

# **SOUTH CENTRAL RAILWAY**



## **NOTES**

**for**

## **ADVANCE COMMERCIAL**

**Moula - Ali, Secunderabad**

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## **ADVANCE COACHING THEORY**

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# **ADVANCE COACHING THEORY**



## **JANSADHARAN TICKET BOOKING SEWAK (JTBS)**

The scheme is to issue UTS tickets in various parts of important cities by appointing **Jansadharan** ticket booking Sewaks (**JTBS**).

### **Qualification for JTBS:**

1. Applicant should not be under 18 years of age and should be at least Matric pass or equivalent.  
Education qualification can be relaxed if there are no eligible applicants.
2. Applicant should produce a Character certificate from District Magistrate / ADM / SDM / BDO or Tehsildar along with the application. Before appointment, certificate from Police station serving the locality should be produced indicating that there are no criminal cases pending against him.
3. Application should have a telephone connection in his office.
4. Applicant should be a local resident of the area served by the station. He should be residing within municipal limits of city/District in which JTBS is appointed.
5. Applicant should be prepared to give Rs 5000/- refundable interest free security deposit and Rs 20,000/- Bank guarantee to the Railway.

### **Selection of JTBS:**

1. Application will be called through newspapers.
2. The selection of JTBS will be done by committee of 3 Assistant officers of division from Commercial, Operating, Finance.
3. The competent authority to accept recommendations of the Assistant officers Committee will be the next higher authority.
4. Period of contract will be for 3 years which can be renewed by tenure of 3 years subject to satisfactory performance.
5. The JTBS will not sublet, transfer the rights of the contract, in case of death of licensee the license will be transferred to his/her legal heir for unexpired period of the contract.
6. Each side can terminate the contract without assigning reasons by giving one month notice.

### **Procedure for keeping a record of tickets issued by JTBS:**

1. JTBS will be given UTS terminal for which all costs initial as well as recurring including equipment's and channels would have to be borne by JTBS.
2. JTBS will collect Rs. 1/- per passenger as Commission from the passenger,
3. JTBS will be responsible for the safe custody of the ticket rolls. In case of any loss on this account necessary debits will be raised against him.
4. Proper record of tickets rolls issued to the JTBS will be kept by the Commercial department of the station serving the JTBS.
5. JTBS will submit the account of sale to serving station on daily basis along with value of tickets sold.
6. Proper accountal of UTS ticket stationary may be ensured and checked through surprise checks.

### **Types of tickets and transactions permitted to JTBS:**

1. JTBS will not issue tickets from station premises
2. JTBS is designated to issue all type of tickets that can be issued through UTS except those mentioned below i.e BPT, Season tickets, Money receipts, Concession tickets, Vouchers, RTC and Military vouchers & Warrants. However Senior citizen concession tickets can be issued and Season Tickets can be renewed treating each ST as a single ticket/passenger for Service charge.
3. JTBS is authorized to issue cash tickets only.
4. No cancellation or Special cancellation of tickets by JTBS is permitted, for cancellation of ticket issued by JTBS, passenger will have to come to serving station or any station in that cluster.
5. The facility of making the ticket as 'Non issued' shall not be made available to JTBS operators.
6. Refund cases of tickets issued from such private booking agents may be allowed at serving station as per refund rules after verifying accountal of the ticket in the system.
7. JTBS agent will have to make advance deposit and ticket can be issued. There will be a check in the system that JTBS will not be able to issue tickets if at any time the amount of deposit by is less than Rs. 10,000/-

8. There is no upper cash limit for issue of tickets by JTBS.
9. Each JTBS is to be attached to a serving station which will be responsible for collection of railway revenue and issue of Blank stationary to the JTBS.
10. A consolidated statement of ticket rolls supplied to and tickets sold by JTBS will be submitted by SM of serving station to DCM every month.
11. Total number of JTBS to be appointed in a Division should not exceed 50 ( 'A' station -10 , 'B' station – 5, 'D&E' stations– 2)
12. There is no distance restriction between JTBS and serving station and among JTBS locations.
13. Permitted to operate addl. Counters if sale of tickets. is more than 800 per day on each counter for at least a period of one month.
14. Allowed to shift location at his own cost with a view to increase sale of tickets.

#### **Inspections:**

1. A close watch will be kept on the working of JTBS and irregularity if any will be reported to Sr.DCM for taking immediate corrective action.
2. Commercial and Accounts checks will be conducted on the working of JTBS as prescribed for CBO, CBA, Halt agents etc

#### **Provision of UTS for issue of unreserved tickets by CBA/ OA s /JTBS**

1. All CBA/ OA may be provided with UTS for issue of unreserved tickets on the same terms and conditions as are applicable to JTBS subject to following conditions.
2. Since there is no age limit in respect of appointment of RTSA, RTA and CBA, it is not desirable to keep the age limit for JTBS. However, that the applicant is fit enough to run the agency himself.
3. Applicant should be prepared to give Rs 5000/- refundable interest free security deposit and Rs 20,000/- Bank guarantee to the Railway (amount reduced RB CC 41 of 2010)
4. On completion / termination of contract, pending dues will be adjusted from the Security deposit and balance refunded to JTBS.
5. The service charge Re 1/- per passenger prescribed in the scheme is applicable to all types of non – concessional tickets i.e non – suburban and season ticket.

6. Unreserved concessional tickets to Sr citizens may however can be issued by JTBS.

### **Conditions**

1. Daily back up of day's transactions on data cartridge tapes and safe custody of same.\
2. Daily continuity statement should be checked by stock supervisor in respect of Rolls issued and used on the machine.
3. Mismatch of the preprinted ticket number with slash number showed be viewed seriously.
4. Printed tickets will have to be supplied to CBA'S for use during emergencies.
5. CBA will require to issue tickets for as many pair of stations as he requires so guarantee money will have to be increased.
6. There should be provision of heavy penalty in case fraud is detected or there is loss of tickets.
7. Zonal Railway may specify to cut off limit in supplying of card tickets in which they plan to provide UTS terminals to all CBAs/ OA.

## STATION TICKET BOOKING AGENT

### CONDITIONS / STIPULATIONS

**1. Qualification:**

- (a) The applicant should be a resident of the local Block/Tehsil/Mandal in which the E category station is located where STBA is proposed to be engaged.
- (b) The applicant should not be under 18 years of age and should have passed at least Class-X exam.
- (c) The selected applicant will also have to produce a certificate from the police station serving his/her locality that he/she has no criminal record and no criminal case is pending against him/her.

**2. *Earnest Money Deposit Payable.***

- a. The Application must be accompanied by a Demand Draft from a Nationalized Bank towards Earnest Money Deposited issued in favour of the Senior Divisional Finance Manager, Hyderabad Division, South Central Railway, Secunderabad which is fixed as Rs 2000/-
- b. Applications will not be considered unless the Earnest Money Deposit has been deposited in accordance with the stipulation of this Notification.
- c. The Earnest Money Deposit paid by the un-successful Applicants will be refunded after the applications has been finalised by the Administration.

**3. *Security Deposit & Bank Guarantee.***

The Earnest Money Deposit of the successful Applicant will be adjusted against the Security Deposit. A refundable Security deposit of Rs 5,000/- & Bank Guarantee of Rs 20,000/- shall be deposited by the selected STBA. However, the security deposit can be enhanced by the Railway keeping in view the sale of tickets at the station. On completion /termination of agreement, pending dues if any shall be adjusted from the Security deposit and balance refunded to STBA.

**4. *Operating procedure for STBA:***

- (a) The cost of hardware and software (including maintenance), electricity and hiring of channel will be borne by

the Railways, The space will also be provided by the Railways free of cost.

- (b) STBA shall not sublet/assign or transfer the rights or obligations arising out of the agreement. In case of death of agent, his/her legal heir(s) will be allowed to act as the STBA for the unexpired period of the agreement by the competent authority.
- (c) STBA shall not sublet/assign or transfer the rights or obligations arising out of the agreement. However, if he so desires, he may nominate one person per counter, for which provision may be made in the standard agreement, with prior approval of the Railway authorities subject to fulfilment of prescribed conditions .
- (d) Both the STBA and the additional persons, if any, nominated by him to sell tickets shall be issued photo identity cards by the concerned Sr. DCM/DCM and their name(s) shall also be displayed on a notice Board at the station premises.
- (e) The STBA shall deposit the cash collected through sale of tickets, to the concerned Station Master/Assistant Station Master of the station on duty on 8 hourly shift basis as prevalent on that station,
- (f) If the ticket activity stops due to non-availability of STBA or his negligence resulting in non-functioning of equipment's, penalty equal to the average daily turnover from sale of UTS tickets at that particular location, subject to a minimum of Rs 500/- per day may be imposed.
- (g) The disbursement of unreserved tickets by STBA shall be governed by the timings as decided by the concerned Railway, keeping in view the focal conditions.
- (h) The STBA operator shall be allowed to sell all types of non-concessional unreserved tickets issued through UTS including platform tickets and season tickets, on cash basis only. Renewal of season tickets and issue of senior citizen concessional tickets shall also be permitted. All other concessional tickets requiring documentary proof before issue of ticket, can also be issued by STBA only when endorsed and permitted by the ASM concerned, which shall be done prior to the sale of such concessional tickets,
- (i) The facility of 'NI (Non-issued) ticket will be available to the STBA only when authorised/endorsed by the concerned SM/ASM.

- (j) Cancellation of ticket: The facility of cancellation of ticket may be extended to STBA only when authorised/endorsed by concerned SM/ASM beforehand.
- (k) The Railway officer incharge of the station i.e. SM/ASM shall be responsible for the safe custody of the ticket rolls and it shall be his duty to handover/takeover the ticket roll daily from the STBA. Proper record of ticket rolls issued to the STBA shall be maintained at the stations.
- (l) Shift summary and details of daily summary of transaction handled by STBA shall be extracted through UTS and the STBA shall deposit the cash accordingly to the Station Master/ASM at the end of the shift.
- (m) A consolidated statement of ticket rolls supplied and details of tickets sold by STBA shall be submitted by Station Master/Manager or any other nominated officer to DCM/Sr. DCM every month.
- (n) Zonal Railways shall have powers to prescribe working guidelines within the framework of this scheme. The Railways shall also frame an agreement to be signed with STBA on the basis of this policy guidelines and as per provisions of Chapter-X of Indian Contract Act, 1872 and in consultation with the concerned Departments on the Railways.
- (o) In case STBA expresses inability to operate the counter(s) after his/her selection by Zonal Railways, the bank guarantee as well as security deposit furnished by him shall be forfeited and deposited in Railway accounts as per procedure.

**5. Commission payable:**

Out of the applicants fulfilling the eligibility conditions, the candidate(s) who opts for the least commission (on the 4% commission slab) will be selected as STBA as stated in para 2(c) above. The commission payable shall be as follows:

Slabs	Sales Turnover in ^	Commission percentage payable on sales turnover
Slab 1	1-15000	15% (minimum Rs 500/-)
Slab 2	15001-50000	12%
Slab3	50001-100000	9%
Slab 4	> 100000	4% or the rate quoted whichever is lower

The commission will be calculated on monthly basis and will be paid from the Station Earnings. The commission shall be paid on the amount credited to Railway's account. In case of concessional tickets, the commission shall be calculated on the actual fare collected by the railways.

**6. *Period of engagement:***

Initially STBA shall be engaged for a period of 3 years. An agreement shall be executed by STBA with Sr. DCM or DCM.

**7. *Termination:***

Each side can terminate the agreement without assigning reasons by giving a notice of 10 days.

**8. *Disabling clause.***

Engagement as STBA shall not confer any right and/or claim whatsoever on the person to seek employment on Railways. No benefits viz., absorption in Railway service, regularization of service, bonus, railway pass facilities etc. shall accrue to the STBA or his/her legal heirs. No claim in this regard shall be entertained. The STBA shall keep Railways free from any liabilities in present or future. Suitable clause in the agreement to this effect may be incorporated.

## YATRI TICKET SUVIDHA KENDRA

With a view to expand the facilities for issue of tickets (both reserved and unreserved) the scheme for establishment and operation of Yatri Ticket Suvidha Kendra (YTISK) has been introduced.

Applications are invited from all the authorised Rail ticketing agents, including RTSAs, RTAs and JTBS agents of Indian Railways and agents appointed by IRCTC and who fulfill the following criteria for setting up of Rail ticketing center called as Yatri Ticket Suvidha Kendra (YTISK) at various places over Secunderabad, Hyderabad, Vijayawada, Guntur, Guntakal and Nanded Divisions of South Central Railway.

### **1. CRITERIA:**

1.1 The applicant should have worked as authorised ticketing agent providing railway ticketing (reserved/ unreserved) services for passengers of Indian Railways **for atleast for a period of five (5) years continuously.**

1.1 The applicant should have a Permanent Account Number (**PAN**) issued by Income-tax authorities and should have filed Income Tax return during the last three (3) years.

1.3 The applicant should have an office outside the railway station premises equipped with adequate infrastructure. The applicant should have obtained all necessary and mandatory clearances regarding the premises from the appropriate local authorities. The premises need to be properly maintained with adequate conveniences and amenities in the vicinity, so as to accommodate the visit of sufficient number of customers. The licensee shall not reduce the facilities or shift his office to any other location without the prior written approval of the Railway administration.

1.2 The applicant should not have been convicted in a criminal case involving moral turpitude.

1.3 While working as an agent of Indian Railway's ticketing system, the applicant's licence should not have been terminated in the past on account of irregularities or violation of the agreement or any of the rule(s) of Indian Railways.

### **2. TERMS & CONDITIONS FOR ESTABLISHING YTISK.**

2.1 The selected licensee will be given facility of operating upto four (4) terminals. The limit of the number of counters to be given to a licensee can be increased by Indian Railways if found necessary.

- 2.2 The cost of establishing, operating, and maintaining and periodic system upgradation of hardware/software required at such reservation centers shall be borne by the licensee. Any default/ noncompliance may invite temporary suspension of access to the PRS/UTS system or even termination of licence, if the licensee refuses to undertake necessary upgradation.
- 2.3 The terminals, PCs, ticket printers, modems and multiplexers etc., may be provided and maintained by the Railways through an authorised agency or may be purchased and maintained by the licensee. In case, if any of the above items as per prescribed specifications are procured by the licensee themselves, the nominated Officers of Railways will inspect the Hardware for certification. In case, if any of the above items are supplied and maintained by the Railways, the cost as fixed by the Railways will be borne by the licensee. The licensee will give access to their premises for the Railway's authorised maintenance agency to maintain equipment's. The decision on maintenance charges fixed by the Railways will be final and the licensee will not dispute the same. The licensee can also undertake maintenance of hardware through their own Engineers. Equipment purchased by the licensee will be maintained by the licensee only.
- 2.4 The licensee will hire and maintain two (2) numbers of data/ communication channels between his location and the nearest computerized PRS center of Railways.
- 2.5 The licensee will set up an office and set up counters on the pattern and standard at par with computerized PRS centers of Indian Railways. The cost and rental of premises (if any) will be borne by the licensee only.
- 2.6 **The licensee shall pay system access charges of Rs. 1.6 lakh per terminal per annum.** These shall be paid by the licensee in advance. The system access charges may be revised by Indian Railways from time to time.
- 2.7 The licensee will engage his own staff at his own cost for running such ticketing centre(s).
- 2.8 The Railway will supply, free of cost, PRS and UTS ticket rolls of different colour after due accountal. Licensee will bear the cost of non-ticketing stationery.

2.9 The licensee will ensure safe custody of PRS/UTS ticket rolls/ tickets.  
Loss/misuse of PRS/UTS ticket rolls/tickets will invite penalty as fixed by the Railway administration for recovery of pecuniary loss suffered by the Railways.

2.10 Enquiry services to passengers shall be provided by the licensee free of cost.

2.11 Railway administration reserves the right to regulate the access of the licensee to the system for a particular class, train or route in public interest and/or national security reasons.

### 3. **TIMINGS OF OPERATION:**

3.1 The timings of operation of terminals in the premises of licensees for general reservation shall be from 09.00 hours to 22.00 hours on week days and from 09.00 hours to 20.00 hours on Sundays for booking of general PRS and UTS tickets.

3.2 **The booking hours for Tatkal tickets will start from 11.00 hours** at these centres or as per timings specified by Ministry of Railways from time to time.

3.3 The operating hours of the terminals may be reduced by the licensee to enable closure before the timings indicated above. However, this should be done only with prior information by the licensee to Railway Administration. The licensee will display prominently the working hours of ticketing related services in the ticketing area of the YTSK.

### 4. **REGISTRATION FEE, ADVANCE DEPOSIT, BANK GUARANTEE, SECURITY DEPOSIT:**

4.1 **Registration Fee:** Licensee shall pay a **onetime non-refundable registration fee of Rs. 5 lakh** upon allotment of licence. The mode of payment of the registration fee may be in the form of a Demand Cash or Draft (DD) in the name of "FA & CAO, South Central railway, Secunderabad."

4.2 **Advance Deposit:** The licensee would be required to deposit a minimum amount of Rs.5 lakh per counter with the Railways in advance. Out of which, 90% of the amount will be allocated for booking tickets through PRS and 10% will be used for booking tickets through UTS. As far as minimum balance is concerned, the tickets through PRS will not be issued once the minimum balance touches Rs. 40,000/- and ticket through UTS will not be issued once the minimum balance reaches Rs. 10,000/-. The mode of payment of the advance deposit may be in the form of a Cash or Demand Draft (DD) in the of " FA & CAO, South Central railway, Secunderabad."

4.3 The license should ensure that the facility of booking both type of tickets should be available at the counter and the same should not be held up on account of non-availability of advance deposit in either of the account.

4.4 The licensee can deposit up to a maximum value of Rs. 1 crore for this purpose.

**4.5 Security Deposit/ Bank Guarantee:** The licensee would be required to keep an interest free Security Deposit of **Rs.2 lakh per port subject to a maximum of Rs 5 lakh with the Railways.** Such security deposit can be in the form of a bank guarantee by a scheduled bank or in the form of a cash deposit /demand draft with the Railways. This Security Deposit shall be liable to be forfeited in the event of breach of any of the clauses of the agreement.

**4.6** On expiry of the agreement, the Security Deposit shall be refunded to the licensee after realizing there from all the amounts due by the licensee to the Railways either as sales proceeds of tickets, penalties or otherwise, whatsoever, and amount adjusted. The decision of the Railways as to the amount due by the licensee on this account shall be final and binding on the licensee. Security Deposit shall stand forfeiting case of breach of contract and or termination of the licence due to unsatisfactory service.

## **5. REVENUE SHARING:**

**5.1** The licensee shall share the revenue which is essentially the service charges levied on the customer for booking or cancellation of tickets. The licensee shall share 25% of the service charges levied on the customer for booking/cancellation of reserved tickets.

**5.2** 25% of the service charges collected by the licensee from the passengers shall be credited to Railways account at the time of booking/cancellation of reserved tickets.

**5.3** Licensee shall levy Rs1/- per passenger as service charges on the booking of unreserved tickets by the customers. There shall be no revenue sharing arrangement in case of tickets sold through unreserved ticketing system.

**5.4** The service charges so collected by the licensee on account of selling unreserved UTS ticket shall be entirely retained by the licensee.

**5.5** This revenue sharing model shall be applicable for one year. After the period of one year, Indian Railways shall review the revenue sharing formula based on the response to the scheme and the volume of business generated under the scheme.

## **6. SERVICE CHARGES (COMMISSION) on Reserved (PRS) tickets:**

The service charges will be charged by the licensee on reservation (PRS) tickets as notified by the Railway administration from time to time. The service charges notified for the present are as under:

Class of Ticket	Service Charge
2 S & Sleeper	Rs.30/- per Passenger
All Other Classes	Rs.40/- per passenger

The commission/service charge shall be printed on the ticket(s).

- 6.1 The Service charges for cancellation shall be 50% of the charges prescribed for booking.
- 6.2 The licensee shall display the information regarding the opening and closure timings of the YTSK and the rate of service charges for different class of passengers at prominent locations bilingually.

## 7. TENURE OF THE LICENCE:

- 7.1 The initial tenure shall be for a period of 3 years.
- 7.2 The licensee shall pay licence fee @ Rs. 5000/- per counter per annum to Indian Railways.
- 7.3 The licence can be renewed for one year at a time after expiry of its existing tenure subject to the satisfaction of the competent authority and as per the extant policy prevalent during the period of renewal.

## 8. GUARD AGAINST MALPRACTICES:

- 8.1 Adequate system security provisions shall be in-built in the system to preclude the possibility of disruption by virus/ unauthorized access etc.,
- 8.2 The facility of block booking, modification, change of name, age, gender etc., will not be permitted. However, the facility of postponement/advancing of ticket will be available.
- 8.3 **The licensee will be allowed to issue and cancel only the tickets issued by the YTSK licensee upto the time of preparation of reservation chart. However, the YTSK tickets can be cancelled at PRS centers also.**
- 8.4 The cancellation charges will be credited to the Railways but the licensee will be allowed to charge commission for cancellation from the passengers at the rate fixed by the Railways in terms of para 6.
- 8.5 The facility of cancellation of unreserved ticket will not be available to YTSK licensee. Cancellation and refund (if any) of unreserved tickets may be done by the serving station as per refund rules in force, after verifying their genuineness.
- 8.6 Only fully paid tickets, senior citizen tickets and platform tickets will be issued from YTSK terminals and such terminals will not issue tickets on any type of concession vouchers, HOR forms, Identity Cards issued to MPs, Rail Travel Coupons issued to MLAs, freedom fighter card, free passes, indrail pass, etc.,
- 8.7 A separate code number will be allotted to these licensee's and the code number will appear on the ticket itself. There will be two passwords, one supervisory password which will be controlled by the Railways, and the other, operator password, which will be controlled by the licensee.
- 8.8 The colour of the ticket roll issued to licensees' will be distinct. YTSK tickets will be Red in Colour in the same format as PRS ticket.

**8.9** The fare value, the service charge, etc., realized will appear on the ticket to avoid over-charging by the licensee. In case of cancellation, the cancellation charges payable to Indian Railways and cancellation commission payable to the licensee shall be indicated on the cancellation ticket.

**8.10** Any case of violation of provisions of the agreement or the rules of Indian Railways by the licensee would invite deterrent punishment by way of penalties which may include termination of licence after due notice. The minimum amount of penalty will be Rs 500/- per violation. In case of repeated violation, the Competent Authority can examine the feasibility of terminating the licence.

**8.11** **No reservation will be permissible on pre-bought tickets.**

**8.12** **No emergency quota will be released on the tickets booked from the licensee.**

## **9. OTHER CONDITIONS:**

**9.1** Railway administration will prescribe the statements/returns to be submitted by the licensee's to the Railways. The details of these returns, periodicity of these reports/returns are specified in the model agreement issued by Railway Board.

**9.2** Licensee shall maintain all the registers/books and returns as required under the scheme. In addition, he shall also be asked to maintain such documents/registers as are considered necessary by the Railway Administration for verification purpose.

**9.3** Statements of Refund (Cancelled) tickets and non-issued ticket for above terminals must reach the Traffic Accounts Office (Dy.CAO (TA)), office next working day without fail.

**9.4** The balance sheet and passenger classification for the privately owned terminals must be signed by the authorised licensee and his authorised signatory (ies) whose signatures must be available in the Traffic Accounts Office Dy.CAO (TA). These must be submitted regularly in Traffic Accounts Office of South Central Railway.

**9.5** Railway Administration shall have the right to inspect the office of the licensee at any time during the business hours and for this purpose, Railway Administration may depute any person as deemed fit. In order to maintain vigil on any spurious elements tending to indulge in malpractices at these canters the Licensee shall make provision of CCTV/IPTV at the YTSK. The footage of the CCTV/IPTV shall be preserved for atleast one month and access to such data shall be provided to inspection officials on demand.

**9.6** The licensee shall be subjected to all the supervisory checks carried out from Railway PRS terminals or any supervision provided for internet system.

- 9.7** Fortnightly statements of tickets issued by the licensee's would be analyzed by the Railways with a view to ascertain if any unusual pattern of issue of tickets by the particular licensee is indicated.
- 9.8** In case the YTSK scheme is withdrawn, the licensee shall be free to apply for licence under any prevailing scheme of ticketing of Indian Railways subject to eligibility.
- 9.9** Transfer of Licence: In case of death of licensee during the validity of the tenure, licence will be transferred to the legal heir only for the remaining period of the tenure of the licensee.
- 9.10** For implementation of the scheme, an agreement will be signed between the Competent Authority and the selected ticketing agent.

## NON- FARE REVENUE

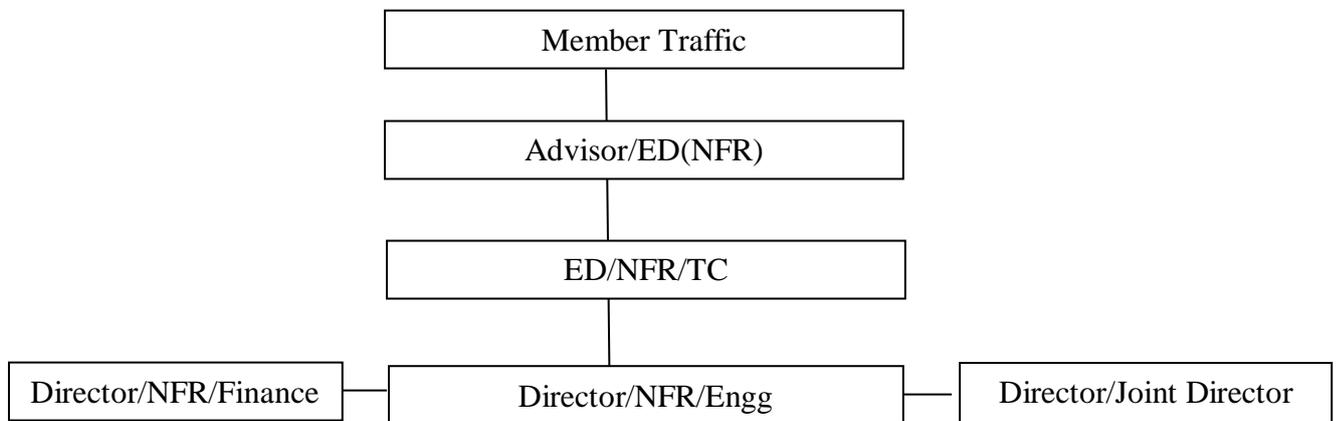
### Organisation of Non-Fare Revenue Directorate in Board's office

In partial modification of Office order No. 20 of 2016, it has now been decided to recognize the Non Fare Revenue (NFR) Directorate with the following composition:

S. No.	Post	Department	Remarks
i	Adviser/ED/NFR	Traffic (IRTS)	
ii	ED/NFR/TC	Traffic (IRTS)	Existing post/incumbent to continue
iii.	Director/NFR/Fin	Finance (IRAS)	
iv	Director/NFR/Eng.	Engineering (IRSE)	In place of ED/NFR/Engg and will report to ED/NFR/TC
v	Director/Joint Director/NFR/TC	Traffic (IRTS)	Will report to ED/NFR/TC

A hierarchical/reporting relationship of officers working under NFR Directorate is shown below:

#### ORGANISATION CHART OF NFR DIRECTORATE:



Henceforth, Non Fare Revenue Directorate would report to Board (MT).

Broad items of work to be handled by Non-Fare Revenue Directorate would be as under:

- i) Advertisement at stations;
- ii) Commercial exploitation of vacant land and space rights over station buildings including station re-development;
- iii) Advertisements on coaches (both inside/outside) and on locos;
- iv) Sponsorship of uniforms of railway personnel, wherever in vogue;

- v) Advertisements through hoardings on land alongside tracks and on land near railway stations.
- vi) Commercial farming alongside railway tracks;
- vii) Monetization of soft assets, including generation of revenue from websites through advertisements and web links;
- viii) Sidings and way – leave charges;
- ix) Operation/licensing of Multi-Functional Complexes;
- x) Parking of vehicles in railway land other than at stations;
- xi) Advertisements on wagons, FOBs, ROBs, RUBs, Railways buildings, Loco Sheds, Production Units, Structure on railway premises (like water tanks, microwave towers, OHE masts etc);
- xii) On board (trains) and off-board (Stations) entertainments, magazines on trains, displays at railway premises including stations (LED screens, video walls, transslides etc);
- xiii) Sponsorships of activities and events at stations, branding etc;
- xiv) Operation of Pay and Use toilets in land outside railway stations (circulating area, approach roads, near LC gates etc.);
- xv) Radio, Video, Internet, Wi-Fi, Mobile Apps, Interactive services (like video games etc.) in railways premises including stations;
- xvi) Tourism

All the above officers working in Non-Fare Revenue Directorate would report to Board (CRB) directly.

## **Out of Home Advertising**

Hon'ble Minister of Railways had announced during the Railway Budget 2016-17 that "Although we enjoy the highest captive eyeballs in a railway system internationally, we earn less than 5% of our revenues through non-tariff sources. Many of the world railway systems generate 10% to 20% of their revenues from non-tariff sources. Over a period of the next five years, we will strive to reach this world average by monetizing assets and undertaking other revenue yielding activities.

Indian Railways has vast physical infrastructure which is ripe for commercial exploitation through advertising. We intend to give special focus to exploiting advertising potential of our stations, trains and land adjacent to tracks outside of big stations. We will make efforts to use our customer-interfacing assets in every manner possible for earning advertising revenues. In all, we target to increase the advertising revenues by more than 4 times the current revenues"

### **Objective:**

The objective of this policy is to lay out the various conditions in monetizing advertising assets apart from the station area such as circulating areas of class A1-F category stations, Road over Bridges, Road under Bridges, level crossing gates, Railways colonies, Railways workshops, Railway production units, Railway land along the tracks etc.

Main Feature of the Policy:

- Advertising Rights Approach:
  - Indian Railways shall offer advertising assets
    - At identified sites which are locations where existing contracts are operational
    - Sites identified but at which no present contract is operational
    - Locations have neither been allotted nor identified earlier by Railways,
  - The licensee shall have a rights based approach. No particular site or available space in terms of square meters shall be committed, except for the identified sites where Railways will grant the locations as far as feasible.
  - The license granted, by the rights based approach, shall include rights for all advertising assets owned by Indian Railways at the advertising locations in the areas as specified in the package and not part of the negative list.
- **Negative list of advertising assets:**
  - The negative list includes station building area, railway track land/area situated within the stations building complex, foot over bridges (leading to the platforms), purely administrative offices, heritage buildings and other restricted areas.

### **Package sizes:**

- The advertising asset package sizes shall be offered for bidding for each zonal Railway separately, except for Mumbai area which will be combined for both Central and Western. However, Railway Board may combine several

zones in a package in order to increase revenue from the assets. Even if the packages contain several zonal railways, the bid shall be offered for each Zonal Railway separately and the highest bid received cumulatively for the package shall be awarded the license. The agreement shall be signed by each Zonal Railway separately even in case of combined package.

- **Tendering Methodology:**
  - RITES Limited in association with the PMMEA, shall invite open bids on behalf of the Zonal Railways after confirming the details about available sites which are in operation or have been identified but not under contact. The Zonal Railway will confirm the estimated earnings form all assets to RITES. RITES will not fix the estimated earnings form the tender packages which will be less than the estimated earnings determined by Zonal Railways.
  - The bidding shall be conducted through ascending e-auction method only.
  
- **Contract Tenure:**
  - Indian Railways shall grant advertising contracts for a tenure of 10 years.
  
- **Right of Refusal:**
  - The Right of First Refusal shall be offered to the Licensee after completion of the contract.
  
- **Escalation clause:**
  - The license fee shall escalate by 10% each year after 2 years.
  
- **Novation of existing contracts:**
  - Indian Railways shall novate the existing contracts to the licensee in order to enhance the value of advertising assets. The existing contracts or its revenue shall pass on to the licensee until the expiry of the contracts.
  - The advertising assets of existing commercial publicity contracts shall not form part of the license until after the expiry/termination of such contracts.
  
- **Product display**
  - Licensee will be permitted to display products in the circulating areas without disrupting the flow of passengers in earmarked areas without any merchandising/sale.
  
- **Security Deposit and Payment:**
  - Indian Railways shall receive security deposit for an amount equivalent to the 6 (six) months License Fee for each year of the License Term by way of an irrevocable bank guarantee.

- Indian Railways shall receive License Fee in advance in equated monthly instalments in the manner set out in the License Agreement.
- **Media Agnostic:**
  - Indian Railways shall allow the use of all forms of advertisement that is appropriate, safe and feasible for the corresponding advertising asset/location subject to restrictions under any policy of the Authority or the Outdoor Advertisement Policy (OAP).
  - Indian Railways shall allow the licensee to carry out advertising operations based on relevant laws, no interference with the operations of Indian Railways, not to affect the safety of passengers & train operation, façade of Heritage/Station building.
- **Advertising plan:**
  - Indian Railways shall assess the advertising plan on the basis of aesthetics, feasibility, safety and security, standards and specifications of the materials used and their technical or operational considerations. The Railways shall provide its comments on the same conditions within 15 days of the receipt of the advertising plans.
- **Revenue share with municipal authorities:**
  - The licensee of Indian Railways shall not be liable to pay cess, assessment, statutory taxes, local levies, statutory dues that are due and payable by the Indian Railways, such as property tax, dues towards revenue sharing with a municipal authority/council etc.,
- **Bid Process Management:**
  - Indian Railways have appointed RITES as consultant who have appointed Ernst & Young as Professional Media Market Evaluation Agency (PMMES)
  - RITES and PMMEA shall be responsible for overall Bid Process Management.
  - RITES and PMMEA shall prepare Tender Documents.
  - The PMMEA shall prepare the Notice Inviting Tender, with recommendations by RITES, to be approved and published by the concerned Zonal Railway.
  - RITES and PMMEA shall upload the NIT/Tender document, addendum/corrigendum to the tender after approval from the concerned Zonal Railway by arranging suitable e-tendering platform.
  - Estimated Earnings as projected by PMMEA will be approved by the concerned Zonal Railways.
  - PMMEA shall receive and evaluate tenders.
  - RITES shall accept the tender and issue LOA.
  - Zonal Railways shall sign and implement the agreement.

## **MODIFIED POLICY GUIDELINES ON 'COMPREHENSIVE PARCEL LEASING POLICY'**

Freight Marketing Circular No.12 of 2006 and its amendments issued from time to time.

