

Rail freight up 1.4%; coal cargo falls 8% on cooler April in north, west India

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Indian Railways in April rang up a tepid 1.45 per cent growth rate in its freight volumes, dragged down by weak numbers in coal transportation.

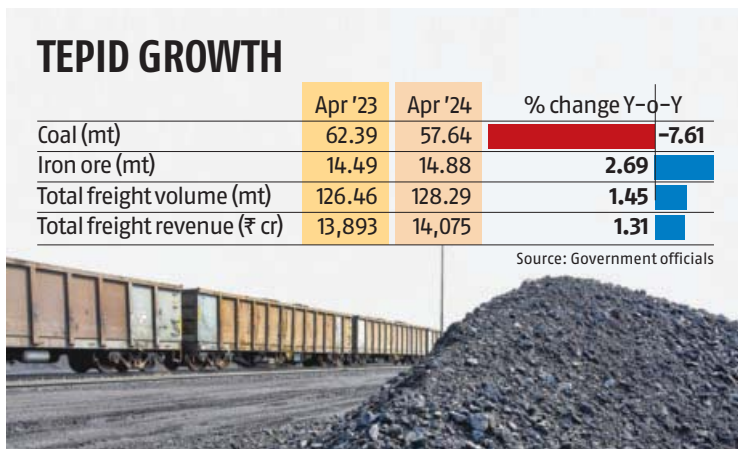
It transported 128.29 million tonnes (mt) of goods, witnessing a fall of nearly 6 mt in its coal traffic, according to government officials.

“Freight revenue of ₹14,075.14 crore was achieved in April 2024 against ₹13,893.27 crore in April 2023, thereby showing an improvement of about 1.30 per cent over the last year,” the official said.

While the railways increased its cargo in other segments, its coal traffic fell nearly 9 per cent in April to 57.64 mt year-on-year.

The volumes were also slightly lower than in 2022, when the railways had to cancel more than 1,000 train trips to meet increasing coal demand, indicating supply-chain readjustment on account of changing weather patterns.

Coal is the mainstay of railways’ freight earnings and accounts for 50 per cent of the transporter’s cargo vol-



umes and revenue.

A cooler start to the summer has been held to be the reason for coal volumes being subdued in April. The northern and western parts of India, which are the core demand drivers for thermal coal, witnessed cooler than expected temperatures. Northern and western states form the largest chunk of India’s power demand. The eastern part of the country has been swelter-

ing and also pushing power demand but it remains lower than the two other big regions.

So far this year, no stress has been reported in the movement of coal to thermal power plants so far, according to officials. Some officials in the Ministry of Coal also point out that comfortable stock levels in thermal power plants is also one reason for the easing of stress on railway networks.