

# Private Trains

March 26, 2020

**Source:** *PIB & Livemint*

Ministry of Railways and National Institution for Transforming India (NITI) Aayog, Government of India are spearheading participation of private entities in the operation of passenger trains on 100 routes. The 100 routes have been split into 10-12 clusters. The move began last year with the introduction of **Lucknow-Delhi Tejas Express by Indian Railway Catering and Tourism Corporation (IRCTC)**.

## Key highlights

- The Indian Railway is planning to offer as many as **500 trains to private operators over the next five years**
- The railways is already in the process of finalizing the bidding document for 150 such trains that will be run by private operators in the first phase. This will be followed by 350 additional trains which will also be run by private operators
- In a first, as many as 150 modern trains will be run by private operators **across 100 routes**, offering world-class technology and services to passengers, along with improving punctuality.
- With infrastructure, maintenance and safety handled by the railways, these private train operators will be allowed to procure trains, operate and maintain them, provide better on-board experience and services to passengers, in terms of food, comfort, entertainment, among others.
- Companies will have to bid for a network of routes and bids will be finalized on a revenue-sharing model.
- The companies will have to pay the haulage (charges for using tracks) at ₹686 per km to the railways. Along with this, they will have to have a portion of their revenue,

which will be mentioned in the bidding document

### **Few conditions for private trains**

- Mumbai-New Delhi, Chennai to New Delhi, New Delhi to Howrah, Shalimar to Pune, New Delhi to Patna are some of the routes where the private trains will operate. Once the dedicated freight corridors will be completed in 2021, additional paths will be available for operation of passenger trains on some routes.
- Each new train shall have a minimum of 16 coaches. The maximum number of coaches shall not exceed the longest passenger train operating on the respective route. Passengers trains are allowed to run on a maximum speed of 160 kmph.
- As per the NITI Aayog document, Private trains running on a particular route will have a head start of 15 minutes on other trains running on the same route. No similar scheduled regular train will depart in the same origin-destination route within 15 minutes of the scheduled operation of the concessionaires (private players) train
- Private entities are encouraged to use the latest technologies and top quality features in the trains. From passenger safety to modern GPS enabled announcement system, Indian Railways has made a list of the new technologies that private trains may include in them
- The private entity will have the last say on deciding the fare on a particular route. They shall be responsible for financing, procuring, operation and maintenance of the trains.
- The safety certification of the rakes before each commercial service shall be done by Indian Railways based on the safety parameters indicated by Indian Railways.

### **Significance**

The step is expected to boost private investment in the sector and ease the burden on government finances.