1.0 The Comprehensive Parcel leasing Policy i.e. policy guidelines for leasing out of parcel space of the Assistant Guards' cabin (AGC. Brakevans (SLRs) and Parcel Vans (VPHs/VP's /VPUs) was issued under Freight Marketing Circular No. 12 of 2006 vide Boards Letter No. 2006/TC(FM)/10/1 dated 28.03.2006 . Since then, a number of amendments have been issued in the various provisions of policy from time to time.

### **10. General Guidelines for leasing of Parcel Space.**

#### **1.0 Applicability of the Scheme.**

1.1 Under the Scheme Parcel Space of the compartments of Brake vans (SLRs) and Parcel Vans (VPHs/VPs/VPUs/VPRs etc) will be leased out by the Divisions/Zonal Railways to the Private Parties (Registered lease holders) for the transportation of Parcel Traffic.

#### **2.0 Categorization of Service:**

2.1 Categorization of Train / Service will be notified separately for up and down directions of the train by the Zonal Railways concerned on which the Up or Down Train originates.

#### **3.0 Eligibility;**

3.1 The participant must be a registered lease holder at the concerned Division or Zonal Railway Headquarters where tender is floated. Only registered lease holders shall be eligible to participate in parcel leasing tenders.

3.2 Any person or cargo operator or transporter having Indian Citizenship or any Agency or company registered in India or manufacturer company of Joint Venture Company registered under company's Act is eligible to get him or them registered under the Scheme.

The annual turnover of the business of the applicant / firm / company, who applies for registration for lease holder under the scheme, shall have the business to the following extent:

<b>Category</b>	<b>For participation in tenders of</b>	<b>Annual Turnover</b>
A	SLRs & VPs	Rs.2 Crore
B	SLRs	Rs.50 Lakhs

He shall be required to furnish the Audited Balance Sheet and P & L Account of the last financial year (at the time of opening of tender) in support of above.

3.3 City Booking Agency and Out Agency shall not be eligible to participate under these contracts.

#### **4.0 Registration of Lease Holders:**

- 4.1 Each Division / Zonal Railway after scrutinizing credentials of each applicant shall maintain an approved list of Registered Lease Holders with a view to avoid counterfeit participants and fly-by-night Operators.
- 4.2 Prospective lease holders will be required to get themselves registered with concerned Divisions / Zonal Railway Headquarters in order to participate in leasing tenders. For the purpose of getting themselves registered they will be required to submit documents listed in Annexure-I.
- 4.3 Registration will be done Division wise / Zone wise in case a lease holder wishes to participate in Tenders floated by Different Divisions then he must get himself registered separately in each Division.  
In case a lease holder wishes to participate in tenders floated by Zonal Railway Headquarters then he must get himself registered separately at Zonal Headquarters. For participation in the Tenders floated for leasing of Parcel Vans (VPs) on round trip basis, the registered lease holders of any Divisions / Zonal Railways (i.e. Originating or Destination Station) can participate in the Tenders. There will be no need to get him/them registered at the other end.
- 4.4 Registration fee will have to be deposited separately in each Division. However a lease holder may get himself registered in separate categories on different Divisions depending up on his requirement.
- 4.5 For Registration, the applicant/lease holder will submit his documents (as listed at Annexure I) to the Division / Zonal Railway concerned. The Division / Zonal Railway will duly verify the correctness of all details given in the relevant documents by deputing Commercial Inspectors to the Business Premises mentioned in the documents. Only after all documents have been verified for their authenticity Division / Zonal Railway will accept the applicant as a registered lease holder.
- 4.6 Normally a Division / Zonal Railway should verify all relevant documents submitted by the lease holder within a period of one month on submission of application.
- 4.7 In case of incomplete information or non-submission of documents mentioned at Annexure I or in case details provided by him are found to be incorrect, then the applicant will not be eligible for being registered as a lease holder.
- 4.8 After his documents have been verified the lease holder will be asked to deposit the registration fee for the category in which he seeks registration as detailed under Para 4.10 below.
- 4.9 On payment of registration fee, the lease holder will be registered by the Division / Zonal Railway concerned and a certificate to that effect will be issued by the Sr.DCM / DCM / Dy.CCM. Format of certificate of registration is given at Annexure II.
- 4.10 Along with the certificate of registration, Lease holder will also be provided with a Photo Identity Card duly signed by the ACM.

4.11 There will be two categories of registrations namely A & B. Details are as follows:

Category	Registration Fee	Parcel Space permissible
A	Rs.1,00,000/-	SLRs & VPs
B	Rs.50,000/-	SLRs

The registration fee shall be in the form of Demand Draft or Bankers Cheque. Railway Administration will not pay any interest on this amount.

4.12 It is for the lease holder to decide under which category he wished to get himself registered depending on the type of lease he wished to participate in.

4.13 Registered lease holder will be eligible to participate in the tenders on a particular division for the category he is registered in (For example a lease holder registered in category "C" can only participate in the leasing tenders of Asst. Guards cabins.

4.14 Lease holders registered in Category 'A' will be eligible to participate in all leasing tenders.

4.15 If the registration of a lease holder is cancelled as a punitive measure, either for reasons of repeated over loading or the repeated failure to start loading after award of contract, or for attempt to deliberately defraud railways or for repeated violation of any of the existing stipulations where cancellation of registration has been legislated as the penalty, then the entire registration fee would be forfeited. In case of cancellation of registration and thereby forfeiture of registration fee all his existing leasing contracts being operated from that division / zone would also be terminated / cancelled by forfeiture the Security / Performance Deposit. In addition to cancellation, such a lease holder /firm would be debarred from fresh registrations for a period of five years. All the Zonal Railway should be informed the name of firm who has been debarred. Fresh registration will not be done by any of the Zonal Railways / Divisions by the name of such firm / or leaseholder for a period of five years.

4.16 Appeal against cancellation of registration or termination of lease contracts of the leaseholder will lie with Chief Commercial Manager of the Zonal Railways who will decide the case at his own discretion on merits of the case. Appeal should be filed by the lease holder within 30 days from the date of termination of lease contract or cancellation of registration of the leaseholder, failing which fresh tenders will be called for.

After considering appeal of the leaseholder, if the competent authority decides to reinstate his registration, consequent upon the same, all his contracts (which were terminated as a punitive measure) will be restored. In such cases, 'Registration fee' as well as Security /Performance Deposit, deposited earlier, shall continue.

4.17 Once a lease holder has registered himself, his registration will be valid for 5 years unless his registration is cancelled by the Railway Administration as mentioned in Para 4.15.

4.18 Before expiry of his registration on completion of 5 years, a lease holder may renew his registration by submitting fresh documents as listed at Annexure I, without

payment of any additional registration fee. The registration fee deposited earlier will be carried forward; however, the lease holder shall be required to deposit the difference in old and new registration fee, if any, at the time of renewal of registration.

- 4.19 The scheme for registration of scheme holders will be a continuous process and open throughout the year. Any new entrant can get himself registered on a particular division at any time by submitting an application with relevant documents or verification and thereafter paying the registration fee.
- 4.20 If a lease holder wishes to withdraw his registration from the scheme during validity period of his registration or applied for refund after expiry of his registration on completion of 6 years period, registration fee will be refunded in full, subject to  
(i) clearance of all Railway dues and  
(ii) no contract should be in operation of that applicant (leaseholder).
- 4.21 If registration certificate is lost, duplicate registration certificate can be issued by the same competent authority, who had issued earlier Registration Certificate after verification of claimant. For issuance of duplicate Registration Certificate after verification of claimant shall be required to pay 10% of the amount (Non-refundable) of registration fee along with application and has to enclose affidavit of the lease holder.
- 4.22 If, expiry of registration falls within the contractual period of any contract, the leaseholder shall be required to renew the registration well before expiry of registration.
- 4.23 After registration of leaseholder, whenever there is change in the name of the firm or change in address or change in the premises of firm or change in ownership of firm, the leaseholder shall be required to inform the same immediately to the Railway Administration by providing necessary documents. If information is not provided to the Railway Administration by the leaseholder within one month period, his registration will be cancelled and registration fee will be forfeited.
- 4.24 The applicant, while submitting his tender / bid, shall be required to give declaration that his registration has not been cancelled earlier by any Zonal Railway / Division on punitive measure and he /his firm has not been debarred from entering into any new tender. The declaration shall be as under;
- (i) Whether the tenderer is already registered leaseholder in any Zonal Railway, Division if so, and details thereof.
- (ii) Whether his Registration has been cancelled by the Zonal railway / Division. If so details thereof.
- (iii) Whether they have been debarred for fresh registration by any Division/ Zonal Railway. If so details thereof.
- (iv) Whether any punitive action has been taken by any of the Zonal Railway / Division if so the details thereof.

(v) Whether any Railways dues are pending against them at any Zonal Railway / Division.

4.25 If any information / declaration made by the leaseholder is found false at any stage before or after award of contract or deliberately defraud with the Railways, his registration will be cancelled and registration fee will be forfeited. In addition to forfeiture of registration fee, his entire existing leasing contract being operated from that Division would also be cancelled.

## 5.0 Earnest Money;

5.1 With a view to ensure that there is no loss of earnings in case of failure of highest bidder to start loading within the stipulated period on an account of over bidding or failure of the lease holder during the contractual period, each participant, while submitting his tender shall be required to deposit, "Earnest Money". The Earnest Money for different types of leasing contract shall be as under.

Parcel Space to be leased	Earnest Money	Mode of Deposit of Earnest Money
One compartment of Brakevans	Rs.1 Lakh	Bankers Cheque or Demand Draft
Parcel Vans (VPs)	Rs.4 Lakhs	

5.2 After finalization of tender, earnest money of all unsuccessful bidders would be refunded. No interest shall be payable on earnest money.

5.3 Earnest Money of the successful bidders would be converted into Security Deposit, if the bidder so requests.

5.4 Railways may enhance the earnest money deposit in case of repeated failure of tenders due to fake or non-serious bidding by tenderer. AS-6

## 6.0 "Security Deposit / Performance Guarantee".

6.1 The 'Security Deposit / Performance Guarantee' specified for operating different types of parcel leasing contracts is as given below:

	Parcel space to be leased out	Security Deposit/Performance Guarantee	Minimum Amount	Mode of Security Deposit
(i)	One compartment of the Brakevan (SLR)	Amount equivalent to 10 % of annual contractual value as per Lumpsum Leased freight (accepted rates) of the leased parcel space.	Rs.1,00,000/-	FDR or DD in favour of SR.DFM / FA&CAO
(ii)	Parcels Vans (VPs)	Amount equivalent to 10 % of annual	Rs.4 Lakhs	

		contractual value as per Lumpsum Leased freight (accepted rates) of the leased parcel space.		
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The above security deposit shall be remitted by the successful bidder within 15 days from the date of issue of LOA. (AS 6)

- 6.2 The Bank Guarantee / FDR shall be valid for the period of contract + 3 months. Similarly, Security deposit collected in cash shall be refunded only after three months after expiry of contract period.
- 6.3 It is the responsibility of destination station and intermediate stations to submit the report regarding outstanding due, if any, against the lease holder, within a maximum period of 60 days, after completion of contractual period, if no report is received from the intermediate stations within 60 days after expiry of contract, it will be assumed that there is no amount outstanding against the leaseholder and the security deposit will be refunded by the concerned Division / Zonal Railway of originating station subject to observing other rules.
- 6.4 In case of failure of the higher bidder / allottee of the contract to start loading within the stipulated period on account of over bidding or failure of the leaseholder to continue the loading during the contractual period without giving notice to Railway Administration, the Security Deposit / Performance Guarantee shall be forfeited.
- 6.5 In all cases where an existing contract is terminated by Railway Administration as a punitive measure, the Security Deposit / Performance Guarantee shall be forfeited.
- 6.6 Security Deposit / Performance Guarantee will be refunded by the Railway Administration in following circumstances  
(i) After successful completion of contractual period; or  
(ii) Termination of contract by the leaseholder by giving 2 months advance notice; or  
(iii) Termination of contract by the Railway Administration on operational grounds.  
In all such cases, refund of Security Deposit / Performance Guarantee shall be subject to clearance of all Railway dues.

**7.0 Duration and mode of leasing for contracts:**

- 7.1 SLR: for leasing of parcel space of the compartment of Brakevans (SLRs) there will be 3 types of leasing depending upon the duration of the leasing contract. These are classified as follows:

	Type of Lease	Period of Lease	Mode of Lease
1	Long Term Lease	5 years	Open Tenders
2	Temporary Lease	30 Days at a time	Quotation Basis
3	Day to day lease	Maximum 10 days at a time	Quotation Basis

Long term lease shall be awarded for a period of 5 years. There would be no escalation during the first 3 years in the lumpsum leased freight. An annual escalation

of lumpsum leased freight at the rate of 10% per annum on the lumpsum leased freight of the immediate preceding year shall be applicable from the 4<sup>th</sup> year onwards.

- 7.2 Parcel Vans: Parcel Vans (VPHs/VPs/VPU/VPRs etc) shall be leased out on round trip basis only on long term contracts through open tenders. Leasing of Parcel Vans is not permitted on short term, Temporary or Day to Day Basis.

	Type of Lease	Period of Lease	Mode of Lease
1	Long Term Lease	5 years	Open Tenders

Long term lease shall be awarded for a period of 5 years. There would be no escalation during the first 3 years in the lumpsum leased freight. An annual escalation of lumpsum leased freight at the rate of 10% per annum on the lumpsum leased freight of the immediate preceding year shall be applicable from the 4<sup>th</sup> year onwards

## **8.0 Extension of Leasing Contracts:**

- 8.1 No extension of leasing contract will be allowed to any of the parcel leasing contract, however in case of expiry of contract period and non-finalization of New Contracts due o Administrative delays, temporary extension can be granted by the CCM in case of only Long Term contracts till finalization of the new tender or for a period of 3 months whichever is earlier.

- 8.2 Divisions / Zonal Railways should take timely action to call for fresh tenders' atleast 3 months before the expiry of existing contract.

## **9.0 Reserve Price for Leasing of SLRs & VPs**

- 9.1 Reserve Price should be fixed by the Zonal Railways / Divisions concerned as per the guidelines stipulated (Annexed) for each type of lease / service viz SLR/VP.

- 9.2 Reserve Price shall be fixed by the Commercial Department with vetting from Associates Finance, based on guidelines for various types of lease.

## **10.0 Escalation in Lumpsum lease price during contractual period.**

- 10.1 **Revision in Lumpsum Leased Price** during contractual period; there shall be no escalation of Lumpsum Leased Price during the contractual period on account of budgetary or any other increase in the tariff rates.

## **10.2 Deleted**

- 10.3 However revision of categorization of service / trains consequent upon upgradation of train in higher scale or vice versa, shall not be made applicable to lease contracts during the currency of the contractual period.

## **11.0 Levy of surcharges under the scheme.**

- 11.1 The Lease holder will have to pay Development Charge or any other charges levied by the Railway Administration on the freight over and above the lumpsum leased freight.
- 11.2 The lease holder shall be liable to pay Service Tax as imposed by the Central Government from time to time for transportation of Goods/Parcels.
- 11.3 The Surcharge leviable for Bulky Articles will not be applicable under the scheme as handling / loading / unloading is done by the lease holder.

**12.0 Payment of Lumpsum leased freight;**

- 12.1 Prepayment of Lumpsum Leased price is compulsory under the scheme irrespective of partial / non utilization of leased parcel space by the lease holder, except in case of lease or exemption as mentioned under Para 20 and Para 21 of this circular.

Payment of Lumpsum leased freight shall be one day in advance from the nominated day of loading. Accordingly, lease holder shall be required to deposit lumpsum lease freight one day in advance from the nominated day of loading, within business hours of the parcel office.

- 12.2 If the lease holder fails to deposit freight one day in advance from the nominated day of loading 5% surcharge on Lumpsum leased freight will be levied.
- 12.3 Lumpsum Leased Freight charges will be calculated as per the lumpsum rates fixed from lease originating to lease terminating stations for full parcel space leased out irrespective of its actual utilization.
- 12.4 For parcel space leased out on round trip basis, 50% of the agreed upon lumpsum leased freight charges would be deposited at each end.

**13.0 Issuance of Money Receipt.**

- 13.1 No Railway Receipt will be issued by Railway for consignments being transported in leased parcel space.
- 13.2 in lieu of deposition of Lumpsum Freight in advance, money receipt will be issued to the lease holders for entire capacity of leased parcel space from lease originating to lease terminating station. Details of collection of advance lumpsum leased freight should be given in the money receipt itself indicating the following.

I	Date of collection of lumpsum leased freight	
II	Name of lease holder	
III	Train No.	
IV	Type of Lease (SLR / VP)	
V	Capacity of Parcel space leased out	
VI	Date of Loading of Leased Parcels	
VII	Amount of Lumpsum leased freight	

13.3 Parcel way bill will not be issued in case of leased parcel traffic. Only money receipt will be issued to the lease holders for the amount of advance lumpsum leased freight deposited for entire parcel leased capacity from lease originating station to lease terminating station indicating full particulars as per Para 13.2 above.

**14.0 Schedule of Powers for dealing Parcel Leasing Contracts.**

14.1 Tender Committee for dealing with parcel leasing tenders would be constituted as per the schedule of powers (SOP) given below:

<b>Value of Contracts</b>	<b>Level of Tender Committee</b>	<b>Accepting</b>
Up to Rs.5 Crore	Senior Scale	Sr.DCM
Up to Rs.10 Crore	JAG Tender Committee	ADRM
Up to Rs.15 Crore	JAG Tender Committee	DRM
Above Rs.15 Crores	SAG Tender Committee	CCM (PHOD/CHOD) or AGM in the absence of CCM (PHOD/CHOD)

14.2 Tenders for leasing of parcel space will be dealt as per above SOP. However the above SOP may be made applicable only to parcel leasing tenders/contracts and will not be made applicable to other earning contract.

**15.0 Formation of Tender Committee:**

15.1 Tender Committee for dealing with parcel leasing tenders will be comprise of three members, one of whom will be from Commercial and the other from Accounts Department. The third member of the tender committee will be nominated by the Accepting Authority.

15.2 There will be a standing committee for dealing parcel leasing contracts, and no fresh nomination of the tender committee will be required in each case unless the accepting authority changes one of the existing members by a specific order.

15.3 Briefing note for tender committee and comparative statements should be prepared and vetted by Finance to facilitate the Tender Committee.

**16.0 Invitation of Tenders:**

16.1 Tenders for leasing out of parcel space by passenger carrying trains will be awarded by inviting bids/offers through open tenders by the Divisions / Zonal Railways Headquarters as per SOP mentioned in Para 14.1 above.

16.2 In case of inviting tenders for leasing of parcel vans on round trip basis, the guidelines contained in Para 48 to 52 must be followed. In all cases of leasing of parcel vans prior consent and operational clearance (NOC) of the concerned Zonal Railway (s) must be obtained before calling for fresh tenders.

- 16.3 In case of leasing of parcel space from a Joint Station, which is served by two or more Divisions / Zonal Railways, the Division or Zonal Railway over which the train is to run will lease out parcel space (for e.g. parcel space in a train, which originates from Nagpur and runs over S.E.C. Railway will be leased out by S.E.C. Railway. Similarly parcel space in a train which originates from Nagpur and runs over CR will be leased out by CR.
- 16.4 Division / Zonal Railways should take timely action to call for fresh tenders atleast two to three months before the expiry of existing contracts so that there will be no need to extend the existing contracts beyond the expiry date.
- 16.5 To the extent possible Divisions / Zonal Railways should call for the tenders at the same time for all the available parcel space for leasing on a particular train i.e. both compartments of FSLR, and one compartment of RSLR.
- 16.6 Efforts should be made to ensure that the work of inviting of leasing tenders is uniformly spread out throughout the year so that there is no bunching of large number of tenders at any one time, resulting in delay in finalization.
- 16.7 Divisions/Zonal Railways will issue notification calling for tenders for leasing of parcel space in SLR/Parcel Vans in reputed national / regional newspapers in Hindi / English / Regional languages.  
All the tenders should also be uploaded on the relevant web-site of the concerned division / zonal railway.
- 16.8 Tender Notification should be for a period of 21 working days from the date of publication of notification.
- 16.9 Cost of tender forms for leasing of tender forms should be as follows:
- |   | <b>Type of Lease</b>   | <b>Cost of Tender Form</b> |
|---|------------------------|----------------------------|
| 1 | Assistant Guard Cabin  | Rs.500/-                   |
| 2 | One Compartment of SLR | Rs.1000/-                  |
| 3 | Parcel Van             | Rs.2000/-                  |
- 16.10 The last date and time of submission of tender and the date and time of opening of tender should be specifically mentioned in the tender notification and must not be changed unless the day has been declared a holiday. In that case the tender would be opened on the next working day at the same time and at the same place.
- 16.11 While issuing notification calling for bids for leasing out parcel space in AGC / SLR / Parcel Van Reserve price of the parcel space must invariably be mentioned in the advertisement to avoid receipt of unworkable offer or bids.
- 16.12 While issuing tender notification along with originating destination stations the name of intermediate stations where loading / unloading facility is restricted may also be mentioned to avoid unworkable offers. Para 23.1 and 23.2.
- 16.13 Each tenderer, while submitting his tender bid, shall be required to produce proof of his registration as a lease holder with the Division / Zonal Railway Headquarters concerned by attaching a photocopy of his Registration Certificate.

- 16.14 Division / Zonal Railways on receipt of tenders (the last date of submission of tenders) will finalize the contract / tender expeditiously. After finalization of tenders, "Acceptance Letter" to the successful bidder will be issue within a maximum period of 30 days. This should strictly be followed by all Divisions / Zonal Railways in order to avoid loss of revenue.
- 16.15 Tender offers should be kept valid by the renderers for a maximum period of 90 days.
- 17.0 Declaration (details) to be furnished by the tenderer in Tender form.
- 17.1 In case of tenders for leasing of parcel space on short terms or long term basis, the tenderer while submitting his tender form, shall be required to furnish the following declaration in the tender form, failing which the tender will not be considered.
- (i) No of days lease (loading) required: in cases, where he leaseholder does not want to operate the lease contract on all the days of service available then he shall be required to mention the specific day of week (say Monday, Tuesday, Wednesday, Saturday etc. on which he wants to operate the lease contract.
  - (ii) Number of days leave required; the tenderer shall mention leave required during a year. The maximum leave during a year should not exceed leave after 30 leased operations i.e. maximum twelve leave during a year in case of daily train.
  - (iii) Intermediate loading / unloading facility; the tender shall be required to mention the name of intermediate station (s) where he wants to carry out loading / unloading operations.  
The condition for loading / unloading of parcels at intermediate station (s) from the leased SLR / VP can only be accepted if it is found operationally feasible and the intermediate stations mentioned by the lease holder in the tender form have not been restricted by the concerned Zonal Railway / Division for handling lease parcel traffic.
- 17.2 The tenderer while submitting his tender form, shall also be required to give declaration in the tender form as mentioned in Para 4.24 of this circular.
- 18.0 Procedure to grant leave / exempt loading.
- 18.1 Divisions / Zonal Railways may accordingly exempt lease holder to load leased AGC / LRs /VP by granting maximum leave as per declaration made by the tender / lease holder in the tender form.
- If a tenderer does not mention any leave or mention 'nil' in the column leave no leave will be grant
- 18.2 If the lease holder desires to avail lease on any day, he shall be required to give notice atleast 24 hours in advance / before the schedule departure of the train, to the CPSR of the originating stations with copy to concerned Divisions / Zonal Railway headquarters.

On such days Railway can either clear their non-leased parcels by utilizing such space of the compartment of Brakevan of the train or else lease out the SLRs on day to day basis in case of demand.

- 18.3 The leave can be availed by the lease holder as per his choice.
- 18.4 This leave can be accumulated and availed of any one time also.
- 18.5 In all such cases, adjustment in lumpsum leased freight may be allowed for subsequent / future loading by the same lease holder at the station itself, if advance payment of freight is made.
- 18.6 For the purpose of granting leave the year should be counted from the date of commencement of contract, as mentioned in the agreement.

At the end of each year accumulated leave should lapse and balance leave at the start of next year would start from zero.

- 18.7 In case the lease holder exceeds the number of lease days as mentioned by him in the tender form he shall have to pay full freight of that day.
- 18.8 With a view to prevent fraud and leakage of Railway revenue the Zonal Railways must ensure that the cases where the lease holder applies for leave at originating station and the same is granted, the originating station must convey the message to all the concerned intermediate stations through commercial controller / telephonically on such days loading should not be done by lease holder at any of the intermediate station.

If it is found to have been loaded the lease SLR /VP by the lease holder from any of the Intermediate Stations on the day (s) of lease / exemption / non loading permission his lease contract will be terminated and his registration will be cancelled by forfeiting by security deposit and registration fee as per Para 4.15 of this circular.

**19.0 Method of determining highest bid.**

- 19.1 As stipulated in Para 17 the tenderer shall be required to furnish the details in the tender form regarding number of days of operation of lease during a week. Number of days of leave he wants to avail during a year.

The highest bid will be determined on the basis of total value of earnings offered by the prospective lease holder during the contract period on the basis of declaration / details given by him in the tender form.

The tender committee shall evaluate the tender on the basis of highest valuation taking into account number of loading day's number of days of leave specified by the tender in tender form. For e.g if a tenderer wants to operate a lease contract 5 days in a week and desires to avail 9 days leave during a year. The contractual value of this tender will be worked as per the following method.

1	The tenderer	
2		
3		

Thus the tender will be evaluated equivalent to the bid amount for 251 days  
With a view to lease out parcel space of the SLR/VP for all the number of days of service / train running the remaining days of service of a week may be offered by a tender committee to the second highest bidder in the same tender. Tender committee may negotiate with the second highest bidder to match with the rate of highest bidder if all the days of service are not lease out, such tender may be called for by the railway for the remaining number of days.

- 19.2 If more than 4 tonnes compartment of Brakevans (SLRs) are to be leased out on the same train, the Divisions may award the contracts through one tender for all the available compartments. tender committee may award contracts for more than one compartment to the highest offers received (H1, H2) and so on ) provided the offers are above the prescribed minimum benchmark for accepting the offers for such leasing and difference between highest and lowest acceptable offer is less than 10%.

In case where two SLRs of the same train with different capacity (for example Duronto on pro-rata. The offers should be compared with respective reserve price for finalizing the tenders.

- 19.3 Similarly, if more than one Parcel Van is to be leased out by the same train, the Zonal Railway may call for offers in a single tender, by the same train, at the same time for all the Parcel Vans (VPs) to the highest offers received (H1, H2, H3 and so on) provided that the offers are above the reserve price and the difference between highest and lowest acceptable offers is less than 10%.
- 19.4 In case separate Tenders have been floated for two compartments of SLR of a particular train then the two tenders can be finalized even if the highest bids in the two cases are different.  
However, the difference between the two highest bids should be less than 10%.

## **20.0 Failure of lease holder to start or operate lease contract.**

- 20.1 On allotment of contract the successful bidder (lease holder) shall be required to commence the loading within a period of 15 days, failing which the contract will be terminated and Earnest Money /Security Deposit will be forfeited.

The accepting authority shall be empowered to condone the delay on the merits of the case on written application from leaseholder and give another 15 days (maximum period) to the leaseholder for commencement of contract.

- 20.2 If the highest bidder fails to take up or to start the lease contract, he must be debarred atleast two years from participating in the tender in that Division / Zonal Railway.
- 20.3 If the lease holder, after commencement of loading, fails to load leased parcel space of the SLR/VP on any specific day without any genuine reason and without prior permission of the Railway Administration, the lumpsum freight of that day shall be forfeited.

- 20.4 If the lease holder, after commencement of loading, fails to operate the contract continuously for 10 days without giving any notice, his contract will be terminated and security deposit forfeited. 20.5 In case of 3 such failures (in different leasing contracts on the same division within a period of 5 years, his registration will be cancelled along with other penalties mentioned under Para.4.15.
- 20.6 If it is not feasible for the lease holder to continue the contract due to fluctuations in the market or any unforeseen reason, lease holder can terminate the contract by giving 60 days' notice to the Railway Administration, subject to completion of one year contractual period, in such case, Security Deposit will not be forfeited.
- 20.7 Whenever there is change in originating or terminating station or short termination of service of a train by Railway Administration and leaseholder of existing contract is not willing to continue the contract, he may be allowed to do so. In such cases Security Deposit of leaseholder will be refunded even not fulfilling the condition of 60 days advance notice and completion of one year contractual period. (subject to clearance of all railway dues) provided a notification to that effect is issued by Railway Administration or CCM certified that Railway is not in a position to run the service from / up to station as mentioned in the tender notification and agreement after obtaining views of COM.
- 20.8 In case of dispute, on the part of Railways obligations, where lease contract could not operationalise to the leaseholder or suspended by Railway in certain circumstance, like change of loading or unloading point, not providing sufficient time for loading or other operational problems. Railway Administration (CCM) shall be empowered to deal with such situation as deemed fit, depending upon the merit of case as they are doing de facto. If later on, the problem is resolved by Railway, the intervening period involved in resolving such disputes (non operationalization of contract / non loading by the lease holder due to disputes) will be treated as 'dies-non'.

## **21 Adjustment in advance freight paid due to non-loading.**

- 21.1 Railway Administration shall give guarantee to provide leased parcel space of the Brake-van / Parcel Vans as per terms and conditions of the agreement, however, in case of railway operational exigencies such as termination of train short of destination or cancellation of service / train due to floods / foggy weather, derailment / accidents. Breach of line, interruption of traffic or any other operational reason, Railway Administration shall not be held responsible for not providing the guaranteed service for the leased parcel space.  
Railway Administration shall not be held responsible in case of non-supply of leased parcel space on account of non-availability of SL/VP due to being marked sick or due to supply of stock to the higher priority group or any other operational exigencies,. In such cases 'lumpsum leased freight' of that day will be adjusted for next loading.
- 21.2 Adjustment of Lumpsum leased freight when the leased space is not made available by the Railways due to unavoidable circumstances including one of the following
- (i) Damage to inside walls of SLR due to thefts during previous trip.

- (ii) Breakage of floor of SLR/VP.
- (iii) Non-availability of SLR/VP.
- (iv) SLR sealed through to destination by railway staff at originating station.
- (v) Carriage of dead body in SLR compartment (see Para 21.6)
- (vi) Change of platform at the last movement.
- (vii) Restriction to bring parcels on platform due to security arrangement for VVIP movement important functions etc.

\*(a) when restriction is imposed by the Security Agencies / Delhi police on loading / unloading of parcels at Delhi, New Delhi & Nizamuddin Stations due to security arrangements in connection with Republic Day or Independence Day Celebrations.

(b) In cases of parcel leasing contracts which have been awarded by other divisions / Zonal Railways for trains, which originate from other than Delhi Area but Pass through DLI/NDLS/NZM stations and loading / unloading permission for the leased SLR / VP is granted at DLI/NDLS /NZM stations (being intermediate), may also be covered under the ambit of exemptions on loading on the days of restrictions, on the occasion of Republic Day or Independence Day on account of security reasons. The exemption for loading of leased SLR/VP from originating station may be considered by the Zonal railways keeping in view (i) On receipt of written request from the lease holders; and (ii) exemption should be only for such days when the train passes / touches at DLI / NDLS /NZM stations on the days of restrictions (During Republic Day & Independence day )

Illustration on item ii above is as under;

For example – if restriction on loading /unloading of parcels at DLI/NDLS/NZM stations is imposed from 24 to 26 January, a train originates from station A on 23<sup>rd</sup> January, and passes through NDLS on 24<sup>th</sup> January, the lease holder may be exempted for loading on 23<sup>rd</sup> January at station A.

In case of train originates from Station A on 26th January and passes through NDLS on 27<sup>th</sup> January, no exemption will be granted for loading on 26<sup>th</sup> January at station A. however, the lease holders, who are willing to load the leased SLR / VP at station A on such days , will be allowed to do so. (AS III)

(viii) Agitation / strike by Railway staff.

(ix) When train is running on diverted route and does not pass through the stations where loading / unloading is provided.

21.3 Adjustment of Lumpsum leased freight. When the lease holder is not able to load the parcel space due to unavoidable circumstance including one of the following

- (i) Public agitation, bandh etc.
- (ii) Natural calamities like earthquake, floods breach etc or on the day of State / National elections.

21.4 In case of circumstances mentioned in Para 21,2 ad Para 21.3 above, when parcel space is to utilized for loading for no fault of leaseholder, he shall be exempted from payment of freight for that particular days (non-loading) subject to certification of circumstances by the multi – disciplinary team. If freight is deposited in advance, it

may be adjusted again the next loading / payment. In case the freight cannot be adjusted in this manner, then the same may be granted as refund.

- 21.5 (i) In case of short termination of train service, the lease holder will be allowed to avail the service up to the destination / train terminating, station upto which train is running and freight shall be collected proportionality upto that destination.
- (ii) If the leaseholder does not want to avail the service upto short of destination, he may be exempted provided.
- (a) An application is made to CCM, for exemption of loading and payment of lumpsum leased freight on the days of such disruption.
- (b) CCM certifies the operational constraints in consultation with COM.
- 21.6 Normally dead body should not be carried in the brake van (SLR) and as far as possible these should be loaded in Asst. Guard Cabin of front SLR of those trains which have not been leased, If no such train is available, then the dead body should be loaded in the AGC of leased train and the lease holder granted lumpsum leased freight adjustment for one days non-loading.
- 21.7 in all other cases, if the leaseholder fails to load the SLR, advance lumpsum leased freight collected, will be forfeited.
- 21.8 If the lease holder has a genuine reason for not loading on that day he may prefer a claim for refund which will be dealt with on merits.
- 21.9 Permission for loading of leased VP on any other day / train in case of force leave when the leaseholder could not be able to load the leased Parcel Van on account of certain circumstances as mentioned under Paras 21.2 (iii), 21.2 (viii) and 21.3 above, if later on, he desired to load the VP. He may be permitted to do so, on any other subsequent day within a period of 30 days (from the date of non-loading) with the approval of CCM. If it is operationally and commercial feasible, in such cases, VP will be attached by the same train (if room is available) or any other train in which rooms is available.

