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Ministry of Railways

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Indian Railways has emerged as the most preferred mode of transportation given the low cost of transportation, faster service, reliability and safety offered by railway system. Needless to mention that railways are the green mode of transportation. In 2017-18, around 29 million vehicles were produced in country registering a growth of 14.78 percent over the same period last year. Given the current low car penetration, rising prosperity and the increasing affordability of private vehicles, the automobile industry is poised to grow even faster in India. These vehicles need to be transported to the far flung areas of the country. Indian Railways in recent time have undertaken a number of initiatives to capture automobile traffic.

Member Traffic, Shri Mohd Jamhsed stated that "Year 2017-18 has witnessed a paradigm shift in the marketing efforts of Indian Railways to attract automobile traffic and enhance our freight basket. Specially in the later half of 2017-18, under the guidance of Minister of Railways, Shri Piyush Goyal, we decided to liberalise Automobile Freight Train Operator (AFTO) policy to encourage more private investment in special wagons, procurement of our own BCACBM (high-capacity railway wagons) and NMG wagons. In April, 2018, we have taken two game changing decisions to allow handling of automobile from all container terminals and to allow loading automobile and auto spares in privately owned wagons in different directions for optimal utilisation of stock".

Indian Railways is working closely with automobile industry to develop policies which are mutually beneficial to industry as well as Railways. The following noteworthy steps have been taken in 2017-18 to attract automobile traffic by Indian Railways:

- Meeting has been conducted with all stake holders in automobile business including Society for Indian Automobiles Manufactures (SIAM), M/s Maruti Suzuki, M/s Hyundai Motors, M/s Tata Motors and automotive logistics providers on 28.09.2017 in Rail Bhawan.
- In view of the issues raised by the stakeholders the AFTO policy has been liberalized viz. registration fees for the AFTO scheme has been reduced from Rs. 5 crore to Rs. 3 crore; and condition of minimum procurement of 3 rakes under the scheme has been relaxed to one rake. The revision was issued on 13.10.2017.

- So far 28 routes have been notified for operation of BCACBM rakes.
- Now, Auto Hubs are already functional at Walajabad (Southern Railway) and Farukhnagar (Northern Railway). Works are underway for up-gradation of facilities at these auto hubs. Further General Manager's of all Zonal Railways have been asked to identify terminals to be developed as Rail Auto Hubs.
- Conversion of 17 additional NMG rakes has been approved out of which 4 rakes have already been inducted.
- 10 BCACBM rakes have been included in Railway's RSP for 2018-19.
- The agreement for licensing of commercial plots at Detroj of Ahmedabad division duly agreed by M/s Maruti Suzuki India Ltd finalized and loading started in March 2018.

The positive results of these initiatives are visible in the enhancement of automobile loading in 2017-18. During 2017-18, the loading from automobiles traffic has increased by 16% and earning from automobile traffic has increased by 18% as compared to 2016-17.

In April, 2018 Indian Railways has liberalised AFTO Policy. Earlier, the transportation of automobile and auto spare by AFTOs was permitted only in one direction. With the coming up of auto-hubs across the country, this restriction has now been lifted. AFTOs will be able to utilize their rakes for loading in different directions and will be able to optimize the utilization of their rakes.

The loading of automobile loading was permitted only from auto hubs, Private Freight Terminals' (PFT) and Railway good sheds with automobile handling facility. This condition has severely restricted automobile loading on account of limited availability and capacity of such terminals. It has been decided that the automobile loading/unloading shall be permitted from all Inland Container Depots (ICDs), Container terminals managed by Container Train Operators. This shall result in availability of additional 86 locations in addition to the earlier auto hubs, PFTs and Railway good shed with automobile handling facility.

Automobile Industry is quite ecstatic with these reforms and committed to increase market share of Indian Railways in automobile transportation. Railways would certainly emerge as most preferred carrier of automobiles in the country.

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