

Taking a 'Toll' on the economy?

The slow truck speeds on highways and delays at toll plazas cost the country about ₹60,000 crore a year. The latest study by the Transport Corporation of India Ltd and IIM-Calcutta has revealed that the average speed of trucks on freight corridors has remained unchanged, at about 20 km per hour, since 2008. According to industry experts, though the government claims to have improved the condition of highways and has set up efficient toll plazas, the long queues at each toll plaza emerges as the main reason for the delays. A report...

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HUGE traffic, slow speed of freight vehicles and waiting time at toll plazas & checking points have taken a toll on the transport industry and the economy as a whole. According to a latest study, the high density Delhi-Mumbai highways cost the national economy ₹3,000 crore annually. The survey points out that on Delhi-Mumbai highways, it takes approximately three days to cover a distance of 1,380 km, as the average truck cannot move at a speed exceeding 17 km per hour. On the other hand, there are 30 stops on the Delhi-Bengaluru route and the delays cost ₹40 billion (₹4,000 crore).

WHAT LEADS TO FREIGHT DELAYS?

Several factors like increase in freight and vehicles, congestion, delays at toll-collecting points, poor quality of vehicles, overloading and substantial costs to the environment have led to the delays. The Delhi-Mumbai route has 18 stops and the average stoppage delay is three hours, which is 3% of the total travel time. Toll stoppages account for almost 7% of the stoppage delay on an average. While average stoppage delay had reduced in 2011-12 compared to 2008-09, average speed had also slowed down. Truckers said that this could be due to the ongoing expansion of highways. During the widening of National Highways, the available road space gets reduced and thus vehicles take several diversions.

"Vehicles waste most of their time on electronic toll collection, which is one of the biggest challenges that can adversely affect our economy. We should set up an independent regulatory

KEY HIGHLIGHTS

- The objective of the survey was to compare the route statistics of 2008-09 and 2011-12, which can be helpful in the formulation of national policies. The latest survey also included access control expressways, and logistics parks.
- It said that vehicles crawl at an average speed of less than 20 kmph on some key corridors such as Mumbai-Chennai, Delhi-Chennai and Delhi-Guwahati, while it is only 21.35 kmph on Delhi-Mumbai stretch.
- The research report was commissioned by TCIL to assess the operational efficiency of freight transportation by road and the investments made in national highways, public private partnerships in road projects, electronic toll collection, access-controlled expressways and logistics parks/hubs. Data from 17 major routes of India was analysed and compared to key freight transportation statistics of international countries.
- The report also focusses on issues like land acquisition and waiver of taxes and duties, etc., to attract private investments in road development and maintenance projects.

authority to assess costs/benefits, service levels, safety measures and tariff structures at the earliest. We need to adopt the same techniques for road development and maintenance projects in India as adopted in other developed Asian countries," opines Subrata Mitra, Professor, IIM Calcutta.

A GLANCE AT THE REPORT

Transport Corporation of India Ltd (TCIL) in association with IIM-Calcutta recently released the second edition of the joint study report on the 'Operational Efficiency of National Highways for Freight Transportation in India'. The report claims that the country's freight volumes are increasing at a CAGR of 9.08% and the number of vehicles are increasing at a rate of 10.76%. In comparison, road construction is taking place at a much lower rate of 4.01%, thus creating a paucity of roads. The study indicates a 67% increase in toll stoppage delays

on the Delhi-Bengaluru highway—an 18% rise in comparison to the previous survey. The study covered 17 major routes and found that the national average of fuel mileage is only 3.96 km per litre. While it is maximum on the Chennai-Kolkata corridor, it is the least on the Delhi-Nagpur stretch.

WHAT COULD BE DONE?

According to DP Agarwal, VC & MD, TCIL, logistics parks may save India US\$13-16 billion in logistics costs. Due to inadequate infrastructure, only 3-4% of the warehouses qualify as multi-modal logistics parks. "India needs to build large-scale logistics parks and scale up the existing parks to compete with places like Hong Kong, Shanghai, Singapore and Dubai for international cargo. Construction of large access-controlled expressway network with Intelligent Transportation Systems capabilities could improve road safety and security," concludes Agarwal. ■