## **22.0 Procedure for preparation of manifest by lease holder:**

- 22.1 Leaseholder shall be required to prepare detailed Manifest (in prescribed format as given in Annexure -3) for the consignments being transported by him in the leased SLR/VP. Leaseholder shall also give declaration as given in the Annexure – 4.
- 22.2' Manifest" will mention full particulars of train number, date details of leased space, details of payment of lumpsum leased freight. Money Receipt number etc (as per Annexure – 3)
- 22.3 The lease holder shall be required to declare the content of each package / consignment in the Manifest and put up the label (Paste on label or thought ink) describing the content in each package / consignment to be transported by him in

the leased SLR/VP. The leaseholder must ensure that before loading the consignments description has been mentioned on each packages / consignment.

- 22.4 The leaseholder shall be required to prepare detailed 'Manifest' for consignments being transported by him for each combination of loading & unloading station indicating station wise details of number of consignments loaded in the leased parcel space (SLR/VP). However, in case of loading from one originating station to different destinations, only one manifest is required to be submitted by the leaseholder, for example  
Similarly, leaseholder shall be required to submit single manifest for loading of parcels from an intermediate station to various destinations, for example
- 22.5 Each 'Manifest' will be prepared in 4 copies to be used as follows:  
(i) 1<sup>st</sup> copy of the manifest will be retained as station record.  
(ii) 2<sup>nd</sup> copy to be retained by the lease holder as his 'record'.  
(iii) 3<sup>rd</sup> copy will be kept in the leased parcel space (SLR/VP) near the door, preferably in a transparent polythene folder / bag. This will be retained by parcel office of unloading station as 'record'.  
(iv) 4<sup>th</sup> copy to be returned back to the lease holder duly signed and stamped by the parcel staff if the unloading station this will serve as an authority to remove / take away the consignments from the railway premises at the destination station.
- 22.6 All the copies of manifest will be signed by lease holder or his authorized representative.
- 22.7 All the copies of each Manifest will be signed and stamped by the parcel staff of originating station who will retain one copy as record and return the other copies to the lease holder.
- 22.8 Copy of the Manifest must be submitted at the parcel office by the lease holder or his representative before starting loading in the leased compartment.
- 22.9 Representative of the leaseholder shall be authorized to takeover and remove consignments from station premises on the basis of the 4<sup>th</sup> copy of Manifest duly signed and stamped by the parcel staff of unloading station. This will be treated as authority to take delivery and remove the consignments from railway station. 22.10 the leaseholder shall be prima facie responsible for correctness of entries made in Manifest as well as actual number of consignments physically loaded / available in the leased SLR/VP.

In case number of packages found are excess than the packages shown in the Manifest a penalty of Rs.5000/- per vehicle shall be recovered even when the weight of the parcels loaded in the vehicle is within the permissible carrying capacity of that vehicle.

In case the number of packages found are less than the packages mentioned in the Manifest no penalty shall be recovered, provided the total weight of the packages are within the permissible carrying capacity of the vehicle.

22.11 It will be the responsibility of the shareholder to ensure that the total weight of consignments loaded in the parcel space is not beyond the permissible carrying capacity of that vehicle / unit leased out to him between any legs of its journey.

22.12 Punitive charges for overloading have been given in Para 27 of this circular.

**23.0 Loading /Unloading facility at intermediate stations & Loading / Unloading operation at originating, intermediate and destination stations.**

23.1 In view of operational constraints or heavy passengers traffic at important station / interchange point or having heavy originating parcel traffic from big stations, where it is not feasible to grant permission for handling of leased parcel traffic, the Zonal Railway, if it is of the opinion that it is necessary to do so in the public interest, may impose restriction on loading / unloading of leased parcel traffic at such stations.

For this purpose, Zonal Railway shall notify the list of such stations, which have been restricted for loading / unloading of leased parcel traffic. This will be circulated to all concerned i.e. all the Zonal Railways / Divisions on Indian railways. The Zonal Railways will also upload the same on their web site.

There will be no need to obtain No Objection Certificate (NOC) from the controlling Division / Zonal Railway of that intermediate station for granting loading / unloading permission at intermediate station. The tender committee, while finalizing tender for parcel leasing contracts may grant permission for loading / unloading of leased parcel traffic at intermediate stations provided that the intermediate stations, where loading / unloading facility has been sought by the leaseholder are not restricted by any of the Zonal Railways.

23.2 Loading / unloading operation of parcels to the leased parcel space at originating / destination and intermediate station will be carried out by the leaseholder.

23.3. loading / unloading facility at intermediate station can be allowed at such stations which are mentioned by the tenderer / leaseholder in the tender form and these stations are not restricted for carrying out loading / unloading operation of leased parcel traffic at such stations subject to having stoppage time of train at that station 5 minutes or more in case of leased SLR and 10 minutes or more in case of lease parcel Van.

23.3.1 After operationalization of Parcel Leasing Contracts of Brakevans (SLRs) and parcel Vans (VPs) by the lease holder, during the currency of contract on receipt of request from the lease holder, the Zonal Railways (Divisions or Zonal Railway HQ) may allow loading / unloading facility at new / additional intermediate stations (which have not been mentioned by the tenderer in the tender form at the time of submission of tender), subject to fulfillment of conditions stipulated in Para 23.3 above. In such cases lease holder shall provide copy of agreement and copy of approval / working instructions issued by the concerned Division / Zonal Railway to the concerned intermediate stations before starting loading / unloading operation at that intermediate station.

- 23.4 Lease holder shall be liable to produce clear photo copy of the Money Receipt as documentary proof in regard to payment of lumpsum leased freight for leased parcel space of SLR/VP of a particular train / day at any time while transporting his consignment.
- 23.5 Leaseholder shall complete loading / unloading operation within the available time at originating and destination station after placement of rake at originating station and before removal of rake at destination station.
- 23.6 Three hours free time from the time at which the Parcel Van / Vehicle is placed in position, shall be allowed for loading or unloading of parcels in case the leased parcel vans placed at separate terminal at originating and destination station.
- 23.7 The lease holder shall complete loading / unloading operation at intermediate stations within the scheduled stoppage time of train at that station, the leaseholder shall give adequate time for sealing of Brakevans / Parcel vans by the Railway Staff.
- 23.8 The leaseholder shall padlock the Brakevan before departure of train so that railway staff can complete other formalities including sealing of Brakevan (SLR).

The originating station must ensure that after completion of loading, the lease SLR/VPs are sealed by the railway staff. Similarly, intermediate stations, where loading / unloading permission is given must ensure sealing of SLR/VPs before departure of train.

- 23.9 Leaseholder shall complete his loading / unloading operations in the leased SLR/VP within the scheduled stoppage time of the train at intermediate stations; in no case shall detention to a train be permitted at intermediate station on account of loading / unloading of parcels by the leaseholder.
- 23.10 Detention of train on account of loading / unloading of parcels in leased SLR/VP should in no case be allowed at originating or intermediate stations,
- 23.11 In case of detention of train beyond the scheduled stoppage takes place on account of loading / unloading of parcels by the lease holder a fine of Rs.5000/- shall be imposed for each such occasion.
- 23.12 in case of ordinary passenger trains, apart from parcels even bulk commodities of freight traffic are permitted to be carried by the lease holders in SLRs. Commodities would comprise of either bagged consignments, food grains, cement, fertilizers etc) or packaged consignments Loose consignments such as coal / sand etc. would not be permitted.

#### **24.0 Placement / withdrawal of Rakes on / from platforms.**

- 24.1 At all train originating stations, all efforts should be made to place the empty rake of trains at lease ½ hour before the scheduled departure of the train. However, in any case (late placement of rake), the leaseholder shall be required to complete the loading operation within the available time and by giving sufficient time to the railway staff for sealing of SLR.

- 25.0 Stacking / Removal of consignments on / from platforms.
- 25.1 At all train originating stations, lease holder can stack his consignments, 2 hours before the scheduled departure of the train in case of leased SLRs and 3 hours in case of leased VPs.
- 25.2 In case of early morning trains leaving before 6.00 hrs. Lease holder may stack his consignments after 22.00 hrs. And keep them overnight at the platform to the extent permissible only at the originating station.
- 25.3 Similarly, at train terminating stations, lease holder must remove his consignments within a maximum of 2 hours after the actual arrival of the train in case of leased SLRs and 3 hours in case of leased VPs.
- 25.4 In case of late night trains arriving after 22.00 hrs. Lease holder may stack his consignments overnight at the platform upto 6.00 hrs to the extent permissible only at the train terminating station.
- 25.5 At intermediate stopping stations en-route, where loading / unloading permission has been granted lease holder can stack his consignments. 1 hour before the scheduled departure of the train in case of leased SLRs/VP. No separate permission would be required for this purpose.
- 25.6 In cases where clearance from Excise Officials is required for removing the consignments from the platform, extra stacking time may be permitted which should be 1 hour after the opening of Excise Office.
- 25.7 parcels awaiting loading at originating / intermediate station and awaiting removal at intermediate / destination station should be so arranged / stacked so as not to cause any inconvenience in the free movement of the travelling passengers.
- 25.8 Chief Commercial Manager of the Zonal Railway may increase / reduce the stacking time keeping in view the availability of space, traffic load at halt station / terminal and restriction imposed by local administration on road movement.
- 25.9 In case of non-supply of leased Parcel Van by the Railway on account of operational problems or any other reason on the part of Railway Administration, the leaseholder may be allowed to keep his parcels for next loading without payment of wharfage charges, provided sufficient room / space for stacking of such parcels is available at that terminal and there will be no obstruction for other traffic.
- 26.0 Over carriage of consignments in leased SLR.**
- 26.1 Lease holder shall be responsible to unload the consignments from the leased SLR/VP at that station where his lease terminates.
- 26.2 In case the lease terminates at intermediates station and if the lease holder fails to unload his consignment from the leased SLR at that intermediate station, then the normal parcel freight from the lease terminating station to the station of over carriage and back shall be charged.

- 26.3 If the lease holder takes delivery of this over carried consignments at the destination station, then normal parcel freight from the lease terminating station upto the station of over carriage shall be charged.
- 26.4 However, no charges will be levied in case packages of one station are over carried / unloaded short of destination at another station by mistake, provided all such station are between the lease originating to the lease terminating station (for example in case of lease contract between New Delhi-Chennai no charges would be leviable in case packages of Agra get over carried to Bhopal or packages of Chennai get unloading short of destination at Nagpur by mistake.
- 26.5 When the lease holder fails to unload his consignments from the leased SLR at the intermediate station where his lease terminates due to Railways operational reasons such as termination of train short of destination in case of accidents, floods, breach of line, interruption of traffic or any other operational reason no extra freight or penalty will be charged.
- 26.6 When the lease holder fails to unload the consignments from the leased SLR at intermediate station where his lease terminates due to failure to open doors of the SLR, then the lease holder will be permitted to unload the consignment at the next station or in the opposite direction during the return trip, in all such circumstances no extra freight or penalty will be charged.
- 27.0 Weighment, re-weighment and punitive charges for overloading
- 27.1 Loading / Unloading will not be supervised by railway staff.
- 27.2 Weighment of outward leased parcel traffic. The originating station shall weight atleast 20% of the total leased traffic on leased traffic on daily basis in such a manner that entire leased traffic originating from a station, is weighed in rotation (for eg. At a station 20 SLRs are running on lease, the parcel staff of that station shall weigh the parcels of atleast 4 SLRs daily so that entire leased SLRs i.e. 20 SLRs shall be covered in a week.) Records of such weighment should be mentioned / kept in weighment register.
- 27.3 variations in number of packages loaded in vehicle visa-vis shown in the manifest the lease holder shall load the parcels in each coaching vehicle viz parcel vans/ brake-vans upto the permissible carrying capacity of that vehicle notified by the Railway. Administration. It is the responsibility of the lease holder to ensure that parcels are loading in the vehicle upto the permissible carrying capacity.

In case the number of packages are found excess than the packages shown in the manifest a penalty of Rs.5000 per vehicle shall be recovered even when the weight of the parcels loaded in the vehicle is within the permissible carrying capacity of that vehicle,

In case the number of packages found are less than the packages shown in the manifest no penalty shall be recorded provided the total weight of the packages are within the permissible carrying capacity of the vehicle.

In case overall weight of the parcels loaded in the vehicle is detected beyond the permissible carrying capacity of that vehicle charges/penalty punitive charges shall be recovered from the lease holder as under.

#### **27.4 Overloaded in SLR.**

- (i) Weight of each individual package is not required to be checked; only the total weight of the consignment loaded in the vehicle would be checked. In case of SLR weight of the consignments should be checked for each 8 tonnes compartment separately and it must be within the permissible limit for each compartment. Under loading in any one 4 tonne compartment will not mean that the other 4 compartments can be overloaded.
- (ii) If weight of parcels exceeds the permissible carrying capacity of any coaching vehicle viz parcel vans and brake vans, charges / punitive charges for shall be recovered from the consignor / lease holder as follows;
  - (i) Normal lumpsum leased freight or weight in excess of permissible carrying capacity of vehicle +
  - (ii) Punitive charges equivalent to 6 times the freight at Scale 'R' for entire excess weight from originating station to destination station irrespective of the point where such overloading was detected.  
A penalty of Rs.10,000 per vehicle.  
Levy of penalty on account of overloading at earlier point does not permit the lease holder to transport parcels beyond the permissible carrying capacity of the vehicle at later stage of between any leg of its journey in case loading / unloading is carried out at intermediate stations after first check point and over loading is detected at later stage the railway administration shall have the right to impose two times the above mentioned penalty.
  - (iii) In addition to the above penalty Railway will be terminate the contract after the fourth default by forfeiting security / performance deposit.
  - (iv) In case weight of parcels in a vehicle is found to be overloaded by more than 5% of the leased capacity or 1 tonne whichever is less there the excess weight would be off loaded at the point of detection and lease holder will have to take delivery of this part consignment on as is where is basis, at the point of detection of overloading. Railway shall not be held responsible for any damage, deterioration, loss to the excess consignment due to of loading of parcels. Overloading of parcels beyond the permissible limit in no case will be allowed to be carrying in the vehicle.
  - (v) In case leased consignments are detained by railway authorities for weighment purpose no wharfage charges would be charged.
  - (vi) Division where such excess weight is detected would communicate lease allotting Division / Railway. Which in turn take necessary action like termination of lease, cancellation of registration etc.

## 27.6 Punitive charges for over loading in Parcel Vans.

(i) Tolerance Limit: with a view to take care of weight tolerance, a tolerance of 0.5 tonnes on permissible carrying capacity may be permitted to take care of weight scale variation,. The limit of tolerance will be applicable in case of only Parcel Vans.

(ii) Punitive charges for loading beyond permissible carrying capacity. If weight of limit of tolerance, normal freight shall be charged from the consignor / consignee / lease holder for actual weight in excess of permissible carrying capacity of vehicle.

If weight of parcels loaded in the parcel van is found beyond the permissible carrying capacity + tolerance, charges / punitive charges shall be recovered from the lease holder as follows;

- (i) Normal lumpsum leased freight for weight in excess of permissible carrying capacity of vehicle +
- (ii) (ii) Punitive charges equivalent to six times the freight at Scale "R" for entire excess weight.

27.7 In addition to the above penalty, Railway will terminate the contract after 4<sup>th</sup> default by forfeiting Security / performance deposit.

Railway Administration shall have the right to terminate that particular contract or even terminate all the contracts running on that Division / Railway of a leaseholder and cancel the registration of leaseholder in view of seriousness of the case or repeated violation of rules. Imposition of such penalty shall solely be on the discretion of the CCM (FM) of the Zonal Railway **for tenders finalized at Headquarter Level and DRM in case of tenders which are finalized at Divisional Level.** (AS 2)

27.8 Efforts should be made to conduct weightment in presence of the concerned leaseholder or his representative. The report of weightment result should be countersigned by the CPS. The party concerned will also countersign on the relevant record.

In case of refusal by party to counter sign, then weightment clerk, TXR or RPF staff and CPS of the station will sign the weightment statement and the same will be binding on the both parties.

Weightment of Parcel Vans should be done once preferably at the originating station or at the destination station on an in motion weighbridge. As the in motion weigh bridges are certified by the concerned departments of State Governments from time to time, second weightment should not be permitted on party's request.

## **Extension of Train / Increase in frequency of train.**

28.1 In case a train in which parcel space has been leased out is extended beyond its initial originating station or beyond its initial destination station, then the procedure as detailed below should be followed.

The existing lease holder should be permitted to continue his lease contract between the pair of stations mentioned in his contract. It will be assumed that the lease is being operated to / from an intermediate station as the case may be.

The above arrangement should continue till the expiry of the contractual period in the normal course.

In case the leaseholder is prepared to extend his lease to cover the newly extended portion also then the same may be extended and lumpsum leased freight charged should be increased on pro rate basis as per existing lease charges for the entire distance covered.

However, in case the existing lease holder is not willing to extend his lease beyond the starting and terminating stations for which the contract has been executed then Division / Zonal Railway will be at liberty to float fresh tenders for the newly extended portion.

In such a case it must be ensured that the period of lease for the newly extended portion is co-terminus with the current lease for the earlier run of the train, so that after expiry of the contract fresh lease can be given for the entire stretch from originating station to destination.

In case of increase in frequency of weekly/ bi-weekly / tri-weekly trains, the current lease may be extended for the same lease holder in case he is willing for the same at the existing lumpsum leased freight rate for the increased number of trips.

However, in case the existing lease holder is not prepared to extend his lease beyond the current number of trips of the train, then Division / Zonal Railway will be a liberty to float fresh tenders for the increased number of trips.

In this case also it must be ensured that the period of lease for the increased frequently is co terminus with the current lease for the earlier number of days so that after expiry of the contract fresh lease can be given for all the days combined.

## **Claims Compensation**

In case of leased consignments, Railway Administration shall not be responsible for claim / compensation due to any reason.

Lease holder shall carry parcels / packages at his own risk and shall be responsible both to the railway and to the consignor / consignee for any loss, damage, destruction, deterioration and non-delivery of the parcels / packages for any act of omission or commission on their part for parcels and its contents loaded in the leased SLR.

Railway shall not be responsible for any loss, destruction, damage, deterioration of or non-delivery of goods arising from the following cases.

- (i) Act of God.
- (ii) Act of War.
- (iii) Act of Public Enemies.
- (iv) Restrain or seizure under legal process.
- (v) Others or restrictions imposed by Central government or State government or by any officer or authority subordinate to the Central government or a State Government authorized in this behalf.
- (vi) Fire, Explosion or any unforeseen risk.
- (vii) Act or omission or negligence of the lease holder or consignor or consignee.
- (viii) Natural deterioration or wastage in bulk or weight due to inherent defect, quality or vice of the goods.
- (ix) Latent defect.

20.3 Railway shall only be responsible to carry the SLR/VP from lease originating to lease terminating station with Railway seal and lock intact and shall not be responsible for the contents.

29.5 Percentage Charges shall not be realized from the lease holder. However, claims will be settled on merits of the case under railway rules applicable to consignments booked at owners risk, after verification of records but in no case it shall exceed Rs.50/- per Kg of the weight of such goods. The railway may call upon the lease holder to prove the deficiencies by documentary evidence and such other documents as may be deemed necessary before admitting any claims.

29.6 Brake Van will be padlocked by the leaseholder and sealed by the railway as well.

### 30.0 **THEFT:**

30.1 Loading will not be supervised by Railway staff at loading station. If both Railways seals and padlocks are in intact condition, railway shall not be responsible in any way unless there is a specific sign of the theft e.g. cutting of the side wall of the SLR.

30.2 However if railway seals as well as padlocks if any of the doors of the leased SLR are found tampered with, or in case of damage to the inside walls of the brake van where it is apparent that theft has taken place First information report(FIR) will be lodged with the GRP and a copy of the same will be given to the lease holder.

The condition of vehicle (for example specific sign of cutting of the side wall or any other vehicle breakage etc...) should be certified by the multi-disciplinary team and it should be kept for record.

30.3 The FIR can be lodged either at the destination or at any stopping station enroute where the theft is detected.

30.4 In such cases, parcels from the leased SLR will be unloaded in the presence of CPS, RPF and the lease holder or his representative. Packages will be compared with "Manifest" i.e. list of packages accompanying the SLR.

- 30.5 A certificate of discrepancies found will be prepared and signed by CPS, RPF and the lease holder / his representative. A copy of the same to be handed over to the lease holder of his representative.
- 30.6 balance consignments available in the SLR will not be deposited with the RPF/GRP. Lease holder should be free to take delivery of the remaining portion of his consignment.
- 31.0 Identity cards / Platform permits / Vehicle pass etc.
- 31.1 Divisions / zonal Railways will issue laminated photo identity cards to all registered lease holders and also for his three authorized representatives for the purpose of their identification in station premises. These will be duly signed by the ACM and shall be valid for one year (calendar year) only. On expiry of the same will be reissued annually.
- 31.2 Lease holder in turn will issue laminated photo identity cards to each of his labourer duly signed by the lease holder himself. Laborer's photo identity card will contain the laborer's full details inter-alia name of labour, gender, age, residential address validity. The validity of such laminated photo identity cards will be per calendar year. New laminated photo identity cards will be issued by the lease holder for 1 year (calendar year) and will be renewed every year. The lease holder shall be liable to keep all the record regarding authenticity and identity of the laborers engaged by him.
- 31.3 The laminated photo identity cards, issued by lease holders in favour of his laborers will be counter signed by the chief parcel supervisors on behalf of Station Manager / Station Superintendent / Station Master. The labourers will be allowed to enter in the platform / railway premises to perform loading /unloading operation from / to leased parcel space on the basis of laminated photo identity cards no separate platform permits will be issued.
- 31.4 The details of lease holders and their labourers will be maintained by CPSR these details will also be provided to SS/SM.
- 31.5 Number of labourers required for handling of loading / unloading operations shall be decided by DCM/Sr.DCM keeping in view the quantum of leased traffic and availability of time to arrange loading and unloading operations in the leased AGC/SLR/VP.
- 31.6 Checking of labourers should not be resorted to while loading / unloading is in progress and such checks shall only be conducted after its completion.
- 31.7 Each lease holder may be given entry pass for two vehicles for each 4 tonne of SLR space. These will be issued by CPSR on behalf of SM/SS and will be valid for one calendar year on expiry of same will be renewed annually.
- 31.8 With a view to restrict entry of unauthorized persons, only genuine persons / customers should be allowed to come in the parcel office.

31.9 Leaseholders shall be required to submit copy of registration certificate, copy of letter of acceptance LOA and copy of Agreement of the leased contract at Intermediate station where loading / unloading is permitted) and also at destination station. The lease holder shall also submit written declaration along with all the relevant details and his photographs and his authorized representatives. On receipt of these documents the CPSR on behalf of SM/SS of Intermediate / destination station will permit the representative of the lease holder and his labourers to regulate loading / unloading operations.

The representative of the lease holder at intermediate / destination stations will issue laminated photo identity cards to his labourers as per the laid down procedure.

### **32.0 Powers to relax certain conditions of the scheme.**

32.1 Zonal Railways in exceptional cases with the personnel approval of CCM may relax some of the conditions which have only local bearing and have no financial implication. These includes issued relating loading / unloading problems relaxation in the stacking time on account of restriction imposed by local municipal administration on road movement for particular peak period 9 Para 25, issuance of platform permits for more labourers (Para 31 etc).

32.2 CCM of the zonal railways may modify some of the conditions of prospective lease contracts prescribed in the scheme. Which are in the spirit of maximization of revenue but not strictly as per the terms and conditions of the leasing policy. Conditions having financial implications may only be changed with the concurrence of FA&CAO's.

32.3 In case trains run via diverted route are not terminating / originating at / from its original terminating / originating stations due to natural calamities like earthquakes, floods, breaches, etc. Lease holder shall be exempted if he desires so on making an application to CCM. To pay lease freight on days of such disruption provided CCM certifies the operational constrains in consultation with COM.

32.4 CCM may condone forfeiture of lumpsum leased freight on account of non-loading by the lease holder on receipt of application from the lease older and he is satisfied with the reason mentioned by the lease holder for non-loading as per para 21 of scheme and no fault o lease holder is established. Subject to verification of circumstances by the multi-disciplinary teams.

32.5 In case of operational exigencies or reasonable grievance of the lease holder / leased SLR/VP could not be operationalise. CCM will be authorized to decide such suspended intervening period on merit of the case.

### **33.0 Right to terminate the contract**

33. Lease holder shall have the right to terminate the agreement after serving 60 days' notice to "Railway Administration however the leaseholder shall not be allowed to terminate the contract within one year (10 months + 2 months' notice period) In case of any contact whether it is on short term or long term. In case he does so, the Security Deposit will be forfeited and he shall be debarred from entering into any

tender for the next two years. But he shall be allowed to operate existing tenders / trains if any.

The lease holder can give notice for termination of contract for completion of 10 months. Thus 10 months + 2 months 0 notice period += 12 months period will be completed. After completion of one year period the lease holder will be allowed to quit the contract in such case Security Deposit will not be forfeited.

- 33.2 Railway shall have the right to terminate the contract / agreement for any reason whatsoever after serving one months' notice to the lease holder, however railway shall reserve the right to terminate the contract as a punitive measure without any notice and at any time in case of breach of agreement or serious violation of any of the stipulation of policy / railway rules by the lease holder or in case of operational exigencies.

However such instantaneous termination of contract by Railway Administration should be followed by written intimation of breach of contract within 3 working days of termination.

- 34.0 other terms and conditions of the scheme

- 34.1 leaseholders shall be solely responsible for canvassing, acceptance, booking handling documentation and delivery of parcels / package both in originating ad destination stations.

- 34.2 Brakevan will be padlocked by the lease holder in addition to the above padlocking the Brakevan shall be sealed by the railways.

- 34.3 Lease holder should load only such commodities which are permissible o be booked and carried as "Parcel" under prescribed Railway rules.

- 34.4 Live stock will not be permitted to be transported in the leased SLR/VP.

Commodities listed in Red Tariff, Offensive, Contraband, Dangerous, Explosive and any other commodities which are prohibited by the Railway or banned by the Civil Authorities from time to time shall in no case be allowed to be loaded in the leased SLR/VP

As per above Para, commodities listed in Red Tariff, Offensive, contraband , Dangerous, Explosive, Inflammable material and any other commodities which are prohibited by the Railway or banned by Civil Authorities from time to time shall in no case be allowed to have loaded in the leased Brakevan/parcel van.

In case of mis-declaration of commodity loaded in the leased SLR/VP penalty shall be imposed as per extant rules

- 34.5 In case of false declaration of a commodity, the lease holder ad owner of the goods shall be punishable under Section 163 of Indian Railway Act, 1989.

- 34.6 If such articles are found to have been loaded in leased SLR/VP. In contravention of the above Para, a fine of Rs.50,000 shall be imposed on the lease holder. His lease

contract will be cancelled. He shall be debarred to participate in the future tenders for one year. However, he may continue the existing contracts of other trains, if any. In addition to this, he shall be liable for legal action as per provision of Indian railway Act.

In addition to have, his registration may also be cancelled as per Para 4.15 of this circular depending on the seriousness of the offence.

- 34.7 Lease holder shall also be liable or any loss, injury or damage which may be caused by reason of bringing such offensive goods on the train as per provisions of Indian Railways Act, 1989.
- 34.8 Any damage caused to the Brake Van or to the platform or any other railway property while handling parcels / packages by the lease holder or their agent at originating / intermediate / destination station, will be made good to the railway by the lease holder, the assessment of damage made by the railway will be final.
- 34.9 In addition to have in case of serious violations, lease holder will also be liable for prosecution as provided under Indian railway Act, 1989.
- 34.10 If it is proved that derailment of a train have been caused b, or to have arisen from improper Loading or unloading or due to overloading in the leased vehicle on the part or negligence of leaseholder, a penalty of Rs.50,000/- shall be imposed . In addition to this railway Administration may terminate all his contracts and cancel his registration, depending upon seriousness of incident. In addition to the above equipment re-railment charges will also be recovered from lease holder.
- 34.11 Leaseholder shall maintain / keep all the record related to transportation of parcels in the leased SLR/VP viz. name, address, Sales Tax/TIN number of the consignor and consignee along with details of booking of parcels carried by each customer. The leaseholder shall be liable to pay various taxes directly to the concerned authority for levy of Sales Tax, Service Tax and any other tax imposed by Central Government or State Government, Municipal Corporation.
- 34.12 The Railway Administration shall reserve the right to open the padlocks and seals to Transship the parcels / packages of the leased Brake van in unavoidable circumstances like Accidents, strike, hot axle etc.
- 34.13 The Railway and other concerned departments shall reserve the right to check the contents of The packages at any time to see that no dangerous, explosive, offensive, contraband or any other banned articles are loaded.

Before opening and checking of leased SLR/VP permission from DCM of the concerned Division may be obtained.

- 34.14 Some space within station premises should be earmarked subject to availability of space by Division / Zonal Railway for use of the lease holders for (stacking their consignments and (ii) keeping their trolleys.
- 34.15 With a view to maintain proper accountal and check on various aspects of leased

traffic viz earnings per trip , type of stock, carrying capacity, details of Money Receipt, account of leased earnings in balance sheet, number of leave / non-loading days availed by the lease holder etc., a proforma is being attached at Annexure 5. All concerned must maintain the same and submit it very month to Sr.DCM/ CCM (FM) and TAO.

34.16 The Zonal Railway may make efforts to organize loading / unloading operation of leased Parcel Vans / Brake Vans /at separate parcel terminals i.e. outside the passenger handling area at trains originating and trains terminating station. This will help Railways to decongest the platform and make space freely available for passenger's movement. A provision may also be made in the agreement to this effect.

34.17 All the Books / registers being used in the parcel office (including weightment / re-weightment Register / message book) must contain page number at each page of the Book / Register. CPSR should ensure for the same. All valuable records of parcel office should be kept at a proper place in the parcel office under lock and key.

### **35.0 Multi – disciplinary team for dealing with lease holders.**

35.1 In order to provide single window and customer friendly service to lease holders in the DRM Office, a special cell should be created in each DRMs Office for dealing with leasing cases and lease holders.

35.2 Handpicked staff of outstanding track record and having impeccable integrity must be posted in these cells for dealing with lease holders.

35.3 A compliant register will be opened in the Commercial Department where lease holder can record their grievances and complaints of harassment if any. Staff of the special cell against whom repeated complaint is entered in the register should be shifted immediately.

35.4 In order to provide single window and customer friendly service to lease holders at, the station multi-disciplinary teams will be deputed in each shift at major passenger terminals where large number of trains originate / terminate.

35.5 No. of trains per shift will depend on the number of platforms, number of trains arriving / departing etc.

35.6 Teams will comprise of representative on duty from following departments

(i) Commercial Department: Parcel Staff - Team Leader.

(ii) Mechanical Department: TXR Staff

(iii) Security Department: RPF Staff.

35.7 Only members of the multi – disciplinary team will interact with lease holders for solving all their lease related problems and provide a single window clearance to them instead of making them run from pillar to post for solving their grievances.

- 35.8 All checks and certification regarding leased parcel space whether pertaining to over loading or damage to walls of the brake van etc. will be undertaken only by members of multi-disciplinary team.
- 35.9 The name and telephone no, of the multi-disciplinary team must prominently be displayed at each parcel office. SM / CPSR should take immediate action on the complaints.
- 35.10 In case complaints of harassment are received against any particular member of a team he should be replaced.

### **36.0 Helpline**

- 36.1 In order to provide immediate help to a lease holder in an emergency each division will get a helpline activated for solving their day to day problems.
- 36.2 The telephone number of the helpline will be that of the Commercial Controller in the Division Control Office who will be instructed to note down complaints in a register and take necessary corrective action.
- 36.3 Divisional Commercial Officers will scrutinize this register daily and take note of the type of complaints received and their rectification, the emphasis should be more on problem solving and system improvements in order to ensure that these do not recur rather than on fault finding and fixing responsibility.
- 36.4 The name and telephone no. of the helpline at divisional office must prominently be displayed at each parcel office.

### **37.0 Dispute Resolution**

- 37.1 Notwithstanding any provisions in this policy, stipulations of Railway Act, 1989 will prevail; in case of an dispute interpretation of policy the decision of Railway administration shall be final and binding.
- 37.2 All disputes in regard to implementation of the policy / agreement with the Zonal railway, under this scheme, will be referred to an Arbitrator nominated by General Manager of the Zonal railway.

### **38. Jurisdiction**

- 38.1 In case of any dispute, any suit, petition, reference or other filing shall be subject to exclusive jurisdiction of the court (name of place) City of India.

### **Guidelines for leasing of parcel space in SLRs**

- 39.0 Applicability of the scheme;
- 39.1 the Brakevans of all passengers carrying trains viz Shatabdi, Rajdhani, Superfast, mail, Express excluding summer specials /specials / holiday Specials / other special trains (having Brakevans running on BG trains, may be leased out by the Divisions / Zonal Railways.

39.2 Parcel space of AGC of Garib Rath Express train is not permitted to lease out.

40.0 minimum space to be leased out.

40.1 Minimum space to be leased out will be as follows;

Parcel Space	Minimum Space	Additional Space
Compartment of SLR	Entire parcel capacity of one unit	Multiples of Units

40.2 In case of mail / express and ordinary passenger train running with 2 SLRs from end to end, following space to be leased out.

(i) Both the compartments of front SLRs.

(ii) One compartment of Rear SLR.

The remaining second compartment of rear SLR will not be leased out and must be kept under charge for loading of passenger's luggage, perishables, newsprints etc and for loading /unloading of parcels from intermediate stations.

40.3. In cases, where 3 or 4 SLRs are running by a Mail / Express train due to attachment of slip / sectional coaches enroute, or bifurcation, amalgamation of rakes at intermediate stations, parcel space as detailed below should be leased out. All except one 4 tonnes compartment should be leased out from originating station of each link portion upto final destination of bifurcated / amalgamated portion respectively.

40.4 The above space should be leased out on through journey basis from the originating station itself upto the destination stations and should not be split up into different segments upto and beyond the bifurcation point.

40.5 In case of reversal of train at enroute station, one 4 tonne compartment in front SLR and another 4 tonne in the RSLR will be leased out.

40.6 Parcel space in a train may be leased out to more than one licence on different days during the same week, in case the single lease holder is not forthcoming. Security Deposit shall be collected from each lease holder as per laid down criteria.

#### **41.0 Duration, mode of leasing and its procedure.**

41.1 There will be 3 types of lease, depending on the duration of the leasing contract for leasing of parcel space of the compartment of Brakevans (SLRs) , these are classified as follows.

