

Railway Privatisation :A shameful sell-out

As a part of the privatization of railways, the government decided to allow private companies to run trains in designated routes. In the first phase, private operators will be allowed to run 150 passenger trains on 100 routes. In the budget speech the Finance Minister revealed that the government has decided to allow 1500 passenger trains to be run by private companies.

As of now, according to the media reports, trains will be operated by the private company on a given route in a given time slot, while the entire infrastructure is continued to be managed and maintained by the Indian Railways. The private operator will pay an agreed lease or rent to Indian Railways while they are free to decide the charges from the passengers. Two meetings with the interested private companies were held on December 31 and January 20. About 20 companies attended these meetings.

Indian railways, a public sector enterprise until it was made part of the government two years back, is running trains for more than 150 years. Even after leaving the colonial period, it has seven decades of experience of running trains along with extension, maintenance and management of the one of the largest transport network. Then a pertinent question arises: when a private company can run a train presumably efficiently, can't one of the oldest railways run them? If the privatization of telecommunication sector is taken into account, it is beyond any doubt that the private operators predate upon the Indian railways to gain super profits.

The think tank of the government, NITI Ayog has the usual and specious answer to this question: Indian Railways need Rs.50 lakh crore over 12 years as investment to augment infra-structure. So for such a huge amount the involvement of private sector is inevitable. The running of trains by private operators offers an investment opportunity of Rs. 22,500 crore. For a 0.5% of investment needed by the railways the government decided to hand over the entire fleet of passenger trains to private operators.

Then another question arises: who are those private operators? Here are the private companies that attended the stake holders meetings Bombadier India, France's Alstom, Spain's Talgo, Maquerine group, Hyundai Rotem of South Kores, Japan's Hitachi, and Germany's Seimiens are Multinational companies while the Indian registered companies are Adani ports, Tata Realty, IRCTC, Bharat Forge, Gateway Rail Freight, Gatx, KEC international, Essel group, RK Associates and BEML.

The list contains MNCs from imperialist countries, Indian branches of foreign companies and joint ventures of Indian big bour-geoisie with foreign companies. Privatisation came to be known as handing over to the foreign capital. It is a shameless sell-out.
