

Indian railways to introduce private trains in phases

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Indian Railways plans to introduce private trains on its network in phases, with the first dozen due to start running in the 2023-24 financial year and all 151 by 2027, officials aware of the plan said on condition of anonymity.

According to the railway ministry's projections, the transporter will select the companies that will run the private trains by April 2021; the first 12 are expected to start plying by 2023-24, followed by 45 more in FY 2024-25, the next 50 in FY 2025-26 and the last 44 by 2026-27.

Key Highlights

- The railway ministry on July 1 began the formal process of allowing private trains on 109 routes — a process that aims to, for the first time, to open up one of the government's most prominent enterprises that has in recent decades been outpaced by the demands of a rapidly growing economy.
- The ministry issued what is known as a request for qualification (RFQ) private companies to run 151 trains spread over these routes, laying down specific conditions that will need to be met in a move that is meant to "introduce modern technologies and world class services" for one of India's most popular modes of transport.
- The railway ministry plans to run the trains along 12 clusters across Indian Railways's network. It has planned two clusters each in Delhi and Mumbai, and one cluster each in Secunderabad, Chennai, Howrah, Jaipur, Prayagraj, Chandigarh, Bengaluru, and Patna.
- According to the ministry, the planned investment will come to around 30,000 crore, and a majority of the rakes (70%) will have to be manufactured in India; private entities cleared to run the train services shall be responsible for financing, procuring, operating and maintaining

the trains.

- The trains will be designed to run at a maximum speed of 160 kmph. The ministry expects a reduction in journey time by around 10-15% at 130 kmph and around 30% at 160 kmph. Initially, they will run at 130 kmph and are slated to run at 160 kmph by March 2024.
- Railways is currently operating in losses in the passenger segment, and the national carrier aims to meet its expenditure through a minimum guaranteed cost that the private train operator will have to pay to the national carrier. Fares will be based on competition with other modes of transport in the same segment, including airfares and fares of air-conditioned buses.

SOURCE:*Hindustan Times*