Sl.No.	Type of lease	Period of lease	Mode of lease
1	Long Term Lease	5 years	Open Tenders
2	Temporary lease	30 days at a time	Quotation Basis
3	Day to day Lease	Maximum 10 days at a time	Quotation Basis

41.2 Open tenders for leasing of parcel space in Brakevans (SLR) will be invited for a period of 5 years. Offers received below reserve price shall not be accepted irrespective of mode of lease.

	<b>Offered price</b>	<b>Duration</b>
1	Above the prescribed reserve price	Long Term Lease 3 years
2	50% and above but less than 100% of the prescribed reserve price	Short Term Lease 1 Year.

41.3 The offered rates will be linked with lease period.

41.4 The minimum benchmark for accepting the offers shall be 50% of the prescribed reserve price applicable for the category of service / train except trains notified under (i) Rajdhani parcel Service under Scale 'R' & (ii) Premier Parcel Service under scale 'P' for which offers below 100% of reserve price will not be accepted. This will also be not made applicable in case of leasing of Parcel Vans.

41.5 The above provisions shall not be made applicable in case of lease of SLR by trains, notified under Rajdhani parcel Service under Scale 'R' and Premier parcel Service under Scale 'P' for which offers below 100% of reserve price will not be accepted. This will also be not made applicable in case of leasing of parcel Vans.

41.6 In the tender notification, it will be mentioned that if no offers are received above the prescribed reserve price then Railway may consider offers below reserve price for reduced parcel which should also be mentioned in the tender document.

41.7 The train in which one compartment of Brakevan is leased out through open tender for long term contract or contract for one compartment is already in operation, subsequent compartments of the Brakevans cannot be leased out at reduced rates for short terms.

41.8 In case no suitable bid is received even for short term lease through open tender then the Zonal Railways may lease out the parcel space on Temporary basis for a period of 30 days at a time by inviting quotations. The maximum period for temporary leasing should not be more than six months, before this next open tender may be invited and finalized.

41.9 Procedure for leasing of parcel space on temporary basis of 39 days at a time has been detailed under Para 46 of this circular.

41.10 In case offers for even temporary leasing are not received then possibility of day to day Leasing can be explored.

41.11 Procedure of leasing of parcel space on day to day basis has been detailed under Para 47 of The Circular.

41.12 For such type of leasing Divisions / Zonal Railways shall enter into an agreement with the Lease holder as per standard format of agreement.

## **42. Reserve price for leasing of parcel space in Brakevans (SLR).**

42.1 Reserve price for deleted.

42.2 Reserve price for leasing of parcel space of compartment of Brakevans (SLRs): shall be equivalent to the freight at par with the normal tariff rates, applicable for booking of non-leased piecemeal parcel traffic as per category of train / service. However, Zonal Railway may with finance concurrence and approval of CCM, revise the reserve price where considered necessary downwardly to maximize the utilization of parcel spaces.

42.3 - 42.6 deleted

42.7 The Zonal Railways while issuing tender notification for leasing of parcel space will public one day's reserve price for the parcel space to be leased out. The highest bid will be determined on the basis of total annual value of the contract amount of offered by the tenderer x number of days). The tenderer whose annul value of contract is the highest amongst the participants will be treated as the highest bidder.

42.8 In case of leasing to / from intermediate station, reserve price will be the parcel rate for that category of train for the distance covered.

42.9 deleted.

43.0 Leasing of parcel space of SLRs from intermediate stations;

43.1 Parcel spaces of the SLRs of passenger carrying trains should normally be leased out from trains originating station to terminating station.

43.2 In case where there is no offer from originating / intermediate stations of the Railway after the 'inviting open Tenders", divisions / zonal railways can lease out parcel space from intermediate stations, provided that stoppage time of the trains at that intermediate stations is 10 minutes or more.

43.3 In case of leasing of parcel space of Brakevans from / to intermediate stations, prior consent / NOC must be obtained from the division / zonal railways in whose jurisdiction the trains originating stations is situated.

43.4 The concerned originating division / zonal railway must issue NOC within a period of 15 days from the receipt of request from the intermediate division / zonal railway.

43.5 order of priority for leasing of parcel space of SLRs should be as follows:

- (i) Originating station to destination.
- (ii) Originating station to intermediate station.
- (iii) Intermediate station to destination station.
- (iii) Intermediate station to intermediate station.

- 43.6 In case offers are received from more than two pairs of intermediate of stations Para 43.5 (4) then the parcel space between that pairs of stations whose offer is higher should be leased out.
- 43.7 In metropolitan cities served by more than one railway station, leasing will be permitted only at train originating / termination station. Leasing of SLR will not be permitted to / from any other intermediate station (short of originating / destination station) of suburban section of metropolitan cities.
- 43.8 In case of ordinary passenger trains, if there is no potential of leasing out parcel space from trains originating to terminating point, divisions / zonal railways may lease out parcel space between any two pair of stations.
- 43.9 Division / zonal railways which is the leasing out parcel space will send prior intimation to all concerned before commencement of leasing contract.
- 43.10 In case of leasing of SLR / the originating zonal railways shall provide a copy of procedural order / working instructions' to all the concerned stations / zonal railways where loading / unloading is to be carried out, giving details inter-alia name of lease holder, train no. days of operation of lease, type of lease, duration of lease, validity date of contract, originating / destination point of lease, details of leave, mode of payment etc.
- 44.0 Leasing of parcel space of Brakevans (SLRs) by ordinary passenger trains;**
- 44.1 Ordinary passenger trains are provided with one SLR and in many cases even two SLRs. Barring very few exceptions, none of the SLRs of these ordinary passenger trains have been leased out primarily because of lack of response and interest from prospective lease holders. There is substantial potential for leasing out of SLRs of Ordinary passenger Trains since presently SLRs of these trains are running empty in both up and down directions every day. For leasing of FSLR of ordinary passenger trains, following as detailed below should be followed.
- 44.2 The lease holder shall be permitted to load / unload the parcels from / to all intermediate stations coming in the way of the journey of the specific ordinary passenger train irrespective of stoppage time of train at that stations provided it is not restricted for handling of lease parcel traffic.
- 44.3 Loading / unloading of parcels at all stations will be carried out by lease holder.
- 44.4 Apart from parcels, even bulk commodities of freight traffic may also be permitted to be carried by the lease Brakevans (SLRs) of ordinary passenger trains. Commodities would comprise of either bagged consignments (food grains, cement, fertilizers) or packaged consignment. Loose consignment such as coal, sand etc should not be permitted.
- 44.5 lease holder will be liable to ensure that quantum of traffic for any one road side station is such that loading / unloading can be completed within the scheduled stoppage of the train.

- 44.6 Where ordinary passenger trains are running with single SLR, leasing of one 4 tone compartment may be done.
- 45.8** The representative of the courier company /lease holder will be suitably counseled about the availability of guard brake valve and related equipment in Asst. Guard Cabin and strictly instructed not to touch / interfere /damage / use the same in any manner. In case of any misuse of the equipment or damage to the same, a penalty of Rs.5000-(per occasion) would be imposed on the lease holder.
- 45.9** In case the courier company /lease holder does not wish to send his representative in the Asst. Guard Cabin and wants to padlock the same, he may do so. However, in that case no loading / unloading at intermediate stations would be permissible and the Asst. Guard cabin would be locked through to the destination.
- 45.10** In case of trains involving reversal of engine at intermediate junction station, leasing of Asst. Guard Cabin may be permitted provided the leaseholder agrees to transship his consignments from front brake van to rear brake van at the station where the train reverses.
- 45.11 In all such cases, transshipment of consignment should be done within the scheduled Stoppage of the train and in order to facilitate this work, lease holder may be permitted to keep a trolley at nominated place in the station premises.
- 45.12 In case the leasing of the Asst. Guard Cabin is up to an intermediate station, then after vacating the same, the representative of the lease holder must verbally inform the train Driver /Asst. Driver regarding the vacant status of the Asst. Guard Cabin.
- 46.0 Procedure for leasing the parcel space of AGC /SLR on temporary basis**
- 46.1 Leasing of parcel space on temporary basis is permitted only to registered lease holders.
- 46.2 The system of temporary lease for Brake vans (SLRs)/AGCs shall not be resorted to in case of those trains in which leased parcel vans are attached or any of the SLR compartments have been leased out through open tender.
- When no offer is received through open tenders and none of the compartments of SLR on a train are leased out through open tender, in such cases, all the leasable compartments of the SLR of such trains may be leased out by inviting quotations for a period of 30 days at a time. The maximum period for leasing of SLRs /AGCs on temporary basis will be six months. Fresh quotation will be invited each time after completion of each 30 days period.
- 46.3 These may be leased out and allotted to the lease holder by the zonal railways / divisions by calling quotations.
- 46.4 When parcel space in a train is to be leased out on temporary basis, a notice i, e, 'Notice for calling quotations' should be displayed at least 7 days in advance giving full details viz. train no. , space available, reserve price and due date of opening of

quotation etc. It should also be mentioned in the notice that offers can be considered below the reserve price also .For cases where the reserve price (for 30 days) is less than Rs.3 lakhs the `Notice for calling quotations' should be displayed on the notice board in the DRM office and parcel office of the originating point and other suitable location. For cases where the reserve for 30 days is more than Rs.3 lakhs, the `Notice for calling quotations' should be published in the newspapers also apart from the display on the notice board in DRM office and Parcel office of the originating point and suitable location.

- 46.5 very originating train on a division which has not been leased out on long term or short term basis will be allotted one day in a month when fresh bids for temporary lease of that train would be entertained.
- 46.6 Trains should be evenly spread out so that there is no bunching on any one particular day of the month.
- 46.7 The venue, date and time of opening of quotations will be prefixed and no change in any case be done.
- 46.8 In case the nominated day happens to be a holiday, then the bids would be opened on the next working day.
- 46.9 The details of availability of parcel space in the brake vans (SLRs /AGCs ) may be given in the notice viz. train number, originating , terminating stations, number of compartments available for leasing etc.
- 46.10 Prospective lease holders who are desirous of taking temporary lease should put their bids in the nominated box, and lease holder whose bid is the highest compared to the current lease rate would be permitted to operate the lease for the next 30 days period.
- 46.11 Interested parties may drop their quotations in sealed cover in a box provided for this purpose. The quotations will be opened in presence of following concerned officer at notified date and time.
- (i) Assistant Commercial Manager
  - (ii) Assistant Divisional Finance Manager.
  - (iii) One member as notified
  - (iv) Applicants or their authorized representatives.
- 46.12 The proceedings of opening of quotations will be prepared and signed by the railway officers present at that time.
- 46.13 No quotation will be accepted if it is not submitted by the applicants themselves or their authorized representatives.
- 46.14 the `Security deposit ' in case of leasing contracts on temporary basis would be the same as laid down under Para 6 of this circular.



### **III. Guidelines for leasing of parcel space of Parcel Vans (VPs)**

#### **48.0 Applicability of the scheme.**

48.1 The scheme is applicable to Parcel Vans (VPHs /VPs /VPUs / VPRs etc. ) and either being attached to Mail /express trains or being run as part of parcel express train. (Throughout this policy, wherever the term Parcel Van has been used it covers VPs /VPHs /VPUs /VPRs etc.)

48.2 Leasing of Parcel Vans is not permitted by Ordinary passenger trains, Shatabdi, Jan Shatabdi, Duronto, and Rajdhani express trains etc.

48.3 Leasing of parcel vans can be done even for those trains where SLRs have not been leased out.

#### **49.0 Duration, minimum space & mode of leasing for contracts.**

49.1 Parcel space of the Parcel Vans will be leased out on round trip basis, only for long term contracts by inviting bids through open tenders.

49.2 Minimum space to be leased out shall be entire parcel capacity i, e, permissible carrying capacity of Parcel Vans. (VPHs /VPs /VPUs / VPRs etc.)

#### **50.0 Operational clearance / No Objection Certificate**

50.1 In all cases of leasing of Parcel Vans, before inviting tenders, the zonal railway (owning or destination zonal railway) who intends to lease out Parcel Vans, must obtain consent and operational clearance (NOC) from the zonal railway of other end. The operational clearance / NOC should be issued by the concerned zonal railway within a period of 15 days.

Tender should not be called for by the zonal railway without obtaining the operational clearance (NOC) from the concerned railways.

#### **51.0 Invitation of tenders for leasing of Parcel Vans.**

51.1 Normally leasing of Parcel Vans should be done from end to end / on round trip basis by the Owing railway of the train.

51.2 However, if the owning railway fails to lease out parcel van through open tender, only then the zonal railway of the other end / destination end may lease out the parcel vans on round trip basis with the prior consent and obtaining operational clearance (NOC) from the owning railway.

51.3 Leasing of parcel vans from intermediate station may be done in cases where there is no traffic offering from the operating station, or when adequate room in the train composition permits attaching of extra leased parcel vans from an intermediate station.

Leasing of parcel vans on round trip, by attaching / detaching VP at en route station can only be permitted with the prior consent and obtaining operational clearance (NOC) from the owning as well as destination zonal railway.

However, such attachment and detachment may only be done keeping in view the availability of room in train composition, stoppage time of train at the station and operational feasibility to attach / detach Parcel Vans.

51.4 Leasing of Parcel Vans should only be done to / from such intermediate stations where following Conditions exist.

(i) Minimum distance of 500 km is covered in each direction, from lease originating to lease terminating station. Leasing of Parcel Vans (VPHs) on round trip basis is permitted even for less than 500 km in each direction of leasing. However, the reserve price will be fixed for a minimum distance of 500 km for each direction.

(ii) Adequate time margin of at least 10 minutes is available for attaching / detaching of Parcel Vans.

(iii) Shunting facilities are available for attaching / detaching of Parcel Vans.

(iv) Attaching / detaching of Parcel Vans may also be permitted from adjacent yards as per Operating convenience.

51.5 Leased Parcel Vans can also be shunted from one train to another provided the following conditions are satisfied.

(I) there is no room on direct trains from the originating to the destination station.

(ii) Minimum distance of 750 km is covered from lease originating station to the lease terminating station.

( iii ) Shunting is carried out at station where adequate time margin of at least 10 minutes is available for attaching / detaching of Parcel Vans.

(iv) Attaching / detaching (shunting ) of Parcel Vans from one train to another train is permissible at one en route junction station on the jurisdiction of any zonal railway. However, in such cases operational clearance (NOC) must be obtained from the concerned zonal railway of en route station where shunting is required to be done before leasing of Parcel Vans on round trip basis. The zonal railway of enroute station where shunting is required to be done before leasing of Parcel Vans on round trip basis. The zonal railways of that enroute station must reply / give its clearance by return Fax within 7 days after receipt of the letter from the zonal railway seeking NOC.

(v) Only one such shunting operation is permissible.

- (vi) The intermediate station where trains are changed must be on the same zonal railway which leases out the Parcel Vans, or is the interchange station of that zone with the adjoining zone.
- 51.6 Loading / unloading facility at intermediate station(s) can only be allowed at such station (s), which are mentioned by the tenderer / leaseholder in the tender form subject to having stoppage time of train at that station (s) 10 minutes or more provided such station(s) have not been restricted by any of the zonal railway.
- 51.7 Leased Parcel Vans can also be shunted from one train to another provided following Conditions are satisfied.
- (i) There is no room on direct trains from the originating to the destination station.
- (ii) Minimum distance of 750 km is covered from the lease originating to the lease terminating stations.
- (iii) Shunting is carried out at station where adequate time margin of at least 10 minutes is available for attaching / detaching of Parcel vans.
- (iv) Attaching / detaching (shunting) of Parcel Vans from one train to another train is permissible at one en route junction station on the jurisdiction of any zonal railway. However, in such cases operational clearance (NOC) must be obtained from the concerned zonal railway of enroute station where shunting is required to be done before leasing of parcel vans on round trip basis. The zonal railway of that enroute station must reply / give its clearance by return Fax within 7 days after receipt of the letter from the zonal railway seeking NOC.
- (v) Only one such shunting operation is permissible.
- (vi) The intermediate station where trains are changed must be on the same zonal railway which leases out the parcel vans, or is the interchange station of that zone with the adjoining zone.
- 51.8 Non-leased Parcel Vans are also permitted to be attached in those trains where leased parcel van(s) are running, with the approval of CCM, provided sufficient room for attaching additional Parcel Van is available on that train, in following cases.
- (i) Indent /Demand placed for Parcel Van (VP) by Military Secretary to President of India. , Special Protection Group (SPG), for VVIP escort, Relief material in case of natural calamities, Election material, demand for kit wagon (VP) by Railway officials, Railway Material Consignments (RMC) etc. are permitted to be attached by those trains where leased Parcel Van (VP) is running .Allotment of Parcel Van will be made by the zonal railway as per preferential schedule for allotment of Parcel vans.
- (ii) Train service Parcel Van (s) may be permitted by CCM in case of clearance of accumulated outward Parcel traffic /transit traffic / seasonal perishable traffic / unexpected demand of piecemeal parcel traffic booked through railway.
- (iii) Indented / demand's Parcel van(s) can also be permitted by CCM, to be attached by those trains where leased Parcel Van (VP) is running.

Before attaching additional Parcel Van, operational feasibility may be obtained from the operating department of originating zonal railway.

51.9 After a leased Parcel Van has been placed for loading / unloading, the same must be completed within the free time allowed. In case a leased parcel Van is detained beyond the free time for loading / unloading, normal demurrage charges would be levied.

51.10 In case the leased parcel Van could not be attached to the nominated train due to this excess detention on the account of the lease holder, then the advance lump sum leased freight deposited will be forfeited only for the outward journey. The lease holder has to deposit fresh freight amount for hauling the parcel van on the next nominated day of service.

51.11 The originating zonal railways shall provide a copy of agreement to the zonal railway of other end (destination station).

If loading / unloading facility is granted at enroute stations, the zonal railway of originating station shall provide 'Procedural Order' / Working Instructions' to all the concerned stations / zonal railways where loading / unloading is permitted, giving details inter-alia name of lease holder, train number, days of operation of lease, type of lease, duration of lease, validity date of contract, origin destination point of lease, details of leave, mode of payment etc.

**52.0 Reserve price for leasing of Parcel Vans.**

52.1 Reserve price for leasing of Parcel Van shall be equivalent to the freight for entire permissible carrying capacity of vehicle meant for loading parcels, on the basis of category of service / train as given below. The Reserve price stipulated under this Para will be applicable only for Long term lease. Parcel Vans shall be leased out on round trip basis, only for long term contracts. Leasing of Parcel Vans will not be permitted on short term, temporary or day-to- day lease.

52.2 Reserve price shall be fixed by the Commercial department with vetting from Associate Finance, based on guidelines given below.

52.3 Deleted.

52.4 Reserve price for leasing of Parcel Van on round trip basis shall be as under:

Applicable for	Type of service Category of train	Reserve price for Round trip
For all origin- destinations Including NFR	Trains notified under R category	1.5 times of single journey freight at scale R
	Trains notified under 'P' or 'S' category	1.5 times of single journey freight at scale 'P'

52.5 Reserve price applicable for leasing of round trip Refrigerated vans (VPRs) on all zonal railway including NF railway will be as under:- 52.4 Reserve price for leasing of Parcel Van on round trip basis shall be as under :

Applicable for	Category	Reserve price for Round trip
For all origin-destinations Including from /to NFR	As per types of service / trains	1.5 times of single journey freight as applicable for round trip parcel vans (as per category of train ) I, e, 1.5 times of single journey freight at scale R or scale P as per category of train

52.6 For determining the reserve price for leasing of Parcel van(s) on round trip basis, the following methodology may be adopted.

(i) Category of train for return direction must also be ascertained by the leasing zonal railway from the zonal railway of other end / destination railway.

(ii) If in either of the two directions, the train is notified at scale R, the reserve price shall be determined at ` 1.5 times of single journey freight at scale R for all origin destinations.

(iii) ` Scale S' will not be applicable for leasing of Parcel Van on round trip basis. The reserve price shall be worked out at minimum of `Scale P ' even when the proposed Parcel van is to be leased out / attached by a train which is notified under Standard Parcel Service at Scale S in both the directions or either direction.

52.7 Guidelines for fixation of Reserve price for Parcel vans.

- (i) **comparison of lease rates with the normal parcel tariff rates ( non-leased piecemeal parcel traffic booked through railways ):** There is no need to compare the reserve price / offered rates of leased Parcel Vans (VPHs / VPs /VPU) with the tariff rates of normal parcel booking i,e, non-leased piecemeal parcel traffic booked through railway as both are separate products.
- (ii) **Comparison of rates with the rates of other trains:** Each train is a separate product depending upon the timing of train, location and origin – destination points of the train and total journey time of the train. Comparison of offered rates of leased Parcel Van of a train with the rates / offered rates of leased Parcel Van by other trains would not be justified in every case.
- (iii) **Leasing of more than one Parcel Van (VP) by the same train:** If more than one Parcel van is to be leased out by the same train, the zonal railway may call for offers in a single tender, in the same train, at the same time for all the Parcel Vans, which are to be leased out. Tender committee may award the contracts for all the VPs to the highest offers received (H1, H2, H3 and so on ) provided that the offers are above the reserve price and the difference between highest and lowest acceptable offer is less than **10 %**.

- (iv) **Leasing of Parcel van for less number of days** : As per Para 17.1 (i) and (ii), the tenderer / leaseholder shall be required to mention the number of days he wants to operate the contract and the number of days he wants to avail leave. It is up to the leaseholder to indicate number of days on which he wants to operate service. The highest bid will be determined on the basis of total annual value of contract amount offered by the tenderer X number of days. The tenderer whose annual value of contract is highest among the participants shall be treated as highest bidder.
- 52.8 The trains where more than one VP is leased out and on any specific day there is shortage of VP, the allotment of VP shall be on rotation basis. (e.g. if VP is allotted to 'A' on any specific day, next time the VP will be allotted to 'B' on the same circumstances).

## **WITHDRAWAL FROM STATION EARNINGS**

Station masters are required to remit the entire collection of cash, cheques etc. to the cash office, however the withdrawals from station earnings are permitted in the following cases.

1. Encashment of cheques issued by the FA & CAO or any officer authorized by him in this behalf in favour of the chief cashier.
2. Payments to comply with payment of wages act in certain cases where pre-check payment by accounts office is not possible for want of time e.g. Settlements of dues to staff whose services are terminated by the administration.
3. Payment of wages of temporary and permanent staff who cannot be paid by pay clerks within 10 days of the expiry of the wage period.
4. Payment of handling charges at stations where the station masters are goods handling contactors.
5. Encashment of pay orders issued by competent authority for payment of claims for compensation for goods lost, damaged etc. not exceeding Rs.10,000/- in each case.
6. Payment against vouchers, overcharges sheets or other documents issued by competent authority for refund of fares and freight.
7. Refund of wagon registration fee.
8. Departmental expenditure necessitated by floods, accidents and earthquakes etc.
9. Handling charges for transshipment due to accidents, hot axles, etc.
10. Payment of fee to surveyors engaged in assessment of value of the damaged consignments up to limit of Rs. 250/- in each case.
11. Payment of decretal settlement amounts in court cases when the parties init on immediate payment under threat of execution or in discharge of legal attachment in railway earnings at the station.
12. Refund of 'deposits' for the value of perishable consignments taken at the time of delivery, on production of necessary particulars by the claimants of such consignments.
13. Refund of deposit money of licensed porters Rs.5/-
14. Payment of cost of obtaining decree / judgments from the court under the orders of the head of the department only in cases where an appeal has to be filed within a specified period.
15. Cost of transport of sick and wounded persons at stations where ambulances are not available.
16. Payment to the casual labour engaged by station masters when handling contractors fail to provide adequate labour, only in emergent cases, which should be subsequently approved by head of the department.
17. Payment of expenses of special catering when the imprest is exhausted in emergent cases only, duly authorized by an officer.
18. Payment in cash to staff governed by workmen's compensation act.
19. Refund of fares on unused and partially used tickets.
20. Payment of salary to traffic inspectors of accounts against cheques issued.
21. Refund of earnest money to unsuccessful bidders in cases of auction of unclaimed or lost property when the amount of bid is not approved by the competent authority or when the property is connected and delivered to the owner.
22. Ex-gratia payments to persons involved in train accidents.

23. Advance of traveling allowance in an emergency as court attendance at short notice.
24. Refund of security deposits on account of hiring of lockers at railway stations.
25. Payments of rewards to persons who help in apprehending prosecution of unauthorized chain pulling.
26. Payment of grants sanctioned from railway minister's welfare / relief fund through pay orders en-cashable at stations.
27. Payment of commissions to the halt agents.
28. Defraying of expenses in departmental catering establishments for purchase of perishables, fish, meat, eggs, milk. Butter, melted ghee etc.
29. Encashment of pay order issued by railways co-operative credit societies, banks, against fortnightly deposits made with the railway administration by societies / banks.
30. Payment of commission amount to vendors / bearers engaged on commission basis.
31. Spot payment of daily allowances to public witnesses attending departmental enquiries in vigilance cases against railway employees.
32. Payment of coolie hire charges for effecting delivery of public telegrams wherever so indicated.
33. Payment of immediate relief to the families of non-gazetted railway servants who die while in service.
34. Advance to running staff marooned due to breach of communication.
35. Payment of advances from provident fund sanctioned by competent authority to meet the funeral expenses of deceased railway employees at roadside station.
36. Payment not exceeding Rs.1000/- only in each case for shrouds to cover dead bodies of victims of accidents on railway. The vouchers submitted along with the cash may be countersigned by the government railway police officials in token of having taken over the dead body / bodies duly covered with shrouds.
37. Bank Conveyance charges for hiring vehicle for depositing Government cash in the banks.

## COMMERCIAL INSPECTIONS

### Commercial Inspections.

There are many ways of doing a job. But there is only one way of doing it in a precise and correct manner. Commercial Inspector has to ensure that all the jobs at all the stations within their jurisdiction are done in that correct and precise way. For this, it is essential that the Commercial Inspector should have an effective control over the working of the stations within their area of control. They must know how well their subordinates are functioning; whether the staffs have done as they have been directed; whether they are putting out work of a satisfactory quality and in a satisfactory quantity. Such a checkup is possible through inspections.

The utility of inspections lies not only in the detection of faults. Lapses and irregularities already committed but in the steps taken for avoiding their recurrence. One of the ways to achieve this is that the inspecting officials give proper directions to the staff regarding the correct and concise way of doing a particular job during the course of the inspection itself.

### Object for Commercial Inspections.

A commercial inspection has a multipronged objective and its scope is wide. The principal objects of an inspection by the commercial officials, however, would include the following :

- (i) to check up whether a high standard of cleanliness and orderliness is being maintained at the station platforms, in retiring rooms and waiting rooms including waiting halls, in catering establishments, such as, restaurants and refreshment rooms and in various booking and delivery offices, go-downs, etc., as also in the bath-rooms and lavatories;
- (ii) to observe whether the commercial staff are prompt, alert, civil and obliging, and that they pay adequate attention to the comforts and conveniences of the railways users;
- (iii) to check up whether the commercial staff are fully conversant with the rules and regulations laid down for the performance of their respective duties;
- (iv) to see whether the rules laid down for the booking, handling, despatch, storage and delivery of various items of traffic, including explosives and other dangerous goods, are being carefully observed ;
- (v) to see whether the rules and instructions prescribed for prevention of loss of or damage to consignments are properly observed ;
- (vi) to check up if adequate steps are taken for connecting the unconnected packages ;
- (vii) to see whether adequate arrangements exist for prevention of leakage of railway revenues through ticketless travel, misdeclaration, under-weighment or any other cause ;
- (viii) to see whether proper attention is being paid to the clearance of station outstanding ;
- (ix) to see that initial records and documents at stations are maintained properly and in accordance with the extent rules and orders, and that the various returns are being

submitted to the Traffic Accounts Office on due dates;

(x) to see whether the procedure prescribed for handling and taking and making over of cash at the stations is being rigidly followed by the staff concerned under security arrangements appropriate for handling the cash and travelling cash safes at all stations :

(xi) to examine if any loss or leakage of railway revenues is taking place through evasion, misapprehension or abuse of rules :

(xii) to examine and analyse the causes of diversion of traffic, if any, to other means of transport ; and

(xiii) to see if any improvements in the methods of working at the station are necessary to achieve efficiency and economy or to retrieve the traffic, if any, diverted to other means of transport ;

### **Commercial Inspection Book.**

All irregularities noticed during the course of inspection should, as far as possible, be set right on the spot. On completion of the inspection, the Commercial Inspector should enter in brief detail, in the Commercial Inspection Book, the particulars of irregularities noticed, together with instructions and suggestions for avoiding repetition of such irregularities. At the time of the next inspection, the Commercial Inspection Book should be called for and perused to see that the instructions have been complied with by the staff.

### **Submission of the Commercial Inspection Reports.**

The Commercial Inspection Reports should be submitted by the Commercial Inspectors to the Divisional Office immediately after the completion of the inspection.

## **PASSENGER AMENITIES**

Indian Railways are a century and a half old. During these 150 years of glorious service, Indian Railways has played a vital role in the country's need for large scale of movement of traffic – both freight and passengers. The Indian Railways are contributing a lot in the economic growth of the country as well as promoting national integration.

Indian Railways serve as the principle mode of passenger transport in the country carrying the highest volume of passenger traffic. With the quickening pace of modernization now sweeping the country, the Railway traveler expect much more from the Railways than he did in the past. To fulfill the increased expectation of the passengers, it is necessary that sufficient passenger amenities at stations and on trains have to be provided.

'150<sup>th</sup> year of Indian Railways has been declared as passenger's amenities year'. Every year, general steps relating to safety, security, punctuality and cleanliness will be taken so that the customers would derive greater satisfaction from the Railways.

The allocation under the plan head 'Passenger and other users amenity' was to tune of Rs.1100 crores for the year 2012-13. In order to provide upgraded passenger amenities at stations, 977 stations have so far been selected as "ADARSH" stations. Some of the thrust areas identified for them are as follows.

- Provision of all India train enquiry system.
- Conversion of stalls into modular stalls and provision of automatic vending machines
- Improvement in circulating areas.
- Improvement in waiting halls, booking offices and other infrastructural facilities / amenities.

Special attention is paid by Indian Railways with regard to

- Cleanliness at stations and trains
- Customer's satisfaction and care
- Catering and vending services
- Safety, security and punctuality
- Issue of unreserved tickets through SPTM
- Issue of unreserved tickets through UTS
- Passenger reservation system
- Provision of minimum essential passenger amenities at stations

Indian Railways have initiated training for front line staff to help them for dealing with the rail customers in a better manner. The program aims at inculcating a value system among them and to make them helpful to the rail users. The program would also help to increase the performance level of the employees by sensitizing them to the need of the customers, thereby solving their problems more effectively and in a positive manner.

**Comprehensive instructions on provision of passenger amenities:**

**Categorization of stations:**

- Stations have been categorized into seven categories A1, A, B, C, D, E and F depending upon the earnings which is an indicator of passenger traffic.
- All suburban stations have been included in Category ‘C’ in order to accord high priority in view of a large passenger using them.
- The categorization shall be reviewed every 5 years.

**Annual passenger earnings:** For the purpose of categorization of stations, the basic parameter is the Passenger earnings of each station, from both reserved and unreserved passengers. The earnings are to be calculated on the basis of the number of passengers boarding at a particular station (both, reserved and unreserved), irrespective of the location from where the ticket has been issued. The data of passenger earning should be collected from PRS, UTS, SPTM and JTBS etc.

S.No	Category	Criteria
1	‘A1’	Non suburban stations with annual passenger earnings of more than Rs. 60 crores.
2	‘A’	Non suburban stations with an annual passenger earnings of Rs.8 crores and upto Rs.60 crores.
3	‘B’	I. Non suburban stations with annual passenger earnings between Rs.4 crores and Rs.8 crores. II. Stations of tourist importance or an important junction station as decided by GM
4	‘C’	All suburban stations*
5	‘D’	Non suburban stations with an annual passenger earnings between Rs.60 lakhs and Rs.4 crores
6	‘E’	Non suburban stations with annual passenger earnings less than 60 lakhs.
7	‘F’	All halts stations

\*For station dealing with both suburban / non-suburban traffic, the Railway may take a view regarding up-gradation of classification depending upon station earnings, quantum of non-suburban traffic, etc.

**Minimum Essential Amenities (MEA)**

- When a station is constructed certain minimum amenities should be provided at each category of station. These were earlier termed as basic amenities / infrastructural facilities and will now be called ‘**Minimum essential amenities**’ (MEA).
- The minimum essential amenities required in each category of stations have been listed as below.

**MINIMUM ESSENTIAL AMENITIES AT VARIOUS CATEGORIES OF STATIONS**

S.No.	Amenities	Category of Stations							
		A1	A	B	C	D	E	F	
1	Booking Facilities	✓	✓	✓	✓	✓	✓	✓	

2	Drinking Water Piped / Hand Pump	✓	✓	✓	✓	✓	✓	✓
3	Waiting Hall / Shed	✓	✓	✓	-	✓	✓	✓
4	Seating arrangements	✓	✓	✓	✓	✓	✓	-
5	Platform	Shelter	✓	✓	✓	✓	✓	-
		Shady Trees	-	-	-	-	-	-
6	Urinals	✓	✓	✓	✓	✓	✓	-
7	Latrines	✓	✓	✓	✓	✓	✓	-
8	Platform	High	✓	✓	-	✓	-	-
		Low	-	-	✓	-	✓	-
		Rail Level	-	-	-	-	-	✓
9	Lighting #	✓	✓	✓	✓	✓	✓	✓@
10	Fans	✓	✓	✓	✓	✓	✓	-
11	Foot Over Bridges	✓*	✓*	✓	✓	©	-	-
12	Time Table Display	✓	✓	✓	✓	✓	✓	✓
13	Clock	✓	✓	✓	✓	✓	✓	✓
14	Water Cooler	✓	✓	✓	✓	✓	-	-
15	Public Address System / Computer based announcement	✓	✓	✓	-	-	-	-
16	Parking-cum-circulatory area, With lights	✓	✓	-	-	-	-	-
17	Electronic Train indicator board	✓**	✓	-	-	-	-	-
18	Public phone booth	✓	✓	-	-	-	-	-
19	Signage (Standard)	✓	✓	✓	-	-	-	-

\* With cover

\*\* At station entrance/ concourse, on Foot-over bridges (at landing locations) and on platforms located appropriately to guide passengers at every stage.

