistics services as demanded by the customers.
- Partnering of Railways with logistics service providers to leverage their superior market access and flexible parcel sizes through consolidation services.

Source: Businessline, PIB

