



## Mains Practice Question

**Q.** "Multi-modal connectivity is crucial for optimizing India's logistics infrastructure." In light of this statement, examine the role of Bharatmala and Dedicated Freight Corridors in transforming India's logistics landscape. **(250 words)**

15 Jan, 2025    GS Paper 3 Economy

### Approach

- Introduce the answer by mentioning the importance of Efficient logistics infrastructure for India
- Give arguments to Multi-Modal Connectivity for Optimizing India's Logistics
- Highlight the Role of Bharatmala in India's Logistics Landscape
- Delve into the Role of Dedicated Freight Corridors in India's Logistics Landscape
- Conclude suitably.

### Introduction

**Efficient logistics infrastructure** is crucial for economic growth and competitiveness. **India, ranked 38<sup>th</sup> in the World Bank's Logistics Performance Index (LPI) 2023**, faces high logistics costs (14-18% of GDP, compared to the global average of 8%- **Economic Survey 2022-23** ).

- **Bharatmala Pariyojana and Dedicated Freight Corridors (DFCs)** are crucial for boosting multi-modal connectivity and logistics efficiency by integrating road, rail, and port networks.
- Efficient Logistics → Lower Costs → Faster Goods Movement → Better Trade → Economic Growth & Competitiveness

### Body

#### Multi-Modal Connectivity for Optimizing India's Logistics:

- **Reduction in Logistics Costs:** Multi-modal transport reduces the high logistics costs in India (14% of GDP) by optimizing transport modes for efficiency.
- **Seamless Freight Movement:** Ensures smooth end-to-end connectivity, minimizing delays and improving supply chain efficiency.
  - It also offers supply chain flexibility to choose and design the most optimum modal mix in **terms of cost, time and reliability**
- **Decongestion of Roads:** Reduces over-reliance on road transport, mitigating congestion, pollution, and maintenance costs.
- **Support for EXIM Trade:** Enhances export-import efficiency by connecting industrial hubs with ports and global markets.
  - It also brings ease of business in the logistics sector, a key enabler in making Indian industry competitive.
- **Regional Development:** Boosts connectivity in underdeveloped regions, promoting economic growth and reducing disparities.
- **Supply Chain Resilience:** Improves infrastructure reliability and adaptability during disruptions like natural disasters or economic crises.

## Role of Bharatmala in India's Logistics Landscape

- **Enhanced Economic Corridors:** Bharatmala aims to develop 26,000 km of economic corridors to streamline freight traffic on key routes, including the **Golden Quadrilateral and North-South, East-West corridors**.
- **First Mile and Last Mile Connectivity:** Development of **8,000 km of inter-state corridors** and **7,500 km of feeder routes** bridges gaps in logistics chains, improving accessibility for industries and consumers.
- **Border and Coastal Connectivity:** Boosts trade with neighboring countries like **Nepal and Bhutan** by improving infrastructure at international borders.
  - Links to coastal areas through **Sagarmala** and Bharatmala enhance port-led economic growth, facilitating both exports and imports.
- **Modern Expressways and Greenfield Projects:** Development of **Greenfield expressways** reduces congestion on traditional routes.
  - **Example: Delhi-Mumbai Expressway** reduced travel time between Delhi and Mumbai from 24 hours to just 12 hours.

## Role of Dedicated Freight Corridors in India's Logistics Landscape:

- **Faster and Efficient Freight Movement:** DFCs are specialized railway routes designed for freight traffic, allowing faster and heavier trains.
  - The **Eastern DFC (EDFC)** and **Western DFC (WDFC)** improve connectivity to industrial hubs, coal mines, power plants, and ports.
- **Decongesting Rail Networks:** India's traditional **rail network's Golden Quadrilateral**, carrying 52% of passenger and 58% of freight traffic, suffers from severe congestion.
  - DFCs reduce this burden by diverting freight traffic to dedicated routes.
  - Currently, on an average, 325 trains are running per day, 60% more than 2023. The freight trains on DFC are faster, heavier & safer.
- **Strengthening Export-Import (EXIM) Trade:** The **Western DFC**, linking ports like **Mundra and Jawaharlal Nehru Port Terminal**, enhances connectivity for EXIM cargo.
  - The WDFC's **double-stack container** trains reduce transport costs for exports, making Indian goods more competitive globally.
- **Regional Economic Development:** DFCs have a "**social-equalizing effect**" as per research, benefitting **lower per-capita GDP states** through improved connectivity and lower logistics costs.
  - Feeder routes enhance access for industries and smaller businesses located in interior regions.
- **Future Expansion Plans:** Four additional corridors, such as the **East Coast Corridor (Kharagpur-Vijayawada)** and **North-South Corridor (Vijayawada-Itarsi)**, are planned, aiming to further optimize freight movement.

## Conclusion

Bharatmala Pariyojana and Dedicated Freight Corridors are pivotal for **transforming India's logistics landscape by improving connectivity, reducing costs, and enhancing multi-modal integration**. Together, these initiatives aim to propel India towards achieving its vision of becoming a **\$5 trillion economy by 2027** and a global manufacturing hub.