# Stations may be electrified as per provisions of Board's circular No. 95/Elec(G)/109/1 dt. 1.2.95

@ Where train stops at night.

© Foot over-bridges shall be provided at all crossing stations during doubling / gauge conversion upto 'D' category stations, wherever the same are not available.

### **NORMS OF MINIMUM ESSENTIAL AMENITIES AT VARIOUS CATEGORIES OF STATIONS**

S.No.	Amenities	Category of Stations						
		A1	A	B	C	D	E	F
1	Booking Facilities% (No of counters)	15	10	6	4	4	2	1
2	UTS as per norms	Yes	Yes	Yes	Yes	Yes	Yes	-
3	Drinking Water <sup>^</sup> (No of Taps) <sup>\$^</sup>	20	20	20	6	8	2*	Appropriate Drinking Water facility**

4	Waiting Hall @Sq m	250	125	75	0	30	15	10 sqm booking office cum Waiting hall
5	Seating arrangements (No of seats per PF)	150	125	100	10	50	10	-
6	Platform Shelter (On each PF)	500 sqm	400 sqm	200 sqm	200 sqm	50 + sqm	50 + sqm	Shady trees
7	Urinals	12	10	6	4	4	1	-
8	Latrines	12	10	6	2	4	1	-
9	Foot Over Bridge	1 with cover	1 with cover	1	1	®®		-
10	Water Cooler £	2 on each PF	2 on each PF	2 on each PF	2 on main PF	1 on main PF	-	-
11	Signage (Standardized)	Yes	Yes	Yes	-	-	-	-
12	Platforms ***	High Level	High Level	Med Level	High Level	Med Level		Rail Level
13	Lighting ++ (Lux Level)	As per Annexure II of Board's letter No.2004/Elec(G)/ 109/ 1 dated 18.5.2007						
14	Fans ©	As given below						
15	Time Table Display	As per extant instructions						
16	Clock	To be decided by Zonal railways						
17	Public Address System / Computer based announcement	As per extant instructions						
18	Parking-cum-circulatory area with lights	As per extant instructions						
19	Electronic Train indicator board	As per extant instructions						
20	Public phone booth	As per extant instructions						

% At AI, A, B, C & D category of stations, the booking counters to operate round the clock except at stations where there is no night working.

**A** At stations falling in water scarcity zones or where water source dries up in summer, drinking water facility should be ensured at every platform by means of syntax tanks/ CANS

/ *Matkas/Piaos* etc. as decided by GM of the Railways. At less important stations, particularly those falling under category E & F, one water supply source at a location convenient to passengers may be provided. Drinking water facility would include all necessary units whether donated by private parties or provided by the Railways themselves.

\$ There should be one drinking water tap suitable for use by disabled persons on alternate water booths at every platform.

**AA** Adequate number of water taps should be suitably located to serve passengers of GS coaches, i.e. at the end of platforms.

\*At 'E' category stations, wherever piped water supply is not feasible due to local conditions, separate arrangement for potable water at each platform shall be made available with the approval of General Manager of the concerned Zonal Railway.

\*\*drinking water arrangements should be made at halt stations by means of water taps/hand pumps/tube wells/sintex tanks/piaos as decided by the General manager of the concerned Zonal Railway.

@ If the variation is marginally on the lower side (upto -5 sqm), then it can be taken to be adequately provided.

#Shelter should be suitably spaced ensuring natural light and ventilation and covering areas from where passengers aboard the General Coach.

+ Preferably light weight shelters.

##1. Number of latrines/urinals includes provision in waiting room/halls. 1/3rd of the toilet may be reserved for ladies. In case of 2 toilets existing, one each should be earmarked for ladies & gents.

2. Number of latrines/urinals can be reduced in water scarcity areas by the Railway with the approval of GM.

3. Includes pay and use toilets. The policy for setting up such toilets be referred in terms of Board's letter No. 05/TGIV/10/SAN/32/Pay & Use Policy Dt 7.6.06.

® New FOBs should be at least 6 m wide at 'A-1', 'A' and 'C' category stations wherever feasible. New FOBs at 'Al' & 'A' category stations should be compatible for installation of escalators.

00 Foot over-bridges shall be provided at all crossing stations during doubling/gauge conversion upto 'D' category stations, wherever the same are not available. E To be provided as per Board's letter No. 69/Elec (g)/730/8 Dt. 30.03.1971.

\*\*\* (a)On all New lines, Gauge Conversion & Doubling projects, minimum level of platforms shall be medium level(Board's letter No. 2003/LMB/ 14/29 Dt. 26.4.2005).Wherever medium level of platform is to be provided as per norms, the same shall be with the foundation for high level platform. (Board's letter No. 2012/LM(PA)/03/07/Policy dated 06.07.12).

(b)Wherever platform height gets reduced on account of track works, the same should be restored (Board's letter No. 2003/LMB/14/29 Dt. 03.02.2005).(c) Platform should be high level, irrespective of category, wherever EMU trains are dealt with(Board's letter No. 2006/LMB/2/121 Dt. 11.8.2006).

++Solar energy based lighting needs to be introduced to provide emergency lighting at "D" and "E" Category stations, wherever feasible, in non-electric traction areas.

© For covered platforms having width of 6-9mts; one row of fans should be Provided.

@one fan in the centre of supporting columns. For covered platforms with more than 9mts width, fans should be provided in 2 rows.

Note: (1) At stations where only one ASM is posted, only one booking window will be provided. In respect of 'E' category stations, where the earnings is less than Rs. 20 lakh per annum, the quantum of amenities to be provided could be decided by General Managers based on actual requirements.

(2) Scale of all the amenities prescribed above are the bare minimum to be provided at the appropriate category of stations. Amenities over and above the prescribed minimum scales will continue to be provided as per norms for provision of amenities at "Recommended Level".

### Recommended Amenities:

Provisions of amenities as per recommended norms are

- Once the essential amenities as prescribed are available at a station, further augmentation of these amenities as per norms will be known as recommended amenities. These norms are recommendatory; Railway shall make efforts to provide these amenities as per norms prescribed.

### Norms for provision of passenger amenities at the recommended level:

N <sub>max</sub>	Maximum number of trains dealt with in any interval of half an hour at the station multiplied by the average number of passengers dealt per train at that station. The average number of passengers per train at a station shall be the average number of daily passengers dealt with at the station divided by the number of trains stopping at the station during 24 hours.
N <sub>ds</sub>	Design figure for number of passenger for 'C', 'D&E' stations to be calculated as <b>N<sub>ds</sub> = 0.45 (N<sub>max</sub>)</b>
N <sub>db</sub>	Design figure for number of passenger for 'A'&'B' stations to be calculated as <b>N<sub>db</sub> = 0.3 (N<sub>max</sub>)</b>

### Amenities at recommended level for different categories:

S.No	Amenity	Category A1,A & B	Other Stations
1	Booking Facilities	1 Window per 800 tkts per shift (Shift with	

	(No of counters)	maximum number of tickets sold should be taken)	
2	Drinking Water (No of Taps)	No. of taps = $N_{max}/25$ Taps should be distributed so that every alternate coach gets benefit of a tap	No. of taps = $N_{max}/25$
3	Waiting Hall	1.394 Ndb sqm	1.394 Ndb sqm (Excluding C)
4	Seating arrangements (No of seats per PF)	0.4 Ndb	0.4 Nds
5	Platform Shelter * ( on each PF)	0.28 N max	0.28 N max
6	Urinals #	Ndb / 200	Nds / 200
7	Latrines #	Ndb / 200	Nds / 200
8	Platform Level	To be decided by Zonal Railways	
9	Lighting ®	As per Board's letter no. 95/Elec(G)/ 138/5 dated 19.3.96 Norms indicated in Note below.	
10	Fans **	As per Board's letter no. 95/Elec(G)/ 138/5 dated 19.3.96	
11	Foot Over Bridges	To be decided by Zonal Railways	
12	Time Table Display	To be decided by Zonal Railways	
13	Clock	To be decided by Zonal Railways	
14	Bath Rooms \$	1/400 Ndb	1/400 Ndb at other junction & terminal stations only
15	Water Cooler	To be provided if total number of passengers, inward and outward is more than 1000 per day (As per Bd's letter no. 69/Elec(g)/730/8 Dt 30.3.71. To be decided by the Zonal Railways	
16	IVRS	A - 48 lines (calls 72000) B - 24 lines (calls 5000-20000)	A central IVRS with adequate lines should be provided to cover all suburban stations - Minimum 6 lines if IVRS is otherwise justified
17	PA system (Computer Based)	To be decided by the Zonal Railways	
18	Parking cum Circulating Area with Lights	To be decided by the Zonal Railways	
19	Electronic Train	To be decided by the Zonal Railways	

	indicator board.	
20	Public Phone Booth	To be decided by the Zonal Railways
21	Signage (Standardized)	To be decided by the Zonal Railways

\* At important AI, CA' category and suburban stations, efforts should be to cover the entire PF.

# 1/3rd of urinals/latrines be reserved for ladies.

@ (a) Emergency light: From Auxiliary Transformer (AT) connected to traction supply, 10 light points for AI and A category stations on each platform. Emergency light from DG set/Solar supply on each platform at all stations where traction supply is not available, except E F category stations. (b) Minimum One light in ASM room, Booking Window, Waiting Hall each, one light on each FOB at every 30 meter, 03 lights on each platform and one light in circulating area shall be provided as emergency light with suitable back up power source such as Solar/wind etc.

\*\* For covered platforms having width of 6-9 mts, one row of fans should be provided @one fan in the centre of supporting columns. For covered platforms with more than 9mts width, fans should be provided in 2 rows.

\$ At

Note: Norms for recommended level of illumination at various categories of stations are as follows (Ref Bd's Circular No 2005/Elec(G)/150/1 Dt 28.2.06).

S.No.	Area	Proposed lux level for category I/ II/ III station
1	Station circulating area	50//30/20
	Outdoor car parking	20/ 20/ 20
2	Station concourse area	100/ 100/ 100
3	Booking office, reservation office, enquiry office	200(localized above counter) & 100 in remaining areas for category I, II, III stations.
4	Parcel & luggage office counter	150/ 150/150
		150/150 /150
5	Platform covered	50/30/20
	Open area	
6	Waiting halls/rooms	100/100/ 100
7	Retiring rooms	100/100 /100
8	Restaurant & kitchen in general building area:	150/150 /150 100/100/ 100 100/100/ 100
	i) restaurant area:	
	ii) Kitchen:	
	iii) Stores:	
9	Foot over bridge	50/30/20
10	Other service buildings inside Railway station area	200 for SM's office for category I, II, III stations.

**Category (I) - Stations on Zonal railway HQs State capitals and all AI & A category stations**

**Category (II) - Stations on Rlys. Divisional Hq./State Distt. HQs & all B Category stations**

**Category (III) - Stations in remaining Categories**

**Desirable amenities:** Desirable amenities are considered desirable to improve customer satisfaction and interface process at the station. The quantum of these amenities would depend upon the category of the station. It should be noted that provision of desirable amenities need not wait for complete provision of recommended amenities. The amenities out of the list given should be provided based on the need and relative importance of the station.

**Norms of desirable amenities at stations:**

S.No.	Amenities	Category of Stations					
		A	B	C	D	E	F
1	Retiring Room	✓ 1	✓	✓	-	-	-
2	Waiting Rooms (With bathing facilities)	Upper Class	✓ 1	✓	-	-	-
		II class	✓ 1	✓	✓	-	✓
		Ladies (Combined Upper & II Class)	✓ 1	✓	-	-	-
3	Cloak Room	✓	✓	✓	-	-	-
4	Enquiry Counter	✓	✓	✓	-	-	-
5	NTES	✓	✓	-	-	-	-
6	IVRS	✓	✓	✓	-	-	-
7	PA System / Computer based announcement	✓	✓	✓	✓	✓	-
8	Books / Other Stalls of Essential Goods	✓ 2	✓	✓	✓	✓	-
9	Refreshment Rooms	✓	✓	✓	-	-	-
10	Parking / Circulating Area with lights ***	✓	✓	✓	✓	✓	-
11	Washable Aprons with jet cleaning #	✓	✓	✓	-	-	-
12	Electronic Train Indicator Board	✓	✓	✓	✓	-	-
13	Touch Screen Enquiry System	✓	✓	✓	-	-	-
14	Water Vending Machine	✓	* *	* *	-	-	-
15	Foot Over Bridges	✓	✓	✓	✓	✓ ®	-
16	Escalators	✓ 3	✓ 3	-	✓ 3	-	-
17	Travellator	✓ 4	✓ 4	-	-	-	-
18	Signage (Standardized)	✓	✓	✓	✓	✓	-
19	Modular Catering Stalls *	✓	✓	✓	✓	✓	-
20	Automatic Vending Machines	✓	✓	✓	✓	✓	-

			*	*	*			
			*	*	*			
21	Pay & Use Toilets on end platforms & circulating areas	✓	✓	✓	✓	✓	✓	-
22	Provision of Cyber Café	✓ <b>4</b>	-	-	-	-	-	-
23	Provision of ATM (preferably with ticketing facility)	✓	✓	✓	✓	✓	✓	-
24	Provision of at least one AC VIP Lounge	✓	-	-	-	-	-	-
25	Food plaza	✓	-	-	-	-	-	-
26	Train coach indication system	✓	-	-	-	-	-	-
27	CCTV for announcement and security purpose	✓	-	-	-	-	-	-
28	Coin operated Ticket Vending Machine	✓	✓	✓	✓	-	-	-
29	Pre-paid Taxi Service	✓ <b>5</b>	-	-	-	-	-	-
30	High Level Platform	✓	✓	✓	✓	✓	✓	-
						<b>6</b>		

✓ (**in bold**): Also prescribed as Minimum Essential Amenity.

\*\*\* Should include high mast lighting wherever feasible.

# Washable aprons with water hydrant/jet system should be provided at all platforms where morning train stops for longer duration to ensure cleanliness and better maintenance.

® On double line sections.

\* In end platforms, all stalls should be preferably embedded in walls.

\*\*Optional items vide Board's letter 1\16.94/LMB/2/175 dated 16.1.05.

### **Numbered subscripts:**

1: Up gradation to be taken up preferably under public-private partnership schemes. Retiring Rooms need not be provided at 'D' category stations.

2: Should provide for minimum essential medicines.

3: Escalators at 'A1', 'A' & 'C' category stations and stations of Tourist importance.

4: Subject to availability of space & feasibility.

5: Subject to availability/clearance from local authorities.

6: With the approval of General Manager

*Note:* Washable aprons may be provided in a planned manner to cover only stations from where trains originate / terminate or stop for longer duration in the morning hours. Enquiries where ever provided improvements to be made.

### **Augmentation of the existing amenities in a planned manner:**

- The Zonal Railway should carry a survey of available amenities at stations periodically.
- Drawing from the result of the survey, a list of the minimum essential amenities, recommended amenities and desirable amenities to be provided should be separately drawn up station wise for each route. The master plan for each station should show the amenities required.
- These lists form the basis for drawing up the Divisional Action plans. Action plans so formulated should then be amalgamated into one general action plan and inter-se priorities for different works assigned.
- All minimum essential amenities should be provided as per scale at all class of stations
- Since most of the traffic is handled in A1, A, B and C category of stations, priority should be given for providing amenities at these stations.
- Keeping the normal allocation of funds, under the plan heads “Passenger Amenities” in view, a time frame is allocated to each phase of the general action plan. Low expenditure amenities items for which funds can be easily earmarked, can be taken up earlier than those requiring heavy outlay, even if the latter is higher in priority. Remaining works should be prioritized in a manner such that, gaps in a essential amenities, recommended amenities and desirable amenities are filled up generally in that order.
- Keeping scarcity of resources in view, there should be no attempt to substitute an existing amenity item with alike but more expensive one.
- Minimum essential amenities as prescribed shall always be provided as a part of the concerned plan head at the time of construction of new stations. Augmentation of any facilities thereafter at the station shall, however, be charged under plan head “Passenger and Other Users Amenities”

### **Other important aspects:**

Following aspects over and above the amenities mentioned earlier should be kept in consideration while upgrading amenities at the station:

- All toilets should be gradually converted into pay and use system.
- All the signage should be standardized.
- For location of signage, a plan should be made in each station.
- All stalls should be made modular and reduced in size as per board’s circular.

- Efforts should be made to make the stations cooking free and reduce the number of trolleys.
- Ban-Marries should be provided at A1,A , B & C class station.
- The number of trolleys and catering stalls under the covered shed should be reduced to a minimum.
- There should be effort to reduce the stalls to the bear minimum and their measure to be limited for activities essentially connected with traveling.
- In a circulating area, proper traffic movement flow plan should be made. A green patch should also be developed. Wherever circulation areas are redesigned, altered or where ever stations are congested, possibility of providing foot over bridge land directly into circulating area should be examined as it decongests the main platforms. There should be proper segregation of incoming and outgoing passengers where ever necessary.
- Automatic vending machines should be encouraged to replace existing vending stalls
- Enquiry and booking offices should be specially brightened up at all the stations.
- The illumination of the station should be improved.
- All stations irrespective of the class should be sealed from all the directions so that there is specified exit and entry and incidence of unauthorized entrance is reduced to avoid unnecessary pressure on amenities.

### **Amenities for Physically challenged persons:**

#### Short term facilities:

- Provision of standard ramp with railing for barrier free entry.
- Earmarking at least 2 parking lots for vehicles used by disabled persons.
- Provision of non-slippery walkway from parking lots to main station building.
- Provision of signage of appropriate visibility.
- Provision of at least one drinking water tap suitable for use by a disabled person.
- Provision of at least one toilet on the ground floor.
- “May I Help You” booth.

#### Long term facilities:

- Provision of facility for inter-platform transfer.
- Engraving on edges of platforms.

### **Maintenance of passenger amenities:**

- It is important to maintain the amenities provided at all stations in working condition at all times. Maintenance staff shall carry out repairs needed to bring back the amenities to functional order, immediately after receipt of information from the station

master / station superintendent. Hygiene and cleanliness should be an important activity for day to day monitoring.

- GM shall arrange to provide adequate imprest cash with station masters of stations where railway maintenance staff is not available. To enable them to organize expeditious repairs of small items of passenger amenities such as hand pumps, taps, water trolleys, clock, fans etc.

### Passenger amenity booklet:

Additions / modifications to the passenger amenities available at the stations should be incorporated in the data base and passenger amenities management system (PAMS) and printed in the form of passenger amenity booklets of each division at the end of the financial year. The details of the passenger amenities available at the stations should be updated and sent every year to board.

Division	No. of stations under the category							Total No. of Stns.
	'A 1' (Rs. 60 Crs. and above)	'A' (Rs. 8 Crs. To Rs. 60 Crs.)	'B' (Rs. 4 Crs. to 8 Crs. & Jn./ Tourist)	'C' (All Sub-urban)	'D' (Rs. 60 Lakhs to 4 Crs.)	'E' (Less than Rs. 60 Lakhs)	'F' (Halts & Flag Stns.)	
Secunderabad	2	4	10	12	22	72	15	137
Vijayawada	1	13	12	--	14	77	44	161
Guntakal	1	2	3	--	9	36	39	99
Hyderabad	1	6	8	9	10	92	18	135
Nanded	--	5	3	--	12	60	23	103
Guntur	--	1	2	--	13	41	12	69
<b>TOTAL</b>	<b>5</b>	<b>32</b>	<b>38</b>	<b>21</b>	<b>80</b>	<b>378</b>	<b>151</b>	<b>704</b>
<b>State wise Category of stations</b>								
Andhra Pradesh	5	24	34	21	58	296	120	558
Maharashtra	-	5	3	-	16	59	29	122
Karnataka	-	2	1	-	6	12	1	22
Madhya Pradesh	-	-	-	-	-	1	1	2
<b>Total</b>	<b>5</b>	<b>31</b>	<b>38</b>	<b>21</b>	<b>80</b>	<b>378</b>	<b>151</b>	<b>704</b>

### FACILITIES FOR OTHERWISE ABLED PASSENGERS

#### PASSENGER AMENITIES: (At all Major Stations (A1, A, & B))

- Provision of standard ramp with railing for barrier free entry.
- Earmarking at least two parking lots for vehicles used by disabled persons.
- Provision of a non-slippery walkway from parking lot to building
- Provision of signage of appropriate visibility
- Provision of at least one drinking water tap suitable for use by a disabled person.

- Provision of at least one toilet on the ground floor.
- “May I help You” booth.
- Provision of facility for inter-platform transfer  
(Wheel Chairs are provided free of cost, duly escorted by Coolies (On Payment))

#### **ELEMENT OF CONCESSION IN RAIL TRAVEL:**

- 25% in 3 AC/AC Chair car of Rajdhani and Shatabdi trains
- 50% concession in 1 AC & 2 AC
- 75% concession in all other classes
- 50% Concession on Season Tickets

#### **EARMARKING of ACCOMODATION**

- Two berths quota for PH & escort earmarked in all trains. (Preferably lower berths)
- In suburban trains separate accommodation earmarked for PH persons.
- SLRD coaches (unreserved) have provided in all Mail/Express trains for PH persons with escort.
- In case of SLRD coach of Garib Rath trains, PH persons is required to book ticket on production of attested copy of concession certificate and by making payment of full fare of 3AC class.

#### **ADDITIONAL FACILITIES**

- Separate Booking Counters
- Foldable or un-foldable wheel chairs are carried free of charge as luggage with PH persons traveling on concessional tickets.

## **RAILWAY USERS CONSULTATIVE COUNCIL AND COMMITTEES**

The following Consultative Bodies have been established with a view to affording more frequent opportunities for consultation between Railway Administration and railway Users some matters relating to the service provided by railways and means of improving the efficiency of such services:-

1. Railway Users Consultative Committees at the Divisional level. (DRUCC)
2. Zonal Railway Users Consultative Committee at the Headquarters of each railway and
3. National Railway Users Consultative Council at the Centre.

### **Divisional Railway Users Consultative Committees. (DRUCC)**

The Divisional railway Users consultative Committee in the Division represents the local users in the territories served by the railway and consider matters relating to:

1. Provision of amenities in the area with which the Committee is concerned.
2. Proposals regarding opening of new stations within the jurisdiction of the Committee.
3. Arrangements regarding time tables.
4. Improvement of the services and facilities provided by the railways and
5. Any subject of general public interest or public convenience or such matters affecting the services and facilities which has been the subject of representation by users, or which has been referred to them for consideration by the Zonal Railway Users Consultative Committee, the National Railway Users Consultative Council or by the Administration.

### **Zonal Railway Users Consultative Committee. (ZRUCC)**

The Zonal Railway Users Consultative Committee at the headquarters of each railway represents the general railway users of the territory or zone served by the railway as a whole and considers:

1. Such matters, from the point of view of the zone as a whole, as referred by DRUCC.
2. Matters arising from the reports of the Division Committees, or such other matters relating to the subjects referred, as may be specifically forwarded by the Divisional Committee for consideration and
3. Matters referred for consideration and report by the Administration, Ministry of Railways or the National Railway Users Consultative Council.

### **National Railway Users Consultative Council. (NRUCC)**

The National Railway Users Consultative Council at the Centre considers:

1. Such matters relating to the services and facilities provided by railways as may be referred to it for consideration by the Ministry for Railways.
2. Such matters being within the scope of the function of the Zonal Committee as are referred to it for consideration by such Committees: and

3. Such other matters relating to the services and facilities on railways which individual members of the Council may, with the approval of the Chairman, desires to be included in the agenda

All the Committees and the Council established under these rules are consultative in character.

Questions relating to staff, discipline and appointment should not be brought before the Consultative Committee or the Council.

### **Divisional Railway Users Consultative Committees:**

The Divisional Railway Users Consultative Committees will consist of members to represent the principle interests among railway users of the area, the member ship being determined as follows:-

1. Not more than six on the Divisional Railway Users Consultative Committees to be appointed by the General Manager, made up of one representative each of Local Chambers of Commerce, Trade Association and Industries and Agricultural Associations registered in the State or States.
2. Two representatives of the registered Passenger Association in the area, to be appointed by the General Manager and
3. Nine representatives of special interests not otherwise represented on the Committee (eight to be nominated by the Ministry of Railways and one by General Manager)
4. One representative each of the Governments of the States and one each of the Legislatures of the States served by the Division, recommended by the State Government.
5. One representative of Consumer Protection Organisation served by the Division.
6. One representative of Physically Challenged passengers association

Where by reason of the larger number of Chambers, Trades Associations, Passengers Associations etc representation cannot be given to all such bodies, representation may be given to them by rotation.

The Divisional Railway Manager of the division concerned will be the Chairman of the Divisional Railway Users Consultative Committees. One of the senior traffic officers of the Division concerned will function as the Secretary of the Committee.

### **Zonal Railway Users Consultative Council:**

The Zonal Railway Users Consultative Council at the headquarters of each railway consists of persons appointed by the Minister for Railway to represent the general railway users in the territory served by the railway as stated below:

1. One representative each of the Governments of the States served by the Railway as recommended by such Governments.
2. One representative each of the States Legislatures as recommended by the State Governments.

3. Not more than five representatives of principal Chambers of Commerce and Trades Associations recognized by the State Government or Governments and having a standing of not less than five years.
4. Two representative to be sent by State Government or Governments of Agricultural Associations and other bodies, not included in or officiated to the Chambers of Commerce etc
5. One non-official representative elected form each of the Divisional Railway Users Consultative Committees.
6. Two representatives of the Public Sector Undertakings including Ports in the case of Railways served ports.
7. Registered Passengers Associations – one each of the States which have a sizeable route kilometerage on the Railway.
8. Three Members of Parliament – 2 from the Lok Sabha and 1 from the Rajya Sabha.
9. One representative of Consumer Protection Organization.
10. Nine representatives of special interest not otherwise represented on the Committee (eight to be nominated by the Minister of Railways and 1 by the General Manager.

The members of the Zonal Railway Users Consultative Committee representing industries, commerce and trade are ordinarily drawn from important local Chambers or Associations representing pre-dominant trade interests and approved by the State Governments concerned. After the Chambers or Associations etc. are approved for representation by the Minister, how the chambers or Associations etc. select their representative i.e. by election or otherwise, is left to them. However, where by reason of the large number of Chambers, Trade Associations, Passengers Associations, representation cannot be given to all such bodies, representation may be given to by them by rotation.

The General Manager will be Chairman of the Zonal Railway Users Consultative Committee and the Secretary to the General Manager or such other officer as may be nominated for the purpose by the General Manager will function as Secretary of the Committee.

### **National Railway Users Consultative Council:**

The National Railway Users Consultative Council at the center consists of persons appointed to it by the Minister for Railways as stated below:

1. Secretaries of each of the following Ministries of the Government of India:
  - (a) Ministry of Industry;
  - (b) Ministry of Commerce;
  - (c) Ministry of Tourism.
2. Ministry of Railways; Chairman and Members of Railway Board.
3. Fifteen Members of Parliament, Ten of whom being from the Lok Sabha and Five from the Rajya Sabha.
4. A representative of each of the Zonal Railway Users Consultative Committee, not being an official to be elected by the respective Zonal Railway Users Consultative Committees.
5. One member each from the following All India Associations:

- (a) Federated Chambers of Commerce:
  - (b) Associated Chambers of Commerce and Industry;
  - (c) Indian Sugar Mills Association.
  - (d) All India Manufacturers Association.
  - (e) Cement Manufacturers Association;
  - (f) All India Travel Agents Association, and similar All India Associations;
  - (g) Fertilizer Association of India.
6. One to represent Agricultural Interests.
  7. Two retired officers of Railways (Members of Board/General Manager).
  8. Such other members as the Ministry of Railways may appoint to represent interests which he considers are necessary to be represented on the Council.

The Minister for Railways presides at the meeting of the Council and in his absence the Minister of State for railways acts as Chairman. The Joint Director, Traffic (General), Railway Board acts as Secretary of the Council.

Persons holding assignments of profit connected with the railways e.g. catering and vending contractors, out-agency contractors, handling contractors, engineering contractors etc are debarred from the membership of the Railway Users Consultative Committees and the National Railway Users Consultative Council.

#### **Tenure of the membership:**

The appointment to the Consultative Committees under these rules or to the National Railway Users Consultative Council is for a period not exceeding two years. The tenure of Divisional and Zonal Committees and National Council will generally commence in January, April and July respectively and run for full term of 2 years from those months.

#### **Meeting:**

The Divisional Railway Users Consultative Committees will ordinarily meet once in a quarter, but not less than three times in a year, the Zonal Railway Users Consultative Committees will ordinarily meet three times in a year.

#### **Traveling Facilities and Traveling Allowances:**

Members of the Divisional Railway Users Consultative Committees, Zonal Railway Users Consultative Committee and the National Railway Users Consultative Council, When attending meetings of the committees or of the council or of sub-committees of these bodies, will be afford facilities for travel and traveling allowances as prescribed from time to time.

#### **Suburban railway Users Consultative Committees:**

Separate Suburban railway Users Consultative Committees have been set up at Madras, Calcutta and Bombay on the Southern, Eastern, South Eastern, Western and Central Railways with the following membership:

**Officials:**

1. Chief Operating Manager.
2. Heads of commercial and Engineering Departments.
3. The Deputy General Manager (G) or such other officer as may be appointed by the General Manager – member Secretary.

**Non-Officials:**

4. One representative of the City Corporation or the Municipalities where the headquarters of the railway are located.
5. One representative each from not more than two municipalities in the area served by the suburban services, if there are any municipalities in that area.
6. One member from the Divisional Railway Users Consultative Committee within whose jurisdiction the Suburban section falls (to be elected).
7. One representative from the Zonal Railway Consultative Committee (to be elected).
8. \*Four representative of Suburban Passengers on Central and Western and two representatives on other Railways.
9. One nominee of the General Manager. This must be a lady member (preferably from the Parliament or the Local State Legislature) if no lady member is in the Committee under items (4),(5),(6),(7) and (8) above.
10. Four representatives of special interest not otherwise represented on the Committee.

\*The two Associations will be selected by the General Manager, and he Associations so selected will select their own representatives

Separate Suburban Railway users Consultative Committees may be set up for the BG and MG suburban Sections.

**Functions**

The Suburban Railway Users Consultative Committee will function in the same manner as other consultative committees so far as the problems relating to the suburban section are concerned. They may also consider time tables of suburban trains where the times of the suburban train or trains under consideration do not affect the timings of the main line trains.

**Tenure:**

The tenure of the Suburban Railway Users Consultative Committee will be for two years.

Traveling Allowance is payable to members of the Suburban Railway Users Consultative Committees.

Non-official members of the Suburban Railway User's Consultative Committee will be paid traveling allowance at the same rate as is applicable to the non-official members of the Divisional Railway Users Consultative Committees.

**Station Consultative Committees:**

Station Consultative Committees comprising of the representatives of all types of Railway users function at District/Headquarters and a important industrial, commercial and political centers. These committees consider all local problems of users in their dealings with the railways in consultative with railway officials and also look into the question of passenger amenities along with other commercial matters regarding the booking and other facilities for parcels, luggage etc. The choice of the centers where such Committees are to be set up,

The composition of the Committees and their functions are left to be decided by the General Managers in consultation with the appropriate Divisional Railway Users Consultative Committees.

## FRAUDS

Frauds can be defined as an act committed intentionally resulting in financial loss to an organization. The most important word is the malafide intention of the staff committing the fraud.

Frauds are committed basically in two different methods:-

2. Within the books of accounts.
3. Outside the books of accounts.

The various methods of detecting frauds are:-

1. Internal check
2. Inspections
3. Linking the beginning of a transaction to the end of it.
4. Surprise inspections.

The most difficult type of frauds are those committed outside books of accounts. These can be detected only by conducting inspections at the various sites of operations. The persons committing the frauds try to avoid bringing the transactions into books of accounts. To understand the method of working in Railways, it is necessary to understand the checking mechanism in place. A brief of the same is given below.

Railways operate through various stations spread over the length and breadth of the country. Therefore, there is all the more need for a systematic way of check which needs to be introduced. To fulfil this very important purpose, a team of inspectors (inspectors of station accounts) have been deputed to:-

- 1) to verify the station records and certify that a copy of the same have been submitted to accounts office
- 2) To see that all the transactions of the station are reflected in the books of accounts.
- 3) To see that the revenue which is due to Railways has been correctly collected and accounted.

The checks in the traffic accounts office have been designed in a manner that they encompass all the principles discussed above. The various stages in the checking mechanism are enunciated below:-

1. Self-check
2. Supervisory check
3. Commercial inspections
4. Accounts inspections
5. Vigilance inspections
6. Audit inspections
7. Officers inspections
8. Internal Check by FA&CAO's office
9. Audit by Principal Director of Audit.

