

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 38th 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.

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