

Rail Sea Rail (RSR) Mode Coal Movement Almost Doubles in Two years to 54 MT in FY 24

Push to Coal Ministries Efforts to Make Coal Transportation Competitive: Indian Railways Notifies Telescopic Benefit in Freight Rate to Coal Movement RSR Mode

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The Ministry of Coal has taken initiatives to promote Rail-Sea-Rail (RSR) which aims to integrate the RSR transportation for efficient movement of coal. This multi-modal system allows for seamless transportation of coal from mines to port and to their end users, while improving logistical efficiencies.

The RSR mode reduces congestion on the all-rail route (ARR) by providing additional alternative mode of coal evacuation and ensures lower carbon-footprint compared to ARR mode of coal movement. The coastal shipping mode of transportation has potential to revolutionize India's logistics industry.

Over the last few years Ministry of Coal has made significant strides in use of the coal Rail-Sea-Rail (RSR) networks for evacuation of coal in coordination with Railways. As a result, the coal movement which was 28 MT in FY22 has almost doubled to 54 MT in FY 24 and is on the increasing trend.

To achieve further increase in RSR mode for coal movement, Indian Railways has notified in February 2025 their decision to permit telescopic benefit in freight rate to coal movement to power houses transported from coal mines of CIL and its Subsidiaries. This would further aid in increasing the coal movement in RSR mode.

At present movement of domestic coal from mines has been taking place through Rail-Sea-Rail (RSR) route in order to meet demand of various power plants. This involves movement of coal by rail in two legs i.e. from mines to Unloading Port as first leg and from subsequent Loading Port to power plants as second leg. As a matter of policy, the charging of both the legs of rail transportation was done separately and independently by Railways.

The telescopic benefit reduces rail freight for coal movement as compared to charging coal freight in both legs separately, resulting in reduced cost of transportation in RSR mode.

This decision of Railways will aid in increasing the volume of coal movement further in RSR mode and promote coastal shipping.

The Ministry of Coal remains committed to enhancing the Rail-Sea-Rail Coal Evacuation strategy to consistently meet the nation's growing energy demands, ensuring a resilient and efficient energy supply system.

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