

भारत सरकार GOVERNMENT OF INDIA  
रेल मंत्रालय MINISTRY OF RAILWAYS  
(रेलवे बोर्ड) RAILWAY BOARD

No. 2020/TC(FM)/11/12

New Delhi, dated 08.05.2020

**The General Managers,**  
All Indian Railways.

**Subject : Reviving the Parcel Business – New Initiatives**

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Over the last few years the parcel business on Indian Railways has declined considerably even as the market for small parcels has grown at a fast pace. The modal shift has therefore moved away from rail and this is against the national policy which says that an environmentally sustainable transport is only possible if the rail share increases to at least 50%. Despite its apparent benefits, Railway's share is quite low presumably as the cost of transportation by rail much higher than road. India has one of the highest logistics cost on date. Further, the issues of first mile and last mile connectivity in parcel traffic have not been addressed in a comprehensive manner so far. The declining share of rail not only needs to be arrested immediately but reversed as well.

The pandemic COVID-19 has brought in sharp focus the role that railways can play in this sector. The running of parcel trains to transport essential goods and the untiring efforts made by the railways in fulfilling each and every request however small has been greatly appreciated. The running of timetabled parcel trains has given some sense of assurance to the customer that their cargo will reach in time.


In this context, a web based seminar was held on 1.5.2020 with some of the leading logistics players of the country in the presence of Hon'ble MR and Hon'ble MOSR, CRB, Member Traffic and others. A number of points were raised in the meeting concerning different aspects of the parcel business that have a bearing on future transportation of parcels by rail. These are discussed below.

2. **Assured Delivery Times:** One of the main concerns of the customer is the assurance regarding transit times as well as the actual time of delivery. Therefore it is felt that running of **Time Tabled Parcel Trains** is a must. From the past experience as well as the experience gained in the last month or so, you are requested to come up with a list of time tabled trains that your Zonal railway would wish to run. To begin with services from major metro cities may be planned. The O-D, frequency per week, detailed timings, halts en route and the number of VPs need to be indicated. Before sending the proposal, the timings should have been vetted/approved by the destination railway and enroute railways.

3. **Dedicated Parcel Terminals:** The need for storage space for parcels at the parcel terminals was repeatedly emphasized. The lack of storage space at most of the parcel offices is well known. Parcels are exposed to the elements and they lie unguarded and unprotected. For stepping up the quality of service, Railways would need to have dedicated Station/Platform/siding for parcel handling with ware house space. Therefore Zonal Railways are requested to identify at least one location, in every major city, which may be a platform/siding or a station that is well connected and has either covered space or space that can be developed in future for ware housing. Zonal Railways should propose to start time tabled services from these identified terminals.

4. **Consignment Tracking:** Today most logistic players provide their customers with 24\*7 consignment tracking and visibility. On IR this has not been possible till date due to the limited roll out of the Parcel Management System. To enable continuous tracking of the cargo, there is a need to cover all parcel handling stations with PMS. Zonal Railways had once earlier undertaken a review of the parcel traffic at each of the parcel booking stations and closed many of them. However even then at many stations, the traffic was very very low. Zonal Railways may kindly review the list again and indicate to Railway Board, the stations that they shall like to keep open for parcel booking. Zonal railways while conveying their final list should also indicate whether that station has already got PMS installed, or whether it is being covered in Phase 2 of PMS or PPMS or yet to be covered.

You would be aware that Parcel business is one of the items listed in the agenda of "Improved Operational Efficiency over IR". It is therefore requested that the information asked for the three items is sent without any delay. Please also note that based on the information received from the Zonal Railways, Zones shall be roped in for a pilot project.

  
(N. Madhusudan Rao)  
Additional Member/Commercial  
Railway Board. 8.5.2020

Copy to :

1. Principal Chief Commercial Managers, All Zonal Railways.
2. Principal Chief Operations Managers, All Zonal Railways.