The instances of frauds which can be committed in different locations in a station are given below:-

S.NO	TYPE OF FRAUD	MODUS OPERANDI	DETECTION METHODS	PREVENTIVE STEPS
1	Under-casting of totals in returns. This fraud can be quoted in any of frauds pertaining working of BO, RO, PO, GO.	<ol style="list-style-type: none"> <li>1. The totals in the returns prepared daily are under cast.</li> <li>2. The reduced amount is remitted to the cashier.</li> <li>3. For example, if the page total of a parcel way bill local return is Rs.20000/-, it is deliberately under cast as Rs.15000/- and the same is remitted to the cashier.</li> <li>4. The reduced total is taken into the balance sheet also.</li> </ol>	<ol style="list-style-type: none"> <li>1. This type of fraud takes place where the number of transactions are run into hundreds.</li> <li>2. Surprise check by Supervisors will reveal this fraud.</li> <li>3. Random check by inspectorial and Account office staff should reveal such a fraud.</li> </ol>	<ol style="list-style-type: none"> <li>1. Deterrent steps taken by administration in case of errant staff.</li> <li>2. Regular Surprise inspection by officials.</li> <li>3. Increase of awareness among staff.</li> <li>4. Separation of duties between issue of way bills and preparation of returns.</li> </ol>
2.	Privately printed tickets. This fraud can be quoted with reference to working of BO, RO, PO, and GO.	Money value tickets and books are printed privately and are issued to rail users.	<ol style="list-style-type: none"> <li>1. Frequent train checks by checking officials.</li> <li>2. Pairing of collected tickets with the accounts foils in the accounts office.</li> <li>3. Check of collected tickets at stations by inspecting officials.</li> </ol>	<ol style="list-style-type: none"> <li>1. Strong action to be initiated against offenders</li> <li>2. Wide publicity given to punishment meted out to offenders.</li> <li>3. Increase in linking beginning of transaction to the end of it.</li> </ol>
3.	Avoiding the recording of transactions in the books of original entry. Mainly, Wharfage and demurrage.	<ol style="list-style-type: none"> <li>1. Entry into Accrual register is deliberately avoided.</li> <li>2. The timing of accrual is deliberately altered in connivance with the operating officials.</li> <li>3. Entries are not in the other relevant registers.</li> </ol>	<ol style="list-style-type: none"> <li>1. On the spot surprise inspection will reveal such a fraud.</li> <li>2. Verification of records at the stations will reveal such fraud.</li> <li>3. Comparisons of normal time taken in the previous rakes loading and unloading.</li> <li>4. Any exceptional situation should be</li> </ol>	<ol style="list-style-type: none"> <li>1. Deterrent steps taken by administration in case of errant staff.</li> <li>2. Regular Surprise inspection by officials.</li> <li>3. Increase of awareness among staff.</li> <li>4. Separation of duties between issue of way bills and preparation of returns.</li> </ol>

			<p>looked into great detail.</p> <p>5. Any alterations in records should be looked in great detail.</p> <p>6. Comparisons of the beginning and end of the transactions, i.e., the placement and release memos with delivery books.</p>	
4.	Irregular student concessions.	Concessions are issued by College or school authorities without observing the formalities.	<p>1. Regular train checks by inspectorial staff will reveal such a fraud.</p> <p>2. At the time of exchanging the concession, the issuing officials should verify whether all the information provided by the person exchanging the concession is complete in all respects or not.</p> <p>3. The signatures should tally with the one provided in the certificates.</p> <p>4. The signatures of the officials authorized to issue such a concessions should be crosschecked.</p> <p>5. TTEs on train should verify the ticket authority particulars on any ticket.</p>	<p>1. Regular communications with the officials issuing the concessions will help in reducing such frauds.</p> <p>2. Strong action to be initiated against offenders</p> <p>3. Wide publicity given to punishment meted out to offenders.</p> <p>4. Educating the importance of issuing proper concessions should be conveyed to the officials.</p> <p>5. Most of the concessions frauds are due to the lack of awareness on the part of issuing officials.</p>
5.	Fraud in	A low value ticket is	Regular check by	1. Strong action to be

	<p>UTS by using saved stationery.</p>	<p>issued by printing the ticket on the printer roller.</p> <p>The saved ticket is further used to issue a high value ticket. The subsequent ticket is then rolled over and the high value ticket is non-issued and the same is nullified in the system by quoting a number of reasons like ticket not printed etc. Ultimately the high value tickets are sold to passenger in reality, but the same are accounted in the system.</p>	<p>TTEs on trains will reveal mismatch of tickets.</p> <p>The tickets when collected at the destination will reveal the same error. Pairing of the tickets with the Classification of tickets will reveal this fraud. The Alpha code at the top of the subsequent ticket will also reveal this fraud.</p>	<p>initiated against habitual offenders.</p> <ol style="list-style-type: none"> <li>2. Wide publicity given to punishment meted out to offenders.</li> <li>3. Educating the importance of issuing proper concessions should be conveyed to the officials.</li> <li>4. Most of the frauds are due to the lack of awareness on the part of issuing officials.</li> <li>5. The speedy implementation of UTS will result in reduction of such frauds.</li> <li>6. The advent of computerization will result in real time detection of frauds. Thereby the loss incurred is also reduced to a great extent.</li> </ol>
6	<p>Wrong feeding of Tare weight of wagons</p>	<p>The weighbridge clerk deliberately enters higher Value in the Carrying Capacity of wagons thereby reducing the carrying capacity of the wagons.</p>	<ol style="list-style-type: none"> <li>1. Enroute random weighment of consignments will reveal such frauds.</li> <li>2. Comparisons of trends of loading also will reveal such disparities.</li> <li>3. Taking stock physically and recording the particulars in the position book will reveal such frauds.</li> <li>4. Using queries in FOIS, for the purpose of identifying the tare weight of the wagons which was used earlier.</li> </ol>	<ol style="list-style-type: none"> <li>1. Strong action to be initiated against habitual offenders.</li> <li>2. Wide publicity given to punishment meted out to offenders.</li> <li>3. Educating the importance of issuing proper concessions should be conveyed to the officials.</li> <li>4. Most of the frauds are due to the lack of awareness on the part of issuing officials.</li> <li>5. The speedy implementation of UTS will result in reduction of such frauds.</li> <li>6. The advent of computerization will result in real time</li> </ol>

				detection of frauds. Thereby the loss incurred is also reduced to a great extent.
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## OPENING OF NEW PASSENGER HALT

Passenger halts are opened between two stations for the convenience of the traveling public. Halts will deal with only passenger traffic to a limited section. Normally these are opened to traffic up to adjacent junctions. Passenger halts are managed by a contractor and are not opened for parcel and goods traffic.

### **Procedure:**

On receipt of representation from public, state government or panchayat boards, a report from division is called for. The report should contain the following information.

1. Exact location of the halt rounded off to two decimal places.
2. Names of adjacent stations and distance between the proposed location and adjacent stations (Rounded off to two decimal places).
3. Names of the villages to be served by the proposed halt with the following details.
  - Population of each village.
  - Distance from each village to the proposed halt and the adjacent stations on either side of the proposed halt.
  - A rough sketch showing the location of the villages, roads and rivers etc. of the area.
4. Details of the traffic station wise dealt with at the adjacent stations on either side of the proposed halt for a period of one year.
5. Anticipated fresh traffic from the proposed halt as well as traffic likely to be diverted from adjacent stations. Details must be furnished destination wise to enable to workout detailed financial implications.
6. Feasibility of locating the halt at the location requested for from the operating, mechanical and engineering point of view.
7. The capital cost required for provision of minimum amenities at the halt. The details may be split into those works which can be done by shramdan and those works required to be spent by other than shramdan.
8. Number of trains proposed to be stopped at the halt. Normally at the opening of new halt minimum number of trains convenient to meet the needs of the population is introduced and introduction of further trains is considered based on the patronage of the halt.
9. Name of the nearest serving post office.
10. Justifications for opening of a passenger halt like inaccessibility to adjacent stations by road such as no connection by road, river passing through etc.

On receipt of the report from the division, and if the location of the halt is found feasible, capital cost and exact location would be got confirmed by the chief engineer.

Simultaneously, the operating branch will be requested to confirm their no objection for opening of the passenger halt. The cost of the stopping of the proposed train is obtained from the fuel branch.

The chargeable distance from the proposed halt to various stations is worked out. The details of the fresh traffic and the diverted traffic are tabulated and additional earnings on account of opening the halt is arrived at.

**Financial implications are worked out and will contain the following information:**

- a) Capital cost
- b) Expenditure
  - Repairs and Maintenance at 5% on the capital cost
  - Depreciation at 0.71% on the capital cost
  - Cost of stopping \_\_\_\_\_ up direction trains and \_\_\_\_\_ down direction trains at the rate of Rs. \_\_\_\_\_ per each stop
  - Cost of consumable stores at the rate of \_\_\_\_\_
  - Contractors Commission at the rate of \_\_\_\_\_ % on gross earnings
  - Interest on capital cost at 6%
  - Total
- c) Result
  - Earnings
  - Expenditure (Gain / Loss per annum - % of Gain / Loss on capital cost)

Note: In the financial implication, interest on capital is taken in to account only when the proposal is on loss. i.e. if the percentage of return on the capital is less than 14%.

The proposal should be financially justified i.e. it should give a return of 6.75% on the capital cost when interest is added

**Worked out example:**

Capital Cost- - - - - Rs.5,00,000 /-

Expenditure:-

Repairs and Maintenance at 5%	Rs. 25,000
Depreciation at 0.71%	Rs. 3,500
Cost of stoppage e.g. Rs. 250 /- per day	
Up Direction =Rs. 250 X365 (per year)	Rs. 91,250
Down Direction =Rs. 250 X365 (per year)	Rs. 91,250
Cost of consumable stores	Rs. 180
Contractors Commission (Min.Rs. 500 /-)	
=Rs. 500 x 12	Rs. 6,000
<b>Total</b>	<b>Rs.2,17,230</b>

Earnings:-

@ Rs.385 /- per day	
Outward journey = Rs. 385 x 365	Rs.1,40,525
Return journey = Rs. 385 x 365	Rs.1,40,525
Total	Rs.2,81,050

Profit / Loss:-

Earnings	=	Rs. 2, 81,050
Expenditure	=	<u>Rs. 2, 17,230</u>
Profit	=	<u>Rs. 63,820</u>

Rate of return on capital investment = Rs. 12.76 %

When the ROR is less than 14%, an interest rate of 6% should be added to the capital cost.

i.e.

Expenditure	=	Rs. 2, 17,230
Interest	=	Rs. <u>30,000</u>
Total	=	Rs. <u>2, 47,230</u>

Profit / Loss:-

Earnings	=	Rs. 2, 81,050
Expenditure	=	Rs. <u>2, 47,230</u>
Profit	=	Rs. <u>33,820</u>

$$\begin{aligned}\text{Rate of Return on the Capital Cost} &= \text{Rs. } \frac{33820 \times 100}{5,00,000} \\ &= \text{Rs. } 6.76 \%\end{aligned}$$

If the ROR is more than 6.75% the proposal is financially justified.

### Conditions for opening of a Passenger Halt:

- The proposal should be financially justified if it gives a return of 6.75 % on the capital cost.
- The exact location of the halt from the adjacent station should be at least 5 km on either side of the halt in the non-suburban area.
- Even if one or both of the above conditions are not fulfilled, a halt can be opened on amenity grounds on the orders of GM

After working out the financial implications, the proposal is sent to FA&CAO for vetting and then put up to GM for administrative approval. On sanction by GM all concerned are advised by a sanctioned memorandum. Then the division is advised to take up the work and selection of a contractor etc. will follow.

### Naming of the Passenger Halt:

The state government concerned is asked to recommend a suitable name and furnish their vernacular spelling of the proposed name. On receipt of the reply from them, the original vernacular name is sent to the survey of India of the region for furnishing correct Devanagari spellings. Then the General Secretary of IRCA, New Delhi will be advised for approval of the name and chargeable distances are notified to all concerned. On completion of all the formalities, the halt is opened.

### **Commission to Halt Agent:**

The maximum percentage of commission that can be given to a halt agent is 15% and minimum amount is Rs.500/-. The rate of commission is determined taking into account the number of hours to be put in by the contractor, on the basis of number of trains proposed to be stopped at that halt, amount of work involved and cost of living in that area. The rate of commission is fixed in consultation with FA&CAO. Whenever the commission exceeds these limits, the percentage of the commission is to be reviewed. However, due to any feast or mela traffic in one or two months during the year there is no objection to the maximum being exceeded with the average per month in a whole year does not exceed the maximum limit.

### **Conversion of a Passenger Halt in to a Flag Station:**

Halts that are in existence for more than 10 years should be examined to see whether they justify for conversion to flag station. Flag stations are being worked by Railway staff and the facility of allowing booking of parcels and goods is also examined and whenever the same is found justified, they are converted. Normally halts which have traffic of 100 passengers or more per day each direction should be examined for conversion into flag stations.

While working out the financial implications of converting a passenger halt into a flag station, the anticipated additional earnings should justify the return on the additional capital expenditure.

### **Halts which are found financially unremunerative:**

New halts sanctioned by GM on amenity grounds in consultation with FA&CAO even in cases the loss is expected to be up to Rs.10,000 per annum are also approved for opening.

### **Minimum amenities to be provided at passenger halt station:**

The following amenities to be provided at a passenger halt are

- A rail level platform of suitable length having regard to the length of the train stopping at that halt
- A small waiting shed which will also serve as a booking office
- Lighting where train stops at night
- Shady trees
- Bore well

## **PRIVATE PUBLIC PARTICIPATION (PPP)**

### **I. INTRODUCTORY**

The Indian Railways require large resources i.e. Rs. 8.56 lakh crore for investment during 2015-19 for capacity augmentation and modernization. With a view to mobilizing such huge requirement of funds, Railways are exploring various alternative mechanism including Public Private Partnership (PPP) model. Out of the estimated requirement of Rs. 8.56 lakh crore, approximately Rs. 1.2 lakh crore is estimated to be mobilized from Extra Budgetary Resources (EBR)/ partnership including PPP.

Indian Railways propose to mobilize substantial investments through various Projects/Schemes like Port Connectivity Projects, Private Freight Terminals (PFT), Private Container Operations, Liberalized Wagon Investment Scheme (LWIS), Wagon Leasing Scheme (WLS), Automobile Freight Train Operator Scheme (AFTO), Special Freight Train Operator Scheme (SFTO), Redevelopment of Stations and Locomotive Manufacturing Unit.

#### **I. Port and Rail Connectivity Projects**

The Committee were informed that between 2002 – 2012, seven port connectivity projects were implemented namely new line to Mundra Port (including doubling), Pipavav-Surendernagar Gauge conversion, Hassan-Mangalore Gauge conversion, Gandhidham-Palanpur Gauge Conversion, Bharauch-Dahej-Gauge conversion project and Venkatachalam-Krishnapatnam new line and new line to Dhamra Port by involving strategic investors. These projects have added approximately 950 km of railway line bringing an investment of approximately Rs 3000 crore. The equity contribution of Ministry of Railways in these projects has been only approximately Rs 400 crore.

#### **II. Private Freight Terminals (PFT)**

With a view to facilitating development of a network of freight terminals with private investments to provide efficient and cost effective logistics services with warehousing solutions and users, a new scheme namely private freight terminal was launched on 31.5.2010. The policy was reviewed and was revised on 23.04.2012. So far 56 proposals have been received out of which 21 terminals have been notified for commercial working. In-principle approval has been given by the Zonal Railways for 35 PFT.

#### **III. Private Container Operations**

Running of Container train which was a monopoly of CONCOR, a PSU of MoR was thrown open to private operators in the year 2006. 16 private operators besides CONCOR have been licensed and signed agreement with MoR. The private operators have procured 128 rakes and have developed 14 new terminals. CONCOR itself owns 249 rakes and 63 terminals.

#### **IV. Liberalized Wagon Investment Scheme (LWIS)**

The Liberalized Wagon Investment Scheme (LWIS) allows investment by end users in special purpose wagons and high capacity wagons. The policy was issued on 15.4.2008.

To make the scheme more customer friendly, revised guidelines were issued on 02.01.2012. So far, approval for procurement of 55 rakes by 14 firms has been accorded. Out of this, 24 rakes have been inducted.

#### **V. Wagon Leasing Scheme (WLS)**

The Wagon Leasing Scheme (WLS) was launched to introduce the concept of leasing of railway wagons on IR. The scheme aims to induct high capacity, special purpose wagons and also wagons for container movement. The policy was issued on 15.04.2008. Two companies have registered as wagon leasing company. So far, 12 container rakes have been procured under the scheme.

#### **VI. Automobile Freight Train Operator (AFTO) Scheme**

The Committee were informed that with a view to increasing Indian Railways' market share in transportation of automobile, the AFTO policy was issued in 2010 and was revised in 2013. Approval has been given to two companies for procurement of 12 rakes out of which 9 rakes have already been inducted.

#### **VII. Special Freight Train Operator (SFTO) Scheme**

The Committee were informed that to increase rail share in commodities like fertilizer, molasses, edible oil, caustic soda, chemicals, petro chemicals, alumina, bulk cement, fly ash etc, the SFTO policy was launched to attract private investment in special purpose wagons required for transportation of these commodities. The Policy was issued on 31.05.2010 and has been modified on 24.06.2013. Proposal for procurement of 3 rakes of tank wagons for transportation of caustic soda have been finalised. Approval of 3 more rakes of BRNA (for carrying steel products) wagons and 3 rakes of BFNS have been given.

#### **VIII. Redevelopment of Stations**

In the Rail Budget 2014-15, it was announced to develop 10 major stations of metro city and important junctions to international standards by leveraging real estate development of railway land and airspace in and around stations. A special purpose vehicle Indian Railway Stations Development Corporation Limited has been set up as a joint venture between IRCON and Rail Land Development Authority. Nine stations i.e. Bijwasan (Delhi), Anand Vihar (Delhi), Chandigarh, Habibgunj (Bhopal) and Shivaji Nagar (Pune), Surat, Gandhinagar, Bhubaneshwar and Baiyyappannahalli have been identified for redevelopment. Also as announced in Rail Budget, 2015- 16, it is proposed to offer stations for redevelopment on as and where basis by inviting open bids for providing amenities and other requirements. The entire cost of such station redevelopment will be met by leveraging commercial development of land and airspace in and around the station.

Indian Railway Stations Development Corporation Ltd. (IRSDC) has been awarded Development Contract for Habibganj station for which financial closure has been achieved and preparatory work started. Contract for redevelopment of Gandhinagar station and construction of 300 room hotel on the station's air-space has been awarded.

Bidders for redevelopment of Anand Vihar and Bijwasan stations have been shortlisted and financial bids have been invited. MOU for development of an integrated Multi-Modal Hub at Surat including redevelopment of Surat railway station and Bust Terminus was signed between IRSDC, Gujarat State Road Transport Corporation and Surat Municipal Corporation in August'2016 for which Request for Qualification (RFQ) have been opened. Further, Master Plan & detailed Feasibility Reports for redevelopment of Chandigarh & Shivajinagar (Pune) stations have also been prepared.”

## **IX. Locomotive Manufacturing Unit**

Ministry of Railways have initiated the bidding for setting up of an electric locomotive manufacturing unit at Madhepura and diesel locomotive manufacturing unit at Marhowra. The Cabinet on 20.01.2014 approved the agreement and Request for Proposal (RFP) document for setting up the units as the joint venture through competitive bidding. The bidders have been shortlisted after prequalification for participation in financial bid stage.

## **AUCTION SALES**

1. Station masters have been empowered to dispose of lost property, unclaimed packages / consignments of value upto Rs. 5,000/- by public auction.
2. Consignments above Rs.5, 000/- should be disposed of by authorized officers.
3. Unclaimed consignments are to be disposed of by parcel office / goods shed at their respective stations in public auction.
4. Consignments / packages, which are useful to departments, should be first offered to departments on valuation, duly collecting credit notes to the extent of value and when they are not required for their use a letter to this effect should be obtained.
5. Arms and ammunition, explosives and other dangerous goods, intoxicating drugs, opium, drugs etc., should be handed over to the concerned department viz. military, excise department etc.
6. A monthly programme of the auctions at various places should be drawn up and a public notification is to be issued through newspapers for the purpose of wide publicity.
7. Co-ordination with accounts branch to be maintained so that the auctions are held in the presence of representatives of the accounts department.

### **Procedure for conducting auction:**

- (a) Commercial inspector should ascertain the current market price of the articles.
- (b) If the packages contain a copy of trade invoice, the price given therein can be adopted.
- (c) In case of standard items of popular brand, market price can be obtained from the authorized distributors / whole sale dealers in local market.
- (d) In respect of non-standard items, reasonable market price should be fixed keeping in view the rates in newspapers or rates to be ascertained from reputed manufacturers and merchants.
- (e) While fixing the reserve price for articles in sound condition, reduction of about 20% of the verified market price of articles of almost similar nature should be allowed.
- (f) If articles happen to be in damaged condition, a further reasonable reduction in reserve price commensurate with the condition of the article should be made.
- (g) Commercial inspector should submit his proposal in regard to fixation of reserve price of the articles to be sold in public auction. The concerned authorized officer to conduct auction will finally fix the reserve price.

- (h) The fixation of the reserve price should be done well before the date of auction and information about the reserve price should be kept confidential.
- (i) In respect of machines, electrical goods, scientific instruments, sophisticated imported articles etc assistance from technical officers / staff of railways should be taken in fixing the reserve price.
- (j) In case of goods of special nature, the value of which cannot be easily determined, opinion of an outside expert may be sought if railway administration considers such a step is necessary.
- (k) The competent authority may sanction the expenditure on outside expert's opinion.
- (l) In disposing the articles in auction, care should be taken to observe whether any ban or restrictions are imposed by the local authorities of the state / central governments on the sale of the commodity as well as any regulations regarding control prices etc.
- (m) The notice of auction sales should indicate brief description of the articles proposed to be sold by public auction. The description of costlier and imported articles should be in greater details.
- (n) The sale list should contain the full description including weight of the articles put to auction and bear signatures of the official conducting the auction.
- (o) Before starting proceedings, names and addresses of every bidder should be noted on a sheet of paper. Bid sheets of auction should be preserved for record. The names, addresses and signatures of three highest bidders should be obtained and kept on record.
- (p) In case the reserve price of any article is not bidden in first and second auctions, the officer authorized to conduct the auction could be empowered to dispose of a particular article at a price upto 20 % below the reserve price.
- (q) If it so happens that the bid even upto 20 % below the reserve price is not obtained, in such exceptional cases, articles could be sold in auction even at a lower price with the approval of the commercial officer at the appropriate level.
- (r) All papers relating to fixation of reserve price, sale list and bid sheets should be kept in safe custody by the staff concerned.
- (s) No articles / consignment should be disposed of by accepting tenders without conducting public auction.

## WORKS PROGRAMME

### **Meaning:**

Since the necessity, utility, financial prospects and availability of funds etc., are the conditions precedent to the execution of works, advance planning is necessary to select the most urgent and advantageous works. With this object in view and also to facilitate preparation of Budget Estimates of construction of new lines and open line works, the Railway Administration prepare a programme of works proposed which is known as Works Programme.

### **Objectives of Works Programme:**

1. To examine and select the most urgent and productive works required to be undertaken in the next financial year;
2. To facilitate preparation of Budget Estimates of works chargeable to Capital, DRF, DF, and OLWR (Open Line Works Programme).
3. To enable the RB to examine the necessity and urgency of each work proposed by the Railway Administration.
4. To enable the RB to make provision in the Railway Budget accordingly for expenditure on works.
5. To enable the Railway Administration to keep the expenditure on works within the amount of allotment sanctioned for them.

Works Programme is submitted to RB in September each year. And expenditure to be incurred during the next year as programmed. It includes all the “works in progress” and “new works” proposed.

Before any ‘new work’ can be included in the programme, a full justification justifying the necessity and the utility of the work is to be furnished to the Finance Branch, duly accepted by the HOD. If the proposal is concurred in by Finance Branch then only the same can find its place in the programme.

The programme as framed by the Railways and consolidated in Board’s Office are intimated to the Ministry of Finance for necessary provision being made in the ways and means position of the Government of India and after it has been ascertained that funds will be available to meet the estimated expenditure, the programme is submitted to the minister for approval.

### **Methods of Preparation**

The Railway Administration should submit every year to the RB their Preliminary Works Programme (in 15 copies) of works chargeable to capital, DRF, DF and OLWR so as to reach the RB not later than the 7<sup>th</sup> September.

When DRM is satisfied about the need for a project, he obtains a rough estimate for the work from the DRM and submits the case to HOD. If HOD considers the project necessary and sound, he prepares a detailed justification and sends the proposal to FA&CAO. If the

project is accepted by FA&CAO, the HOD forwards the case to PCE. The programme is then considered for finalisation by the GM.

### **Final Works Programme**

The programme of individual Railways are examined by the RB and discussed with GMs. The RB thereafter decides the works which should be undertaken during the following year and which should be included in the Final Works Programme. The Railway Administration then modify their works programmes as a result of the Board's decision and send their final works programme to Railway Board.

## TENDERS

Tenders are a useful means for getting the best possible value for the money spent.

It is the intention of the functionaries dealing with tenders to get the most economical and reasonable rates for works to be executed on contracts.

### TYPES OF TENDERS

- OPEN TENDERS
- LIMITED TENDERS
- SINGLE TENDERS
- SPECIAL LIMITED TENDERS

### OPEN TENDERS

- The system of invitation of tender by public advertisement in the most open public manner possible should be used as a general rule and must be adopted subject to certain exceptions.

#### *How to Invite*

To comply with the condition of advertisement in the “**most open public manner possible**” wide publicity is to be given by putting

- Notices in Railway Offices
- Advertisements in vernacular / Local Newspapers
- Advertisement in National / International Newspapers

#### **Time frame for sale of Tender forms**

- If the minimum period of 30 days is not adhered to or **curtailment in notice period** is to be done, it can be done with the concurrence of Associate Finance after the urgency has been satisfactorily explained.
- Non-availability of tender papers leads to **denial of a fair opportunity to prospective tenderers** and can invite complaints.
- Normally in all cases, Tender notice should be published at least **a month in advance** of the date of opening.
- Only in exceptional circumstances, where works are extremely urgent, **three weeks’ notice** may be given.
- These guidelines have been issued for adequate publicity and fair competition.

## Precautions to be taken in Tender Notice

- Those dealing with Tenders should ensure that the minimum notice period is adhered to.
- Cases where a delay has taken place and the gap between the date of publication and date of opening, as advertised, is less than 30 days, a **corrigendum** to the Tender Notice must be issued before the advertised date of opening.
- Corrigendum should be worded clearly and must contain the original Tender Notice and Name of work so that the prospective bidders are not confused.
- Moreover, issue of a large number of corrigenda should be avoided.
- Tender Committee Members must ensure that a **copy of the Newspaper cutting** is invariably available on the Tender File.

## Precautions to be taken prior to invitation of Tender Notice:

The Executing Officer must know clearly before invitation of tender about:-

- What exactly is required to be done?
- Where it is to be done.
- By when it is reasonably possible to be completed.
- To what extent Railways will be able to help / assist in execution of work
- The realistic estimated cost, terms of payment.
- Whether drawings for the work are approved by the authorities competent to approve.
- Whether the work is essential and not covered by another sanctioned work already under execution and the ultimate user of the proposed facility is satisfied about the scope of the work.
- Whether the estimate is sanctioned and it incorporates the inputs of all Departments concerned and the Tender Schedule is clear, unambiguous and complete.
- The site of work is ready for handing over.

## Sanction before Tender

- At times contracts are invited even without the sanctions to Detailed Estimate.
- On some occasions an estimate is got sanctioned without ascertaining the actual requirement of all participating departments.
- Only in case of extreme urgency, Tenders can be invited **before sanction of the detailed estimate** with prior concurrence of associate Finance and approval of competent authority.
- ❖ It may be borne in mind that dispensation is allowed –
  - Only for “**extremely urgent**” cases
  - Prior Finance concurrence is necessary and the dispensation is only for invitation
  - Sanction of detailed estimate is necessary before awarding the contract

## Value of Tender Forms

Sl. No.	Cost of Work	Cost of forms
1	For works costing upto Rs. 5 lakhs	Rs. 1000/-
2	For works costing above Rs. 5 Lakhs and upto Rs. 20 lakhs.	Rs. 2000/-
3	For works costing above Rs. 20 Lakhs and upto Rs. 50 Lakhs.	Rs. 3000/-
4	For works costing above Rs. 50 Lakhs and upto Rs. 2 Crores.	Rs. 5000/-
5	For works costing above Rs. 2 Crores and upto Rs. 50 Crores.	Rs.10000/-
6	For works costing above Rs. 50 Crores	Rs.25000/-

## Tender Notice (Para 1239 E)

• The tender notice should in all cases state: -

- (i) Name and place of work
- (ii) Approximate cost of work
- (iii) Amount of earnest money and the form in which it can be deposited.
- (iv) Period of completion.
- (v) Place and time where tender documents can be seen.
- (vi) Place and time where tender documents can be obtained.
- (vii) Date and time up to which tender documents will be sold.
- (viii) The amount, if any, to be paid for such documents.
- (ix) The place where the date on which and the time when tender are to be submitted and are to be opened.
- (x) Any other information relevant in tender notice.

## Check List for Invitation

- Advertise high value tenders in National Newspapers
- Minimum gap between Publication and Opening – 30 days
- Tender Forms to be available for sale – 3 weeks before opening (minimum 15 days before for small tenders)
- Curtailment of notice period (minimum 21 days) with prior Finance concurrence
- Sale of Tender Form not to be denied to anyone
- Corrigenda to be published before original date of opening and date of publication of original tender notice and name of work to be mentioned.
- Newspaper cutting a must and should be pasted on tender file
- Get Estimates sanctioned before invitation or obtain competent authority's sanction after prior accounts concurrence
- If specifications after invitation undergo a major change, re-invite tenders
- Scope, completion time is known

- Drawings/site is ready
- Requirements of all participating Departments have been taken care of in the scope of work

## **TENDER DOCUMENTS**

- The tender documents consist of: -
  - (i) Instructions to tenderers and conditions of tenders,
  - (ii) Regulations for tenders & contracts, GCC & standard specifications.
  - (iii) Special conditions of contract, if any.
  - (iv) Special specification, if any.
  - (v) Tender schedule.
  - (vi) The form of agreement, which the successful tenders, is required to execute
- Approximate quantities/value item wise should always be indicated in the tender papers while calling for the tender for works.

## **LIMITED TENDERS**

- Where for reasons, which should be in the public interest it is considered not practicable or advantageous to call for open tenders, limited tenders may be invited with the concurrence of the FA&CAO and approval of the competent authority.
- The reason for inviting limited tenders from firms/contractors should be kept on record while approaching finance for concurrence
- In open line railways, the system of inviting tenders for works costing upto Rs. 5 crores (Rupees Five crores only) each from amongst the contractors borne on the approved list may also be adopted when it is considered advantageous to do so, provided the number of contractors borne on the approved list for the particular type of work is not less than 10 (Ten).
- Some percentage of the tenders, which would normally be finalised by calling limited tenders, be finalised by calling open tenders so as to test the market rates periodically.
- Notice for Limited Tenders be sent to all eligible contractors borne on the approved list.

Note: -Notwithstanding the provision contained in above para, the Railways may, in consultation with the associate finance, invite open tenders in the following circumstances.

- In the event of insufficient response to the tender from the contractors borne on the approved list.
  - When the work is of special nature and contractors with requisite experience are not available on the approved list.
  - When ring formation is suspected.
- The powers for invitation of Limited Tender are as under: -

PHODs/CHODs	Rs. 5 Crores
SAG/DRM/ADRM	Rs.1 Crore
JAG	Rs.25 Lakhs

- Prior Finance concurrence is not necessary if Limited Tenders are being called from approved list.
- If Special Limited Tenders are to be called prior concurrence of FA&CAO and approval of GM is required.
- All contractors on the approved list may also be included.

### **SINGLE TENDER**

- Award of works on single tender should be restricted to **restoration** works in cases of accidents, breaches and other emergencies, as also to works of very specialized nature.
- The decision in regard to these specialized works should be taken by the CAO(C) or the GM and cannot be delegated further.
- Any other situation where GM personally considers it inescapable to call single tenders subject to these powers can be exercised by GM only with prior concurrence of finance.
- Annual Maintenance Contract for equipment can be placed on single tender basis on authorised dealers with approval of AGMs of the Zonal Railways.
- **Routine nature of works** should not be undertaken on a single tender basis under the garb of urgency.
- Adherence to stiff target dates, or any shift in target dates of completion of projects like gauge conversion, etc., should not be a cause of awarding works on a single tender

**NOTE:** This power may be delegated by the General Managers in consultation with FA&CAO to PHODs/DRMs upto a maximum of Rs. 5 lakhs per item per annum. On re delegation, these powers would be exercised by PHODs/DRMs in consultation with Associate Finance.

### **SUBMISSION OF TENDERS**

- After the tenders are put on sale, the tender box should be placed at the specified place, locked and sealed with only a horizontal slot kept open on the top which should be large enough to drop the tender papers inside the box.
- Tender boxes can be kept at more than one place. But, they should be collected and opened at the specified place and time.

- The tender box should indicate, by a slip pasted on the box conspicuously, the name of the work for which the tenders are to be deposited therein and the date & time up to which the tenders can be placed in the box.
- The key of this lock should be kept in the custody of the Supervisory Official.
- Tenders received by post should be entered in the Tender Register and the time of receipt should be recorded on the cover of the tender and deposited before the closing time in the tender box.
- At the specified time for closing of tenders, the hole in the box should be covered by a slip pasted over it under the signature of the official holding the key to the tender box and preferably in the presence of the Section Officer.
- Immediately after sealing of the tender box the same should be kept in the chamber of the Gazetted Officer nominated for tender opening.

### **Opening of Tenders**

- Tenders should be opened at the specified time, date and place by the Officer nominated for this purpose.
- The presence of an Accounts representative at the time of opening of tenders is required, if the tender value is above Rs.10,000 in the presence of the intending tenderers.
- Wherever due to unavoidable circumstances the tender opening has to be postponed, all the tenderers/their representatives should be informed about the same in writing and their acknowledgement should be obtained.
- The names of the tenderers and the rates quoted by each tenderer should be read out to the tenderers or their representatives present at the venue.
- The tenders should be serially numbered the cover containing the tender and every page of the tender on which the rates and/or special conditions are quoted should be initialed with date by both the Accounts and Executive Department representatives.
- The rates quoted by the tenderers should be circled.
- If there are any corrections, over writings, omissions, etc., they should be specifically noted, circled initialed with date by both the Accounts and Executive department representatives.

### **Modus Operandi for Opening of tender box/forms**

- At the time of opening of the tender box, members forming the "Opening Committee" which includes a Gazetted Official from the Executive Department and a Section Officer from the Accounts Department along with the tenderers or their

representatives who are present at that time should be shown the pasted slip on the top of the box covering the horizontal slot and also the seal on the lock is intact.

- The seal should then be broken, the lock opened and all the tenders in the box taken out, counted and empty box seen by the opening committee and shown to other persons present.
- All tenders should then be taken out from their envelopes, if any, and should be duly numbered by indicating the serial number in the numerator and the total numbers of tenders received for that particular work in the denominator

### **TENDERS RECEIVED BY POST:**

Tenders received by post should be entered in the Tender register and the time of receipt should be recorded on the cover of the tender and deposited before the closing time in the tender box.

### **PRECAUTIONS TO BE OBSERVED WHILE OPENING THE TENDERS: -**

•The Officer, who opens the tenders and the Accounts representative witnessing the tender opening, should: -

(i) Initial (with date) the cover containing the tender, front cover page of the tender every page of the tender on which the rates or special tender conditions are quoted.

(ii) Initial (with date) all corrections in the schedule of quantities, schedule of materials, to be issued and specification and other essential parts of the contract documents.

