

Regional rapid transit system 'NCRTC is working on urban logistics model

to deliver fresh milk and vegetables in NCR'

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The National Capital Region Transport Corporation (NCRTC) will create an urban logistics model to deliver fresh milk, fruits and vegetables in Delhi and NCR from neighbouring areas leveraging its upcoming regional rapid transit system (RRTS). NCRTC MD Vinay Kumar Singh, in an interview with *BusinessLine*, emphasised that this will reduce pollution and congestion in Delhi and create a robust logistics supply chain network for quick delivery of perishables. Excerpts:

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What is NCRTC's plan for NCR?

We will lay the infrastructure in four stages of around 20 km each. First, we will do this 17 km long priority section between Sahibabad and Duhai with five stations. Second, we will go from Duhai to Meerut South. The third stretch will be from Sahibabad to Sarai Kale Khan (Delhi). Fourth is again in Meerut since we are setting up the Meerut metro on our system.

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What are your plans for the logistics network?

Urban logistics is a big issue in India. A significant percentage of perishables like milk, vegetables and fruits are wasted due to the non-availability of cold chains. NCRTC's interest is that many perishables enter Delhi to cater to the vast population. In the next 5-7 years, Delhi will become one of the largest populated cities in the world. So more perishable commodities like milk, vegetables, etc., must be brought in from neighbouring cities. It will be a cost-effective arrangement if we can bring it through a railway system, which will be in place and we have to run some additional trains during lean hours. My idea is that we can run some goods trains from our depots to Delhi and in many cases across the region. This will help Delhi reduce hundreds of trucks entering the city, reducing congestion and pollution. Also, at both ends, we will have cold storage. So, we can keep the produce in cold storage and move it as and when required. We will bring on board a private partner who will decide on what to collect from where and where to sell. The partner will also decide on the last-mile connectivity, etc. It will be a long-term partner, which will be decided subsequently.

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RRTS is capital-intensive. How are you ensuring financial sustainability?

NCRTC has been working for project sustainability from day one. We have adopted a strategy focusing on— Capex and Opex reduction as well as revenue enhancement. For instance, the earlier plan was to have three stations in Delhi for the three corridors. So, the first thing I did was to integrate them. Then I decided on underground terminals. I said no terminal is required in Delhi. It will be a pass-through station, which reduces the cost in each case by Rs 1,000 crore. I changed to elevated stations, saving about ₹4,500 crore just by this single decision. The good thing is that we got support from the government. Another is that having synergies between RRTS and Metro in Meerut will help better utilisation of resources and no competition for ridership and aid savings in capital costs of around ₹6,350 crore.

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What are your plans for increasing revenues?

For enhancing revenues, increasing ridership by connecting densely populated city centres, efficient and seamless Multi-Model Integration with other public transit modes like Metro, Inter-city & intra-city bus services, airport and rail stations, which will increase farebox revenue. While measures like property development, exploiting the commercial potential of RRTS stations like advertising, station naming rights, commercial space selling within the station, supporting other projects by sharing expertise, etc., come under non-farebox revenue.

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NCRTC is developing India's first RRTC. What are the challenges you faced?

We developed this project from scratch. It is a complex governance structure. We have the Centre, Delhi, UP, Haryana and Rajasthan. The Centre's equity comes from Railways, NCR planning board and MoHUA. So, we have seven owners. Geographically also, the requirements are different. Financially also, it is complex. The money is coming from various state and central organisations. For instance, money being used in a particular corridor, the Delhi-Meerut corridor, some portion is in Delhi while the major portion is in UP. How money should come and be utilised in the projects was a challenge. So, when I joined in July 2016, I started working on making the company and project implementation structure distinct and simpler. Then we worked on deciding the technology. So, my vision has been that we should do the project so that it can be replicated in other areas. This is an entirely different project than metro in terms of funding, structure, technology, etc.