(iii) Mark and initial all over writing in red ink. The corrections, over writing and omissions should be serially numbered and the total number of such corrections etc. should be clearly mentioned at the end of each page of the schedule attached to the tender paper and attested with date.–

(iv) Clearly indicate on each page of schedule attached to the tender, any ambiguities in rates quoted by the tenderers in words or figures.

(v) Should specifically record whether samples have been supplied or not along with tender.

### **TENDER REGISTER:**

•Particulars of tenders should be noted in a register which should include the following information: --

- (a) Name of work
- (b) Tender Notice no.,
- (c) Nature of tender
- (d) Date of opening of tender
- (e) Earnest Money required.
- (f) Serial number

- (g) Name of tenderers
- (h) Date of application
- (i) Cash received
- (j) Cash remitted (money receipt No. & CR note no. with date)
- (k) Tender forms no.
- (l) Signature of issuing officer
- (m) Signature of tenderer
- (n) Remarks.

• The tender register should be signed by the representative of the Executive and Accounts who open the tenders. The original tenders should always be kept in the custody of a Gazetted Officer till tabulation chart is prepared and got signed by the Committee.

### COMPARATIVE STATEMENT

• After the tenders are opened, the tender documents should be in the custody of a Gazetted Officer till the tender is finalized. A comparative Statement of rates, amounts, quantities and other important tender conditions should be prepared by a responsible staff in presence of the Executive Officer who opens the tenders for which necessary office order fixing responsibility of the staff concerned should be issued prior to giving the work to him.

• Each and every page of the comparative statement must be signed by the staff preparing it and checked and signed by the Section in charge.

• The Executive Officer and the Accounts Officer associated with Opening of tender should carry out 100% check of the comparative statement and sign each and every page thereof and not the last page only.

• The comparative statement should also show the following information: --

(a) Position regarding submission of current and valid ITCC.

(b) Position regarding Earnest Money Deposit.

(c) Late & delayed tenders should be entered prominently in red ink.

• It must be ensured that all tenders received are tabulated in the comparative statement and put up to the Tender Committee for their consideration without any screening by any other official.

Ten SNo	Name of the Tenderer	Face Value of Tender in Rs.	Schedule - A		Schedule -B		Tot qtd val	EMD Details	Merit Order No.
			Rate qtd	Val in Rs.	Rate qtd	Val in Rs.			

• The Briefing note shall contain the following information in detail:-

- (i) The name of tenders, their tendered rates and value of work.
- (ii) Particulars of Earnest Money Deposits.
- (iii) Position of plans and sanctioned estimate.
- (v) Latest accepted rates for similar nature of work in the same or contiguous area, prevailing zonal rates and market rates in the area
- (vi) In case of tenders for residential building, the comparison of rates with ceiling cost.
- (vii) Comments on tenderers special conditions/variations from standard specification and special conditions to the tenders particularly in regard to their financial implications on the rates and value of the work.
- (viii) Comments, if any, on working conditions prevailing in the area.
- (ix) Any special circumstances, which may affect the rates in the area.
- (x) Comparison of rates offered with the estimated cost of the work/with last accepted rates.
- (xi) Comments on financial standing, technical competence and capacity of tenderers.

- The briefing notes shall be prepared under the direction of the concerned Executive Officer. He will ensure that all aspects enumerated above are included in the briefing note and sign each page of the briefing notes.

- The Section in charge dealing with the tenders shall ensure that all special conditions have been accounted for and that comparison has been made with prevailing rates of the area and sign on each page of the briefing note.

- SO (A) of finance branch will be responsible for the verification of the financial data etc. in the briefing notes and put up the same to the Accounts Officer in finance wing along with the relevant records for his vetting and signature on each page.

- Only the signed and vetted copies of briefing note shall be circulated amongst the T. C. members in advance preferably along with T. C. Meeting notice.

- Any other relevant information worthy of consideration in the tender

Briefing notes for the Tender Committee should be submitted clearly indicating the following details: -

- Tender Notice No.
- Name of the work
- Completion Period
- Approximate cost as per tender notice
- No. of tenders sold
- No. of offers received
- Sanctioned cost with details
- Work Chargeable to (Full Allocation to be indicated)
- Earnest Money
- Date of opening

#### **DELAYED / LATE TENDERS:**

- Tenders received before the time of opening but after due date and time of receipt of tenders are delayed tenders.

- Tenders received after the specified time of opening of the tenders are late tenders.

- Late/Delayed/Post tender offers are to be treated as invalid. Exceptional cases, It will be considered with Board's approval.

## **CONSTITUTION OF TENDER COMMITTEE**

- Tender Committee should be generally constituted by the Authority Competent to accept the tenders when the tender value involves more than Rs. 25,000/-. When the G. M. is authority competent to accept the tender, the HOD concerned should arrange/constitute the Tender Committee.

- The Tender Committee should consist of a minimum 3 members of whom one should be from the Accounts Department and one from the concerned Executive Department. The third member should be from another department, which also deals with such contract matters.

- On basis of value of tender following authorities are decided Tender inviting authority, Tender Opening Committee, Members of Tender Committee, Tender accepting authority, Contract Signing authority.

- The Tender Committee should be so constituted that an Officer recommending Acceptance of a tender in his capacity as a member of Tender Committee shall not be also the accepting authority of the same tender.

- In such cases, the officer concerned should put up the TC's proceedings to the next higher authority for acceptance, not with understanding the fact that the Tender Committee's recommendations are within his own powers of acceptance.

- It is general practice that the constitution of Tender Committee should be determined by the value of lowest tender. However, if the Tender Committee, so constituted recommends to by passing the lowest tender for certain reasons, and the next offer is beyond its competence than a higher-level committee should be constituted to deal with the case further.

- The proceedings of the Tender Committee will be put up by convener member of tender Committee direct to the accepting authority.

### **• RESPONSIBILITY OF TENDER COMMITTEE:**

- Tender should be considered without delay.
- Tenders should be finalised within the period of validity of offers.
- Clarification should not be sought in piece meal from the tenderers. All the information necessary for consideration of offers should be called for at one time, leaving no occasion for seeking further extension of time.
- In case of 'Open' tenders, if the lowest tenderer is not on approved contractor, he should be asked to produce evidence of his capacity of execution and financial position. If he fails

to produce such credentials this fact should be kept place on record while considering the next higher tender.\

- Undue emphasis should not, however, be placed on previous experience of contractors, as it would cut across the very principle of inviting open tenders and by shutting of all new comers, it would tend to create monopolistic tendencies .
- In all cases where the lowest or lower tenders are rejected, full reasons for the rejection should be recorded, so that reasons for such rejection would be available on files.
- The capacity, credentials and financial status of the tenderer should be investigated and only if these are found satisfactory the contract should be awarded. Tender committee should examine, while making their recommendation all relevant factors such as the existing work load on the lowest two or three tenderers, their capacities to execute further work and also whether the rates quoted are reasonable and workable.
- Tender committee, while examining the credentials and partnership deed etc. of the tenders, should see whether a group of persons or firms having different names but controlled by same management have submitted separate tenders and should ensure that real and fair competition exist in response to the tender notice before they recommend acceptance of one of the tenders.
- Tender committee while accepting condition stipulated by the tenderers particularly conditions involving extra payment should make a realistic and practical assessment of the full utilization of the benefit which should be adhered to
- After submission of the proper tender documents in the tender box by the tenderers, subsequent modified offers on slip/letter dropped in the tender box will not be considered valid.
- Tender committee and accepting authority are competent to consider tender from contractor with adverse report & judge his suitability/unsuitability for a particular work.
- Particular care should be taken by the Tender Committee to ensure that the rates quoted for individual items are a realistic and are not abnormal and unworkable in respect of any item of work.
- Every Tender Committee constituted must go through the tenders, comparative statement and briefing notes and consider the tenders and frame their recommendations. It should be ensured that there is no delay in finalizing the minutes of tender committee and as far as possible the draft of minutes should be finalised by the Tender Committee at the meeting itself. Under no circumstances any of the members of the Tender Committee should refer the tender case to any officers/staff under him or to any one else for scrutiny and/or comments. The proceeding of the Tender Committee should be signed by the members of the Tender Committee on each and every page. The recommendations of Tender Committee are to be put up direct to the accepting authority, without further recommendations or comments from any one.

- In addition to the generally known responsibility of the Tender Committee, they have a special responsibility to scrutinize carefully the rates.
- In the evaluation and consideration of Tenders, the Tender documents should be carefully scrutinized particularly in regard to the reasonableness of the rates and especially when change have been made in the form of invitation of tenders.
- When single offer is received in response to the 'Open' or a 'Limited' tender, this should not be treated as 'Single' tender, but as 'Open' or 'Limited' tender only, as the case may be and processed accordingly.
- When in response to a call of 'Limited tender' (as distinct from single or open tenders under the rules in force) only one tender is received fresh tenders should be invited, except in very urgent cases. The discretion to class a work 'very urgent' for this purpose should rest in an officer not lower in status than a Divisional Railway Manager and full reasons should be recorded justifying such a course of action .Even in case of open tender when only one tender is received, the Tender Committee should examine inter-alia, whether the rate quoted is reasonable as the only tender received need not necessary be accepted straightway merely, because it is in response to a call of open tenders.
- In case where specifications in a tender have undergone any major change before the tender is furnished, fresh tenders should be called for, giving sufficient notice to the tenderers.
- When the work is spread over various places on the Railway it should be advantageous if the Railway Administration, while inviting tenders for such work, invites quotations for the work at all places collectively as well as for the work at each place or group of places fairly close to each other.
- Notwithstanding the general ban, late tenders received from established/reliable suppliers conferring a substantial advantage can be considered by the railway after obtaining Board's approval in each case. Such cases should be recommended for consideration of the Board with the personal approval of the G.M. duly concurred in by the FA&CAO. The Railways should not enter into any dialogue with the agency submitting a delayed tender without obtaining Board's prior clearance.

## **NEGOTIATIONS**

- The selection of contractors by negotiation is an exception rather than rule and may be resorted to:–
  - (a) Where all the tenders are considered to be unreasonably high in value and it is felt that re-tendering would not secure better advantage to the Railways and / or.
  - (b) Where the lowest tender is technically not acceptable or is rejected because of unsatisfactory credentials, inadequacy of capacity or unworkable rates and next higher offer to be considered in accordance with the established procedure is found to be unreasonably high.

(c) Where in the case of proprietary items of stores, the price quoted is considered to be unreasonably high.

- The decision whether to invite fresh tenders or to negotiation should be taken by the competent authority after obtaining the recommendations of the Tender Committee.
- In the light of instructions from CVC communicated vide Railway Board's letter No 99/CE-1/CT/1 dated 15.1.99 post tender negotiations are banned with immediate effect except in the case of negotiations with L1 (i.e. lowest tenderer.) Thus negotiation, if inescapable, may be held only with the lowest tenderer.
- After the competent authority has decided to call specific tenderer for negotiation, the following procedure should be adopted: --

(a) The lowest tenderer to be called in for negotiations should be addressed as laid down by Board, so that the rates originally quoted by them shall remain open for acceptance in the event of failure of negotiation.

(b) In case, however, the selected tenderer prefers to send a revised bid instead of being present at the negotiation, the offer should be taken into account.

(c) In no case, including where a ring is suspected, should negotiation be extended to those who had either not tendered originally or whose tender was rejected because of unsatisfactory credentials, inadequacy of capacity or unworkable rates or (in the case of other than stores tenders only) whose tender was not accompanied by requisite earnest money.

(d) While conducting negotiations with tenderer and obtaining revised rates and recommending the same for acceptance, the tender committee should ensure that the fundamental requirements of safeguarding Railway's financial interest have been fully observed.

**NOTE:**

1. The above instructions regarding negotiations should be followed in respect of all contracts- works, stores commercial etc.
2. The above instructions may not be applies rigidly to tenders for specialized works or equipment where tenderers may quote according to their own specifications and design for various reasons such as improvement in technology etc. and it may become necessary to discuss technical and other details with them to select the most suitable offer. Such cases should necessarily be very few and far between and the procedure of conducting negotiations should be decided on the merits of each case in consultation with the FA&CAO.

**ACCEPTANCE OF TENDERS**

- An unqualified acceptance of a tender constitutes a binding contract until a formal agreement is constituted and in order to ensure this fact, the acceptance letter should be

suitably worded. However, if the acceptance of the tender by the Railway is a conditional acceptance, it requires the consent of the tenderer before binding contract takes place.

- In case the terms & conditions incorporated in the letter of acceptance/purchase orders are different from those originally offered and modified by the tenderer subsequently during the course of negotiations, discussions or otherwise, the contractor should be asked to return one copy of the letter of acceptance/purchase order duly signed by the same person who signed the original offer against the tender in token of his acceptance of contract to revised conditions.

- The letter of acceptance and the agreement should be signed for and on behalf of President of India by the competent authority of the Railway, as delegated in this respect.

- The recommendations of Tender Committee should be put up to the original Accepting Authority even though the value of the tender after negotiations comes in the competence of the lower accepting authority.

- The acceptance or rejections of tenders is left entirely to the discretion of the authority empowered to do so. The reasons for departing from the recommendations of the Tender Committee should be recorded by the Accepting Authority. If the Finance Member finds some financial impropriety in the award of contract, he can report the matter to FA&CAO. Though the final decision would rest with the Accepting Authority, he may obtain the opinion of Associate Finance at the appropriate level if necessary before making final decision.

- Where for any reasons the accepting authority does not consider justifiable to accept the recommendations of the Tender Committee he may, if so desires, refer the matter to the Tender Committee for re-consideration setting out reasons for not accepting the recommendation of the Committee.

- As the tender accepting authority has to take final decision on the Tender Committee's recommendations after considering the viewpoints of all members of the committee including the Finance Member, the accepting authority should invariably record his reasons in writing for not accepting the recommendations of any member.

- If the Finance as an internal check authority feels that some gross financial impropriety is involved in the award of the work, he can report the matter to FA&CAO and seek higher financial advice before giving his orders. This shall be obtained as per following procedure:-

(a) In case of tenders in which DRM or Head of Department is the Accepting Authority; the request for financial advice should be routed to FA&CAO with the personal approval of G.M.

(b) In case where the Accepting Authority is less than DRM or Head of Department, the higher financial advice should be sought for from the FA&CAO with the approval of DRM/HOD as the case may be.

(c) The seeking of higher financial advice should be restricted to in exceptional cases involving a major policy deviation or monetary implication.

(d) While making the reference for a higher financial advice, the points, on which this advice is required, should be specifically indicated and reference should not be made in a general way.

(e) The higher financial advice in reply to the specific points should also be given for each question raised and should be made general.

## **REVENUE / SERVICES CONTRACTS**

### **• A' Type Licenses**

- Earning Licenses
- Basic objective maximization of earning
- Example- leasing of SLR

### **• B' Type Licenses**

One time license fee together regular commission on sale.  
Prices are not controlled by the railway administration.  
Services cannot be classified as essential passenger amenities.  
Example- shops in station complex.

### **• 'C' Type Licenses**

Prescribed license fee is paid by the licensee. There may be revenue sharing as well.  
Price of goods/services are regulated by Railways  
Example- Vending & Catering Contract.

### **• 'D' Type Licencee**

Railways some periodic service charges  
Relation of company and distributor  
Long term relationship

## **Methodology of Entering into Contract**

- Offers should generally be based on open offers through press notification.
- Limited Tender with permission of competent authority.
- 'A' Type Licenses only financial bid should be called through open bidding.
- 'B' & 'C' Type Licenses two packet offer should be sought.

First packet should be technical bid for judging technical capability of the bidder.  
Second packet should consist of licence fee and commission on sale etc.

'D' Type Licencee two packet offer should be sought. First packet should be technical bid for judging technical capability of the bidder. Second packet should consist of minimum service charges to be paid by the railways for services to be rendered.

Register for all type of licencee with due date of expiry. Annual Confidential Performance Report of licencee should be maintained.

Minimum reserve price fixed in consultation with Finance. Annual fee enhancement in percentage or otherwise should be done uniformly.

Method and procedure of inspection should be clearly laid down Provision of security money and earnest money.  
Performance guarantee if required can be incorporated.

➤ **Recommendations of TC**

- AA has full powers to accept, modify or reject the recommendations of TC
- Normally case not to be sent back to TC for reconsideration
- AA should record reasons if recommendations are not accepted

Acceptance shall be recorded on the body of the TC minutes itself

## **INTEGRATED COACHING MANAGEMENT SYSTEM (ICMS)**

Indian Railways run more than 10000 passenger carrying trains on average (like Duronto, Rajdhani, Shatabdi, Mail Exp, Passenger, Suburban etc.) and carry about 25 million passengers on originating basis every day over its vast network. Integrated Coaching Management System (ICMS) has been developed to computerize the whole coaching operations on Indian Railways and has different modules to cater Railway requirements for managing day to day operational activities, maintaining computerized records of various events & functionalities, monitoring & management of passenger carrying vehicles (PCV) & other coaching vehicles (OCV) and passenger locomotives and generation of MIS reports for managerial applications and to ensure optimum utilization of resources.

Integrated Coaching Management System (ICMS) comprises of various modules as under:-

1. Punctuality Analysis & Monitoring (PAM)
2. Coaching Operations Information System (COIS)
3. Master DATA
4. MIS Reports
5. Utility

Coach Maintenance Management (CMM) pilot module has also been developed as part of ICMS project.

Integrated Coaching Management System (ICMS) modules are further integrated with following important Systems:-

1. COA
2. NTES
3. PRS
4. FOIS
5. CMM
6. PMS
7. TMS (Train Management System) CR, Mumbai

Various technologies are used in these modules and these are well integrated with each other and with other applications wherever required. The system is implemented across Indian Railways. The application is completely in production and has a large user base at Railway Board, Zonal Railways, Divisions, Stations/Yards levels

## **PUNCTUALITY ANALYSIS & MONITORING (PAM)**

This module provides various functionalities and reports for monitoring running and punctuality of passenger carrying trains. PAM automatically picks up the train running timings from the Control Office Application (COA) & Train Management System (TMS) CR, Mumbai and Train timings for non-COA sections are directly fed by users into PAM through utility provided for the purpose. PAM generates real-time insight into the state of the operations and provides consistent and accurate reports for all level of management, from the operations to the strategic for analysis and managerial decisions.

PAM was launched on production in the year 2006 and is today one of the primarily used applications to generate all important and required MIS reports at all operating and management level. Over a period, punctuality related activities have got shifted from manual to this system. In present scenario almost all types of requirements are fulfilled by the system and there is a lot of dependency and trust shown on this system by the users of all levels.

## **COACHING OPERATION INFORMATION SYSTEM (COIS)**

This module captures all operational activities of Coaches, Rakes and events of Passenger Locos. COIS was also launched on production in 2006. Feeding of rakes and coaches related operation is performed at Station Level and for locos at Divisional level. To help divisional user some functionalities of loco is also provided at Station level. Zonal and Divisional users of COIS can also proxy to Station level if required to do reporting for the station.

COIS is integrated with PAM/COA. Auto Departure and Arrival is done in COIS once reported in PAM/COA. COIS is integrated with FOIS(Freight Operation Information System) for Loco Status and Service exchange as only Passenger Service loco reporting allowed in ICMS. COIS is further integrated with many other IT applications

## **DATA MODULE**

This module is designed to facilitate users for feeding all master data used in ICMS applications like train data, coach data and infrastructure related details etc.

In train data, user can feed all related information of trains like train definition, train schedule, master consist, train links. Schedule information captured in ICMS is single entry for this information and the same data is populated to Control Office Application (COA) and National Train Enquiry System (NTES). This reduces redundancy and mismatches (WTT timings, PTT timings, distance, etc.) across these applications and saves time and resources.

In coach data, user can feed coach details with all relevant attributes like coach number, coach type, owning railway, built year, manufacturing unit etc.

Station/yard lines, their local names and capacity etc. are captured in infrastructure data. Facility to update the above mentioned master data are also available in this module.

Timely updating of master data through this module is crucial for accuracy of information in this and other integrated applications and MIS reports of ICMS.

### **MIS REPORTS MODULE**

This provides various required reports related to all modules such as master data reports, monitoring reports, user performance report, historical reports, analytical reports, utility report, etc. Reports are provided for all levels of ICMS users for monitoring, analysis and quick decision making.

### **UTILITY MODULE**

This module provides facility for giving feedback and ICMS user management (add/modify/delete user)

## RAIL ROAD CORDINATION

- It is essential that all transport services in a country be developed to avoid duplication and wastage of resources.
- The system should allow the roadways to be complementary to the Railways not as competitors.
- Instead of running parallel to Railways, roads should be, as far as possible built at right angles to Railway route.
- Road ways should be feeders and distributors to the Railways.
- Proper division of function of transport organizations such as
  - Heavy and long distance traffic for railways.
  - Short distance and perishable traffic for roads etc. should be defined by Govt.
- If both run parallel to each other the competition between the two should be fair one under regulation.
- This is possible only when a share in the ownership of roadways is given to Railways.

Many experts suggested that Co-ordination can be achieved when

- Free and unrestricted competition exists among different modes of transport
- Co-ordination is secured through Government regulations
- Integration of rail road services into one unit under joint Management.
- To achieve this, Government has set up the Central Board of Transport.
- Economic development rapidly increases if co-ordination exists among transport services.
- Planned transport co-ordination is important to move men and material unhampered.
- Unhealthy competition between Railways and Roadways leads to national wastage.

## **PASSENGER INFORMATION SYSTEMS**

### ***Rail Travel Service Agents (RTSA):***

1. Rail travel service agents have been granted a license by railways to offer service in respect of reservation of accommodation in trains.
2. They will render service for a fee per passenger basis as follows
  - Second and Sleeper class - Rs 15/-
  - All other classes - Rs 25/-
3. No separate reservation quotas have been assigned to the agents.
4. They have to take their turn at the reservation office for purchasing tickets.
5. Identity cards are issued to the authorized RTSA agent and his employees for purchasing tickets.

### ***Passenger Operated Enquiry Terminal (POET):***

1. POET is a passenger amenity and provided at all important stations.
2. This is user friendly and public can access to the system easily for getting information.
3. The following information can be accessed by the users.
  - a. Availability of accommodation
  - b. Current status of a PNR
4. For obtaining the information the passenger need not go and stand at the enquiry counter.
5. The list of simplified operating instructions is placed near the terminal for guidance of the users.
6. POET will reduce the work load at enquiry counters.

### ***National Train Enquiry System (NTES):***

1. An integrated on line information system under which a passenger can access information on movement of trains anywhere in India.
2. At important nodal points selected on each zone the information regarding running of trains is fed into the network.
3. This information will be up dated regularly.
4. This information is readily available on NTES throughout the Indian Railways for public.
5. NTES is provided at all important stations.
6. NTES is also one of the passenger amenities and avoids public complaints due to inadequate information at manual enquiry counters.

### ***Interactive Voice Responsive System (IVRS):***

1. This system facilitates enquiries such as
  - availability of accommodation
  - current reservation status
  - arrivals and departures of trains.
2. IVRS is a passenger amenity and reduces passenger complaints due to inadequate information at manual enquiry counters.

3. Telephone will be connected to computer which processes the data required and information will be conveyed to passengers.
4. IVRS is provided at all important cities / towns.

## **INTEGRATED TRAIN ENQUIRY SYTEM OF INDIAN RAILWAYS - 139**

### Basic Services

- PNR enquiry
- Accommodation availability
- Fare enquiry
- Current train running position

### Benefits to Rail users

- Single window information through universal no. 139
- Interaction with professionally trained agents in hindi, english and regional languages

### Premium Services

- Single window information through universal no. 139

Just SMS on 139 (One number for One India) and get all your information about

- » PNR Enquiry
- » Train Arrival / Departure Enquiry
- » Accommodation Availability
- » Fare Enquiry
- » Train Time Table Enquiry
- » Train Name/ Number

### Helpline number: 138 & 182

An All India Helpline number 138 is being provided by Railways for passengers, as interface for queries/complaints related to Medical emergency, Cleanliness, Food & Catering, Coach Maintenance, Linen etc..

In order to publicize this number, this information is being printed at the front of the PRS as well as UTS tickets.

To report unsavory situation during journey, passengers can dial railway security helpline no. 182. This information is also being printed at the back of PRS and UTS tickets.



**GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
RAILWAY BOARD**

No. 2016/TG-III/600/1/ Pt.

New Delhi, dated 27/02/2017

The General Managers  
All Indian Railways

The Chairman & Managing Director  
Indian Railway Catering & Tourism Corporation Ltd.  
New Delhi.

**(Commercial Circular No. 20 /2017)**

**Sub: Catering Policy 2017**

Hon'ble MR during Rail Budget 2016-17 has announced as under:-

*"69(i) IRCTC would begin to manage catering services in a phased manner. IRCTC would unbundle catering services by creating a distinction primarily between food preparation and food distribution.*

*69(iv) Adding 10 more IRCTC operated, mechanized, sophisticated base kitchens to ensure fresh and hygienic supply of food on trains.*

In light of the above, a new catering policy, in supersession of Catering Policy 2010 and related guidelines, has been formulated and is enclosed for implementation. The revised policy guidelines will be implemented with immediate effect.

This has the concurrence of Finance & Legal Directorates of Ministry of Railways.

Kindly acknowledge receipt of this letter.

Hindi version will follow.

DA: As above.



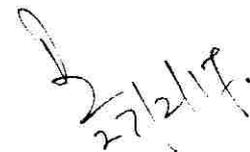
(Shelly Srivastava)  
Director/Tourism & Catering  
Railway Board

No. 2016/TG-III/600/1/ Pt.

New Delhi, dated 27/02/2017

Copy to:

1. FA & CAO, All Indian Railways
2. ADAI/Railways.



For Financial Commissioner/Railways

**GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
RAILWAY BOARD**

No. 2016/TG-III/600/1/Pt.

New Delhi, dated 27/02/2017

The General Managers  
All Indian Railways

The Chairman & Managing Director  
Indian Railway Catering & Tourism Corporation Ltd.  
New Delhi.

(Commercial Circular No. **20** /2017)

**CATERING POLICY 2017**

**1. OBJECTIVES**

With the objective to provide quality food to our customers unbundling of catering services on trains has been envisaged in Catering Policy 2017. This policy supersedes Catering Policy 2010 and related instructions, unless specifically referred to in this policy document.

IRCTC has been mandated to carry out the unbundling by creating a distinction primarily between food preparation and food distribution. In order to upgrade quality of food preparation IRCTC shall be setting up new kitchens and upgrade existing ones.

Modifications have been necessitated in the management of catering service on mobile and static units to implement social objectives of the Government besides encouraging fair competition in allotment of catering units over stations.

IRCTC shall be responsible for catering services through mobile catering units, Base Kitchens, Cell Kitchens, Refreshment Rooms at A1 & A category of stations, Food Plazas, Food Courts, Train Side Vending, Jan Ahaars. All other catering units like Refreshment Rooms at B and below category of stations, AVMs, Milk Stalls, trolleys shall be managed by the Zonal Railways.

**2. DEFINITIONS: AS ANNEXURE- I**

**3. MANAGEMENT OF CATERING SERVICES IN MOBILE UNITS**

3.1 All pantry car service contracts awarded by zonal railways shall be reassigned to IRCTC on the same terms and conditions, as per the plan decided mutually by IRCTC and Railways. Sharing of license fee between IR and IRCTC shall be in the ratio of 40:60 in all cases other than departmentally managed units by IRCTC wherein revenue shall be shared in the ratio of 15:85. Also all such reassigned contracts should be got vetted by Legal Deptt. of Zonal Railways.

3.2 IRCTC shall submit its business plan for approval of Railway Board, for managing mobile catering services on the trains after the issuance of this



policy. Business plan may be prepared by IRCTC separately for those trains in which cost of meals is included in the ticket and for those where catering is optional. While framing the Business Plan IRCTC may take into consideration the terms and conditions of existing contracts re-assigned to IRCTC and time frame required to put into effect various provisions contained in paras 3.7, 3.8 and other relevant provisions of this policy.

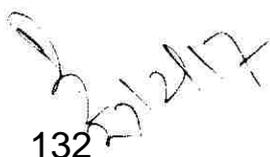
- 3.3 IRCTC shall manage catering service on all mobile units having pantry car service presently with IRCTC. IRCTC shall also take over management of catering services on trains for which contracts have not been awarded by zonal railways due to various reasons or trains are being run departmentally by zonal railways.
- 3.4 Management of catering services on all new trains/ trains started on short notice shall also be done by IRCTC.
- 3.5 Since all trains are not provided with pantry cars, Train Side Vending will be provided from a suitable unit of nominated station/stations enroute. For this purpose, arrangements will be made through static kitchen units under the management of IRCTC by either segmentation of run or on end to end basis, as practicable. IRCTC shall manage Train Side Vending as per instructions entailed in this policy.
- 3.6 IRCTC should submit the Business Plan within a period of 30 days from the date of issuance of the policy, which shall be approved by Railway Board within 30 days from the date of submission by IRCTC.

### **3.7 Method of Operation of Mobile Catering Service**

- 3.7.1 Preparation of Food: To ensure quality, hygiene and cleanliness, meals for all mobile units will be picked up from the nominated kitchens owned, operated and managed by IRCTC. This is subject to Business Plan for mobile catering as well as Base Kitchens, as approved by Board.
- 3.7.2 Service of Food in Trains: IRCTC can engage service providers from hospitality industry for service of food in train.
- 3.7.3 IRCTC shall supervise catering services on each mobile unit through its own supervisors directly employed by IRCTC.
- 3.7.4 IRCTC shall determine the menu of standard meals, in consultation with zonal railways, keeping into consideration the local taste and cuisine. The standard meals served in trains shall be within the fixed tariff approved by Railway Board.
- 3.7.5 Sale of a-la-carte items, Ready-to-Eat (RTE) Meals shall be permitted both through e-catering and onboard services by IRCTC.
- 3.7.6 The rates of standard, a-la-carte and RTE items shall be prominently displayed in coaches and Railways' websites and shall be made available through mobile apps.

### **3.8 Setting Up and Operation of Kitchen Units**

- 3.8.1 All four Base Kitchens under departmental operation of Zonal Railways (Nagpur, Chhtrapati Shivaji Terminus, Mumbai Central and Balharshah) shall



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be handed over to IRCTC on 'as is where is basis' i.e. the infrastructure including equipments shall be transferred to IRCTC. All kitchen units i.e. Refreshment Rooms at A1 and A category stations (i.e. excluding Refreshment Rooms at B and below category stations being minor units that will remain with Railways), Jan Ahaar, Cell Kitchens shall also be handed over to IRCTC on 'as is where is basis' i.e. the infrastructure including equipments shall be transferred to IRCTC.

- 3.8.2 Contracts awarded by zonal railways for kitchens units viz., Refreshment Rooms at A1 and A category stations, Jan Ahaar, Cell Kitchens shall be reassigned to IRCTC on the same terms and conditions with sharing of license fee between IR and IRCTC in the ratio of 40:60 in all cases other than departmentally managed units by IRCTC wherein revenue shall be shared in the ratio of 15:85. Also all such reassigned contracts should be got vetted by Legal Deptt. of Zonal Railways.
- 3.8.3 The setting up/ development / refurbishment of new or existing Base Kitchens/Kitchen units (after contract ceases to exist in case of units discussed in Para 3.8.1) shall be undertaken by IRCTC on the following broad parameters:-
- i. IRCTC shall develop different types of kitchens keeping in view supply of food and usage assessed.
  - ii. Kitchen should be on a Business model so that they can expand and enhance the service. Revenue sharing, operational modalities are to be submitted by IRCTC for prior approval of Railway Board. Land license fee for such cases shall be decided as per the plan submitted by IRCTC and terms agreed by Land & Amenities (L&A) Directorate.
  - iii. IRCTC shall prepare a detailed concession agreement of the Business Model proposed for setting up of the kitchens, which shall be approved by Board.

The services provided currently through Refreshment Rooms, Jan Ahaars and Cell Kitchens shall be provided by IRCTC.

- 3.8.4 IRCTC shall not outrightly outsource or issue licenses for provision of catering services to private licensees. IRCTC shall retain the ownership and shall be fully accountable for all the issues pertaining to setting up and operation of the Base Kitchens and quality of food.
- 3.8.5 The kitchens set up/ developed/ refurbished by IRCTC shall be modern and mechanized. IRCTC shall ensure that the kitchens acquire valid ISO certification within the specified fixed time period including compliance of all statutory guidelines and food safety norms issued from time to time.
- 3.8.6 Apart from kitchen units handed over by zonal railway, IRCTC may set up its own Kitchens at additional stations identified by it preferably within the railway premises and as per availability of land.
- 3.8.7 Kitchen structures/ land handed over by Zonal Railways to IRCTC for setting up/ development / refurbishment of Kitchen units shall be done on a token license fee of Re.1/- (Re. one) per sqft. p.a. subject to minimum of Rs.100/- (Rs. One Hundred) p.a. However, the concessional land license fee will be applicable only



for Railway related catering work and not for any other purpose. In case IRCTC use these base kitchens for the purpose other than mandated in the catering policy, land license fee shall be decided as per the plan submitted by IRCTC and terms agreed by Railway Board.

- 3.8.8 It shall be mandatory for IRCTC to establish the kitchens in a time bound manner as stipulated hereunder. The location and area of the land for construction of Base Kitchens shall be decided mutually by the Divisions and IRCTC to be approved by Zonal Railways. IRCTC and Divisions shall jointly prepare a General Agreement Drawing (GAD) of the proposed kitchen duly showing addition/alteration. Sr.DCM in the Division and CCM (Catering)/CCM will be the nodal officer for matters relating to handing over of the land and setting up of the kitchens. Following timeframe shall be followed for setting up of the kitchen:-

Activity	Timeframe	Responsibility
(i) Identification of site	10 working days from 21 days after the issue of the policy	Sr. DCM, Sr.DEN and IRCTC. Any delay will require condonation by DRM along with a speaking order.
(ii) Preparation of GAD plan	21 working days after identification of the site	Sr.DEN, Sr. DCM, Sr. DEE, Sr. DSTE, IRCTC and any other official, if required. Any delay will require condonation by DRM along with a speaking order.
(iii) Approval of GAD	21 working days after preparation of GAD	CEE, PCE, CSTE, CCM and any other official, if required. Any delay will require condonation by GM along with a speaking order. This will be deemed to be the approval of Zonal Headquarters.
(iv) Handing over of the land/site	10 working days after approval of GAD	Sr.DEN, Sr. DCM and IRCTC. Any delay will require condonation by DRM along with a speaking order.
(v) Signing of agreements (Land Licensing Agreement and O&M Agreement)	10 working days after handing over of the land/site	DRM and IRCTC. Commencement/setting up of kitchens will start only after signing of the agreement. GM shall ensure that the agreement is signed within the given timeframe.
(vi) Setting up of the kitchen	(a) 3 months where basic structure is provided by Railways; and (b) 6 months where only vacant land is provided by Railways.  From the date of handing over of land/site	CMD/IRCTC shall be responsible for setting up of kitchens in fixed timeframe. Reasons for delay shall be reported by the CMD/IRCTC to Railway Board.

*2/11/17*

*2/11/17*

- 3.8.9 The existing railway operated Base Kitchens/kitchen units and the land allotted for setting up of new kitchens shall be handed over to IRCTC for a term period of 10 years which shall be extendable for another period of 5 years at a time subject to mutual agreement. There shall be a provision for taking back the Base Kitchens/kitchen units/land handed over to IRCTC in case said premises are required for integrated development of stations. The shifting shall take place only after the alternative site is made functional in all respects for which both parties shall act proactively as per laid down timeframe. This condition should be incorporated in the agreement to be executed between Zonal Railway and IRCTC before handing over the kitchen unit/land to IRCTC.
- 3.8.10 A separate land licensing agreement will be signed by the Zonal Railways and IRCTC for all the above purposes.
- 3.8.11 There shall be no lease/ licensing of land to third party for the purpose of setting up of Base Kitchens/Kitchen Units. IRCTC will design its model for operation and maintenance without assigning any right/ lien to third party over the space allotted.
- 3.8.12 Electricity and water charges shall be charged based on actual consumption basis and the same shall be payable by IRCTC. Additional capital cost involved in augmenting utilities, if any, shall also be borne by IRCTC.
- 3.8.13 For the mobile units already licensed out by the Zonal Railways, IRCTC shall take over those contracts and monitor the management of catering services by licensee by deputing IRCTC supervisors in each train who shall be accountable for the performance of the contractor.
- 3.8.14 The mobile and kitchen units proposed to be handed over to IRCTC in this policy are presently being managed either through a licensee or departmentally or through a temporary arrangement. Zonal Railways and IRCTC, shall finalize and submit to Railway Board an action plan within 30 days of issuance of this policy, wherein the list of units along with the status and the timeframe in which it shall be handed/taken over shall be stated.
- 3.8.15 Delay in setting up of kitchen by IRCTC, as defined in para 3.8.8 (vi), shall invite a minimum penalty of Rs. One Lakh per month per unit.
- 3.8.16 IRCTC should submit the Business Plan for Base Kitchens within 30 days of the issuance of this policy and Board shall approve the same within 30 days of submission of the Business Plan by IRCTC.

### 3.9 **Inspection and Supervision by IR**

- 3.9.1 Officials of Railway Board, Zonal Railway & Division shall be authorized to inspect the kitchen units/mobile catering units. If any violation of the provision of the policy or deficiencies is noticed in the service, suitable penal action as decided by Zonal Railways will be taken as per the provision of agreement signed between IRCTC and Zonal Railways or IRCTC, Zonal Railway and Licensee for tripartite agreement (In case of licenses which are to be reassigned to IRCTC).



3.9.2 IRCTC and CCMs of the concerned Zonal Railways shall enter into an agreement with respect to each unit to be handed over to IRCTC. Railway Board shall issue a draft model agreement incorporating appropriate penal action against IRCTC for the violation of extant policy guidelines/deficiency. This agreement shall be executed between IRCTC and Zonal Railway before handing over of the contract.

### **3.10 General Instructions**

3.10.1 IRCTC may involve/empanel Self Help groups for providing catering related services. However, IRCTC shall not outsource or issue licenses for provision of catering services to SHGs.

3.10.2 IRCTC shall ensure compliance of all statutory guidelines viz. FSSAI norms of food safety in Base Kitchens/kitchen units and mobile catering units, pollution control, Green Tribunal etc. (the statutory bodies mentioned are indicative in nature, not exhaustive). Further, it shall be entirely responsible for payment of any penalty imposed for non-compliance of these guidelines.

3.10.3 IRCTC shall ensure payment of all taxes, as applicable from time to time.

3.10.4 Third Party Audit of mobile units and base kitchens shall be done by Zonal Railway periodically by an independent agency as per Board's instructions issued vide letter no. 2013//TG-III/600/17 dated 12/08/2014 and any other instructions issued from time to time. Cost of the audit shall be borne by IRCTC.

3.10.5 IRCTC and Zonal Railways shall ensure compliance of extant policy guidelines issued from time to time.

3.10.6 In view of change in role of IRCTC in terms of management of catering service, the existing MoU between Ministry of Railways and IRCTC shall be redefined and a revised MoU shall be issued.

3.10.7 In case of any issues of interpretation of any clause/expression referred to in this policy the interpretation of MoR shall be final and binding.

3.10.8 IRCTC shall be responsible for ensuring that the standards, as laid down for different services, are maintained and policy directives issued by Railway Board from time to time are strictly complied with. Concerned Zonal Railways shall monitor the performance of IRCTC over their jurisdiction.

3.10.9 IRCTC shall ensure computerized billing in a phased manner to the extent feasible for all the items sold in mobile and static units under the management of IRCTC. Facility for cashless transaction viz. POS/Swipe machine etc. shall be compulsorily available in all the mobile and static units.

3.10.10 Railways' share of revenue shall be realized division/station/unit wise on monthly basis and reflected in monthly station balance sheet of the concerned station. A procedure Order for accountal of the revenue share shall be issued by Railway Board.



**4. MANAGEMENT OF CATERING SERVICE IN STATIC UNITS:**

- 4.1 As already decided, IRCTC would begin to manage catering services over IR in a phased manner. However, catering services in static units (except units mentioned in Para 3.8.1 & 4.2) shall continue to be awarded and managed by Zonal Railways.
- 4.2 IRCTC will be responsible for management of catering units mentioned in Para 3.8.1 and for operations of Food Plaza, Food Courts, fast food units within the ambit of this policy.

**5. SCALE OF CATERING SERVICES THROUGH STATIC UNITS:**

- 5.1 Zonal Railways, in coordination with Divisions and IRCTC, will prepare a comprehensive blue print for the catering units (under the control of Zonal Railways and IRCTC) at each station taking into consideration bans as notified from time to time. Further, Zonal Railways should ensure that adequate facilities are available for providing affordable food to passengers before permitting any other type of outlets. In case of banned stations, Zonal Railways shall be empowered to make provisions for catering units with concurrence of Finance and approval of General Manager.

**6. INFRASTRUCTURE AT STATIC UNITS:**

- 6.1 There should be no cooking on platforms at suburban stations and for other stations there should be efforts to progressively reduce cooking on stalls and trolleys on the platforms, except for items which could be prepared through electrically operated equipments. Railway Board's instructions issued vide letter no. 2011/TG-III/600/14 dated 25/04/2012 and other instructions issued from time to time may be followed in this regard.
- 6.2 No new Khomcha or alike shall be allotted, however, trolleys/khomchas (already allotted) may be continued on selective basis. In order to reduce congestion, these should be made area specific. Care should be taken not to place them near FOBs or doors of trains. Preference should be given towards providing them at the ends of platforms so that General Service Coaches and unreserved passengers have easy access to them. Such trolleys/khomchas must have adequate availability of the low priced Janta Khana.
- 6.3 Gradually all old catering stalls should be replaced with compact modular stalls of superior quality material to ease congestion on the station platforms and circulating area and improve on aesthetics, durability and convenience for maintenance.
- 6.4 Static Catering Units should have service across the counter only. There shall be compulsory and prominent display arrangements of rates and FSSAI certification.
- 6.5 Zonal Railways shall ensure computerized billing for all the items sold at static units under its management in a phased manner to the extent feasible. Facility



for cashless transaction viz. POS/Swipe machine etc. shall be compulsorily available in all the static units.

- 6.6 All systems and processes and equipments such as deep freezers, hot cases, microwave ovens, refrigerated storage units, bain-maries should progressively replace the existing traditional equipments and manual methods in static units.

**7. AUTOMATIC VENDING MACHINES (AVMs):**

- 7.1 Zonal Railways shall manage through licensee the automatic self vending machines. Automatic Vending Machines shall be permitted only in the form of stand-alone self dispensing units. They shall not be permitted to sell any other item except those to be dispensed through these machines. The operations of the AVMs shall not involve any manual interface except for the purpose of refilling/repair/maintenance of machine. However, all dispensation related operations shall be through coin/currency/card only.

- 7.2 The AVMs that are not stand alone self dispensing units should be closed down forthwith taking into account the provisions of contract. Other existing AVMs would be allowed to continue only until the currency of the existing contract and no extension should be given.

- 7.3 New AVMs, adhering to current norms, shall be awarded through two-packet tender system. Allotment will be done by e-tendering method. Till the finalization of e-tendering module and issuance of procedure order by Railway Board normal tendering process shall be followed.

- 7.4 The allotment of new AVMs should be done by following SBD guidelines for major units issued by Railway Board on 05/07.09.2012. Fixation of license fee shall be governed by Para 12 of this policy. Specification of machine and other modalities may be decided by zonal railway.

**8. MILK AND MILK PRODUCT STALLS:**

- 8.1 Milk Stall license shall be awarded to apex dairy cooperative societies approved by Government, dairy cooperative federations/members of National Cooperative Dairy Federation of India Limited (NCDFI) and/or developed under the aegis of Operation Flood Programme, bodies/agencies registered/certified by FSSAI for sale of milk and milk products.

- 8.2 Allotment at all category of stations shall be done through tender system. The process of allotment, tenure, fixation of license fee and ceiling shall be governed by Para 9 (except conditions stipulated in 9.3.1), 11, 12 and 13 respectively of this policy. Allotment will be done by e-tendering method. Till the finalization of e-tendering module and issuance of procedure order by Railway Board normal tendering process shall be followed.

- 8.3 Sale of Packaged Drinking Water (Rail Neer) shall be permitted at Milk Stalls and instructions issued vide letter no. 2015/TG-III/631/8 dated 12.02.2016 shall be followed in this regard.



**9. Allotment Procedure for Static Catering Units (except static units mentioned in Para 3.8.1):**

- 9.1 For the purpose of allotment, a Refreshment Room (at B and below category stations) or a stall or a trolley shall be deemed as one unit. As such, a single unit shall be awarded through a single license.
- 9.2 No new license for khomcha / Dallah / Chhabba / Wheel Barrow/ Hand Barrow / Tray / Table / Tea Balta (or any other similar unit by a different name) shall be awarded by Zonal Railway.
- 9.3 Zonal Railways shall have an effective and transparent contract awarding system for static catering units at A1, A, B & C category station. Allotment of static catering units will be done by e-tendering method. Till the finalization of e-tendering module and issuance of procedure order by Railway Board, normal tendering process shall be followed.
- 9.3.1 Allotments of all major static units (except units mentioned in Para 3.8.1) and of General Minor Units at A1, A, B & C category stations will be done through open, competitive, two-packet tendering system by divisions in accordance with the Standard Bid Documents issued vide Board's letters No. 2010/TG-III/ 600/ 12/SBD/Pt.3 dated 05/09/2012 and No. 2010/TG-III/600/12/ SBD/1Pt 05/07/2011, duly following all the procedures/instructions issued by Government of India/Railway Board from time to time.
- 9.3.2 Allotment of Special Minor Units at A1, A, B & C category stations will be done by divisions through open tendering system within the similar reserved category. The technical eligibility criteria, however, shall be as under:-
- Turnover of applicant's business in catering (to be supported by Income Tax Return for the last 3 years) duly certified by Chartered Accountant (Exempted in case of BPL category).
  - Previous experience in catering business (to be supported by certificate/letter of experience/allotment from concerned agencies for the last 3 years).
  - The bidder shall be an Individual/sole proprietor who shall furnish relevant certificate from competent government authority as a proof of being a member of the particular reserved category in which he/she is bidding.
  - Government approved identity proof and residence proof such as Aadhaar Card/ PAN/Voter ID etc. to ensure genuineness of the bidder and VAT registration, if required.
  - Affidavit to the effect that the applicant is solvent, there are no pending dues of railways, no debarment of the bidder by any zonal railways and that there is no conviction of the bidder in any criminal case by Court.
  - Medical certificate on allotment to certify that those handling preparation and service of food are not suffering from infectious diseases.
  - Any false declaration by the bidder on affidavit shall be treated as 'Material Breach' and would result in termination of the license and debarment/blacklisting of the licensee from participating further in allotment of catering units on any zonal railway/IRCTC.

- (h) Any other special condition considered relevant by Railways with the approval of the concerned CCM.

Allotment should be made to the highest eligible bidder subject to the fulfillment of all the above criteria.

- 9.3.3 Standing Tender Committee, to be nominated by DRM, shall comprise of three members one each from Commercial and Finance department and third member from any other department. The level of committee members as per category of stations shall be as under:

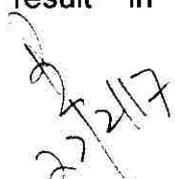
Category of stations	Level of Committee	Accepting Authority
A1, A, B & C	Sr. Scale level officers	Next Higher Grade officer
D, E & F	Jr. Scale level officers	Next Higher Grade officer

- 9.3.4 Any amendment in the above delegation of powers by Zonal Railway shall be carried out with the approval of the Chief Commercial Manager.

- 9.4 Allotment of Special Minor Units at D, E, F and General Minor Units at D, E, F category stations will be made by Divisions through open tender system from the eligible bidders. In case of SMUs at D, E, F category stations, tenders shall be called from the similar reserved category applicants. The eligibility criteria shall be as under:

- (a) **General Minor Units at D, E & F category stations:** Divisions will call for tenders through press notifications from Individuals/partnership firms/companies/Co-operatives/ Self Help Groups etc. In case of partnership firms, a certified copy of legal partnership deed should be submitted.
- (b) **Special Minor Units at D, E and F category stations:** Divisions will call for tenders through press notifications from an Individual/sole proprietor who shall furnish relevant certificate from competent government authority as a proof of being a member of the particular reserved category in which he/she is applying. Benefit of reservation shall be admissible only in case of individual or sole proprietor.
- (c) Experience in catering business to be supported by turnover (Income Tax Return/bank statements) in that business for the last three years duly certified by Chartered Accountant (Exempted in case of BPL category).
- (d) Government approved identity proof and residence proof such as Aadhaar Card/ PAN/Voter ID etc. to ensure genuineness of the bidder and VAT registration, if required.
- (f) Affidavit to the effect that the applicant is solvent, there are no pending dues of railways, no debarment of the bidder by any zonal railways and that there is no conviction of the bidder in any criminal case by Court.
- (g) Medical certificate on allotment to certify that those handling preparation and service of food are not suffering from infectious diseases.
- (h) Any false declaration by the bidder on affidavit shall be treated as 'Material Breach' and would result in termination of the license and





debarment/blacklisting of the licensee from participating further in allotment of catering units on any zonal railways/IRCTC.

- (i) Any other special condition considered relevant by Railways with the approval of the concerned CCM.

Allotment should be made subject to the fulfillment of all the above criteria by the nominated Tender Committee as stated in Para 9.3.3.

- 9.4.1 Minimum licence fee will be fixed as 12% of the estimated annual sales turnover for the respective static unit. Minimum license fee will be fixed by Zonal Railways/Divisions based on criteria mentioned in para 12.1.
- 9.4.2 Divisions shall maintain the vacancy position of units allotted under reserved categories. In case no application is received against a particular reserved category as per break up specified in this policy, one re-notification will be done for allotment of units to reserved category applicants. In case no reserved category applicant turns up, the earmarked unit shall be treated as GMU and shall be allotted for one term of 5 years only. However, after completion of that 5 year term, the re-notification exercise shall be repeated for allotment of reserved category stall to reserved category applicant.
- 9.4.3 Total allotment to a particular category should not exceed the specified percentage reserved for that particular category. The total number of allotments of minor units to the various reserved categories should not exceed 49.5% of the total allotments of minor units made on a particular Division at D, E and F category stations and 25% of the total allotments of minor units made on a particular Division at A1, A, B and C category stations. Record of allotments based on reservation will be maintained by the concerned division.

## 10. RESERVATION IN ALLOTMENT:

### 10.1 RESERVATION IN A1, A, B & C CATEGORIES

10.1.1 There shall be no reservation for major units.

10.1.2 There shall be 25% reservation for minor units in A1, A, B & C categories of stations with the following break up.

S.No.	Category	%age reservation
1.	Scheduled Caste	6%
2.	Scheduled Tribes	4%
3.	Other Backward Classes	3%
4.	Minorities *	3%
5.	Divyang	2%
6.	Freedom Fighters/war widows and widows of railway employees, persons who have been dislocated/ displaced due to their land having been taken over by the railways for its own use	4%
7.	People below Poverty Line	3%
	<b>Total</b>	<b>25%</b>

\* the term minorities will include the communities namely (i) Muslims, (ii) Christians, (iii) Sikhs, (iv) Buddhists, (v) Zoroastrians (Parsis) (vi) Jain

## 10.2 RESERVATION IN D, E & F CATEGORY:

There shall be 49.5% reservation for allotment in D, E & F categories of stations with following break up.

S.No.	Category	%age reservation
1.	Scheduled Caste	12%
2.	Scheduled Tribes	8%
3.	Other Backward Classes	20%
4.	Minorities *	9.5%
	<b>Total</b>	<b>49.5%**</b>

\*the term minorities will include the communities namely (i) Muslims, (ii) Christians, (iii) Sikhs, (iv) Buddhists, (v) Zoroastrians (Parsis) (vi) Jain

\*\* Out of this 49.5%, there will be sub quota of 10% for freedom fighters & war widows & widows of Railway employees and another sub quota of 2 % will be for physically challenged people. Within 49.5% of total reservation 2% sub quota will be provided to the persons who have been dislocated/ displaced due to their land having been taken over by the railways for its own use.

The sub quota of 10% for freedom fighters & war widows & widows of Railway employees; sub quota of 2% for physically & mentally challenged people will also apply in the general category of 50.5%.

The issue of reservations is at present sub-judice in the Hon'ble Supreme Court. Any allotment/extension in the case of reservations will be subject to the final order of the Hon'ble Supreme Court in Civil Appeal No.7513 of 2005 and analogous case referred to the Constitutional bench.

10.3. There shall be a provision of 33% sub quota for women in allotment of each of the reserved category of minor catering units at all category of stations. The sub quota of 33% for women will also apply in general category.

10.4 For the purpose of reservation, one division will be considered as one entity for which a one time station-wise exercise will be done for the whole division and reservation percentage will be progressively achieved as and when either new units are provided or old units get vacated due to any reason.

## 11 TENURE

11.1 Tenure of all major units being handed over to IRCTC will be governed as per Catering Policy 2010 till the expiry of the contracts. IRCTC shall further manage these units as per the provisions of this policy.

11.2 Tenure of Food Plaza shall be for a period of 9 years. Tenure of all other catering units (Major Units & Minor Units) will be for a period of 5 years only. There will be no further extension/renewal, except for units specifically referred to in para 3.8.1.





**12. FIXATION OF LICENCE FEE FOR STATIC UNITS (EXCEPT UNITS MENTIONED IN PARA 3.8.1)**

- 12.1 Minimum license fees / minimum reserve price shall be fixed as 12% of the annual sales turnover for static units. Annual sales turnover shall be based on the following factors (i) category of station, (ii) type of licence, (iii) number of originating passengers, (iv) number of trains stopping (day & night), (v) duration of stoppages (vi) location of the unit at the station, (vii) approximate licence fees of a similar type of unit at a similar category of station in proximity. In case of Static Units on Category 'A1' and 'A' stations of Metro cities, and 'C' Category stations having high purchasing power, the fixation of minimum licence fee will apart from all other factors take into account the Circle rates notified by the competent authority of the State Government as fixed from time to time. The zonal railways shall evolve a formula based on the above parameters for fixing the licence fees for the units falling within their jurisdiction. A Committee comprising three SA Grade officers from Commercial, Finance and Civil Engineering shall be nominated by the General Manager which shall fix the formula for each category of stations. The formula so fixed by the zonal railway shall be applicable to the entire zonal railway. Apart from the above zonal railways may include and consider any other factor/s unique to the unit/units. General Managers shall have full discretionary powers on recommendation of CCM and concurrence by FA&CAO of the zonal railways to revise/modify the minimum licence fee calculated as per the SAG formula also keeping in view the Last Accepted Rate (LAR) of the completed contract.
- 12.2 In the case of static units there will be no separate charges payable towards rent for building /land, vender's fee and conservancy charges etc, except electricity and water charges, which will be based on actual consumption and payment of applicable taxes.
- 12.3 The licensee will be required to pay all the charges as per the contract agreement and all statutory duties/charges/levies/taxes, etc. (including Service Tax on Licence Fee) would also be borne by the licensee as and when due or any new tax (including GST) is notified.
- 12.4 In case of all units under the management of IRCTC, land license fee for land leased to IRCTC will be payable by IRCTC and revenue sharing will be as stipulated in para 3.1 and 3.8.2 above.

**13 CEILING LIMITS ON HOLDING OF CATERING LICENSES:**

- 13.1 Zonal Railway and Divisions shall maintain a data base of the various catering establishments to ensure that the under mentioned ceiling on holding of catering licenses are complied with. The data base should be reconciled by Zonal Railway Headquarters on six monthly basis. As and when a tender is finalized, the information may be circulated to all concerned for updating the data base. Railways shall consolidate and circulate a list of all catering establishments as on 1<sup>st</sup> January of each year to be circulated latest by 31<sup>st</sup> March and as on 1<sup>st</sup> July of each year to be circulated latest by 31<sup>st</sup> October of that year. Such information should be



updated and accordingly uploaded on 1<sup>st</sup> January and 1<sup>st</sup> July of every year on the websites of the Railways.

- 13.2 Stand alone AVMs: An entity will be allowed to hold a maximum of 10 AVMs over each zonal railway.
- 13.3 For Milk Stalls, authorized franchisee/agencies of allottees (apex dairy cooperative societies approved by Government, dairy cooperative federations/members of NCDFI and/or developed under the aegis of Operation Flood Programme, bodies/agencies registered/certified by FSSAI) will be allowed to hold a maximum of five milk stalls per Division.
- 13.4 A licensee will be allowed to hold a maximum of five minor catering units per Division.
- 13.5 Food Plaza, Food Courts and Fast Food Units: An individual/firm/company will be allowed to hold maximum two units per division, subject to a further limit of 25 units over Indian Railways.
- 13.6 If a licensee holds more than one unit under a single or multiple licences, for the purpose of implementation of ceiling limit, one RR (at B & below category stations), one stall or one trolley or one khomcha shall be equivalent to one unit.
- 13.7 No new license for khomcha/Dallah/Chhabba /Wheel Barrow/ Hand Barrow/Tray/ Table/Tea Balta (any other similar unit) shall be awarded by Zonal Railway.
- 13.8 Modification of the above limits may be done only with prior approval of Railway Board.

#### **14. MENU AND TARIFF:**

- 14.1 Menu and Tariff of food items will be fixed as follows:
  - 14.1.1 For Rajdhani/Shatabdi/Duronto trains and such other trains in which catering charges are inbuilt in the passenger fare, the menu shall be decided by IRCTC in consultation with Railway Board to make it commensurate with the tariff, which will be fixed by Railway Board.
  - 14.1.2 For controlled segment items/standard menu/Janta Meals on units handed over to IRCTC, the menu shall be decided by IRCTC in consultation with Zonal Railways within the fixed tariff approved by Railway Board.
  - 14.1.3 Menu and tariffs for Food Plaza, Food Courts and fast food units will be decided and fixed by IRCTC.
  - 14.1.4 Menu of controlled segment items including regional cuisine on minor static catering units shall be decided by Zonal Railways within the fixed tariff approved by Railway Board.



- 14.1.5 Menu & Tariff of a-la-carte items served through static catering units managed by Zonal Railways as well as IRCTC, will be fixed by Zonal Railways in consultation with IRCTC.
- 14.1.6 The Menu & Tariff of a-la-carte meals on mobile units handed over to IRCTC shall be decided by IRCTC. However, in cases where the contracts for mobile units are being re-assigned to IRCTC, the same terms and conditions including menu and tariff shall be applicable till the reassigned contracts cease to exist.
- 14.1.7 Adequate emphasis should be laid on availability of regional cuisine all over Indian Railway.
- 14.1.8 Instructions issued vide CC No. 78/2012, CC No. 63/2013, CC No. 32/2014 and issued vide letter no. 2012/TG-III/631/2 dated 11/07/16 and related instructions to ensure availability of diabetic/patients/ailing passengers/jain food on demand and availability of food to infants at stations, shall be followed.
- 14.1.9 The procedure for regular revision of tariff based upon certain index, parameters, inflation etc. would be finalized by Board from time to time.

**15 QUALITY ASSURANCE PROGRAMME:**

Zonal Railways/IRCTC shall frame an efficient quality assurance programme to ensure good quality and hygienic food to the passengers. Progressively, ISO 22000 Standards & relevant international standards in vogue from time to time will be implemented for all catering units.

**16 DISPOSAL OF GARBAGE**

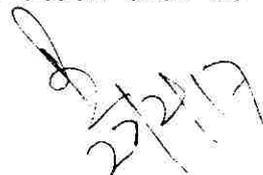
Zonal Railways and IRCTC shall ensure compliance of instructions on waste management already issued vide Commercial Circular No. 45/2011 dated 13/09/2011 and instructions issued in this regard from time to time. Instructions issued in this regard from time to time should be incorporated in all agreements.

**17 MECHANISM FOR MONITORING OF CATERING SERVICES**

**17.1 Inspections/Quality checks and monitoring of complaints**

17.1.1 Endeavour should be made that all catering services are ISO certified as per latest norms.

17.1.2 To provide hygienic and quality food to the rail passengers a strict and effective system of monitoring of catering services should be adhered to. Monitoring of quality should be made through inspections and food quality checks. If any violation of the provision of the policy or deficiencies is noticed in the service, suitable penal action shall be taken as per the provision of agreement.



- 17.1.3 System for complaint redressal for catering services for static and on-board services that is already in place providing proactive and effective complaint redressal mechanism shall be strengthened.
- 17.1.4 Complaint Monitoring Cells set up at zonal railway headquarters and divisional offices wherein all complaints received through toll free number, complaint books, emails, SMS and other online platforms etc. should be collected and forwarded to concerned Zonal Railways/IRCTC for necessary action. A mechanism be devised to acknowledge the complaints / feedback within 24 hrs. Action taken on complaints should be monitored by the CCM of the zonal railway and DRMs of the divisions on a monthly periodical basis. Complaints of repetitive nature should be taken up sternly.
- 17.2 IRCTC will conduct passenger satisfaction surveys by means of third party audits. In case of deficiencies noticed by Third Party Audit Agency, suitable penal action shall be taken as stated in paras 17.3 & 17.4.
- 17.3. If any violation of the provision of the policy or deficiencies is noticed in the service, suitable penal action as decided by Zonal Railways will be taken as per the provision of agreement. In case of continued failure in performance, Railways will have the right to close down any unit. The event of continued failure may be explicitly defined in the tender document/agreement.
- 17.4 Zonal Railways and IRCTC will take corrective action for deficiency in services, which may include D&AR action against the concerned employees.

**18 TRANSFER OF LICENSE:**

Transfer of license to the legal heir would be allowed only in the event of death of the original licensee. The license shall be transferred in the name of the legal heir for the unexpired period of the contract as per General Conditions of Contract (GCC) of Railways. No subletting will be allowed.

**19 EXCLUSION OF GOVT. EMPLOYEES AND THEIR DEPENDENTS:**

As per extant instructions, no catering /vending license should be awarded to any Government employee or railway servant or any other member of his/her family (as defined in rule no 103 para 17 of the Indian Railway Establishment Code – Vol.-I). The existing catering/vending licensees who are coming under the above category, should also not be allowed to continue their license on confirmation of the above position-

**20 APPLICABILITY OF THE NEW POLICY:**

- 20.1 The revised catering policy will be applicable with immediate effect i.e. from the date of issue. This policy supersedes all prior policy circulars issued from time to time unless specifically referred to in this policy document.
- 20.2 Tenders that have been finalized and LoA issued prior to the date of notification of this policy, shall be allowed to continue as per policy guidelines prevailing at that time. Zonal Railways will cancel all such

tenders and return the earnest money to the tenderers in cases, where LoA has not been issued before issuance of this circular.

- 20.3 Any other special condition including provision of catering service during unforeseen circumstances including accidents, as considered relevant by Railways with the approval of the concerned CCM, shall form part of the agreement to be entered into, which shall be binding on the IRCTC/static units licensees.
- 20.4 Pending litigation and any new litigation on existing units being handed over to IRCTC, shall be defended/contested by IRCTC on behalf of Indian Railways before all courts/forums.

## 21. NEW INITIATIVES

Zonal Railways shall be permitted to introduce innovative/new initiatives in catering on stations, with the concurrence of Associate Finance and approval of General Manager. Tenure for such initiatives shall be one year extendable to second year with the approval of General Manager. Further, extension for remaining period of the full tenure (i.e. five years) shall be with the approval of Railway Board.

## 22. ARBITRATION

For units being managed by zonal railway contract agreement should have arbitration clause for the case of any dispute, difference, or question arising between Railways and the licensee as to the respective rights, duties, obligations of the parties hereto or as to the construction or interpretation of any of the terms and conditions of the agreement or as to its application the same shall be resolved amicably failing which GMs of the Zonal Railways will be nominating authority as per GCC of the railways. The disputes referred for arbitration shall be dealt as per the procedure laid down in the Arbitration and Conciliation Act, 1996, as amended from time to time. The place of arbitration would be Zonal Railways Headquarters and language for arbitration proceeding shall be English.

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## ANNEXURE – I

### DEFINITIONS OF THE TERMS USED IN THE CATERING POLICY

1. **A-la-carte Menu:** These are popular food items served through static/mobile units and decided by market/customer, the rates for which are fixed by zonal railways/IRCTC. CCMs of the zonal railways will be the competent authority to decide the A-La-carte rates. Zonal Railways, after taking into consideration the regional tastes and cuisine, will approve such items. A-la-carte menu and standard items shall be mutually exclusive to ensure that passengers are not overcharged.
2. **Automatic Vending Machines (AVM):** These are automatic vending machines for dispensing hygienically packaged catering items e.g. PAD items, PDW, eatables, tea/coffee, cold drinks, etc. AVM stalls should not be permitted to sell any other item except those to be dispensed through these machines.
3. **Base Kitchen:** Base Kitchen is a large cooking and packing facility set up in the vicinity of railway premises whether inside or outside Railway premises from where food is prepared and distributed in trains or to the static units. There will be no sale of food directly to the passengers from a base kitchen. All base kitchens should be ISO certified.
4. **Category of station:** Stations are categorized on the basis of passenger earnings as follows:

Category A-1	Non sub-urban stations with an annual passenger earning of more than Rs.60 Crores.
Category 'A'	Non sub-urban stations with an annual passenger earnings of more than Rs.8 Crores and upto Rs. 60 Crores.
Category 'B'	I. Non sub-urban stations with an annual passenger earnings between Rs. 4 crores to Rs. 8 Crores. II. Stations of tourist importance or an important junction station (to be decided by G.M.)
Category 'C'	All-suburban stations
Category 'D'	Non sub-urban stations with an annual passenger earnings between Rs. 60 Lakhs and Rs. 4 Crores
Category 'E'	Non sub-urban stations with an annual passenger earnings less than Rs. 60 Lakhs.
Category 'F'	Halts

(Note:- The above categorization based on monetary limits is subject to further revision from time to time.)

5. **Catering Stalls:** These are of three different types of stalls selling catering products like beverages, snacks and other light refreshments. First is the tea stall where tea, biscuits and snacks are served. The second type of stall is milk bar, which are specially meant for various milk products and the third type of stall is juice bar meant for juices and fresh fruits.



6. Ceiling Limit: It is the upper limit put on holding of major/minor units by a company/firm/individual to prevent monopolistic tendencies.
7. Cell Kitchen: Cell Kitchens are Mini Base Kitchens which supply food to other catering units, static/mobile, and at the same time can sell food and beverages directly to the passengers.
8. Earnest Money: It is the amount of money to be deposited along with tender for consideration of tenders. Tenders submitted without the prescribed earnest money are liable to will be summarily rejected.
9. Food Courts: It is a cluster of stalls at a nominated place, where food items such as branded products/eatables are provided.
10. Fast Food Units: Fast Food Units are major units synonymous to Snack Bar, where through self service counters, fast food items are sold.
11. Food Plaza: Food Plaza is a multi cuisine plaza giving a variety of choice for eating. The quality and rates for items of food plazas are market-driven.
12. Island Platform: It is the platform located between two lines and it serves trains opposite each other.
13. Jan Ahaar: Jan Ahaar meals comprise economy combo meals that may be served and vended from a Jan Ahaar outlet or any major/minor unit. They comprise a variety of regional and local items.
14. Khomcha: It is generic term used for small vending unit, which is usually made of sarkhanda and could be in a form of Dallah/ Chhabba /Wheel Barrow/ Hand Barrow/Tray/ Table/Tea Balta etc.
15. License: It is a document issued by either Indian Railways or IRCTC giving authorization to the licensee to operate a particular service. This license can be for a stipulated period defined for that unit. The license can be issued open tendering system.
16. Licensee: An agency which can be a company or a firm/society/cooperative or an individual, as the case may be. The firm can be a proprietorship or partnership. The licensee is the entity authorized by railway administration or IRCTC to carry out the particular service.
17. Main Platform: It is the platform adjacent to the concourse and usually includes the main entrance hall.
18. Major Units:
  - Fast Food Units, Food Plaza and Food Courts at all category of stations.
  - Refreshment Rooms at 'A1' & 'A' category stations.
  - Jan Ahaar
  - Mobile catering units.
  - AVMs at all category of stations
  - Base kitchens
  - Cell Kitchens
  - Train Side Vending
19. Minor Units:
 

All other units at A1, A, B, C, D, E & F category stations which are not covered in major units as above are known as minor units, i.e. :

  - Stalls, Trolleys and Khomchas at all categories of stations.
  - Refreshment Rooms at 'B' & below categories of stations.

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- Minor Units are of two types
  - General Minor Unit (GMU):

(i)	75% unreserved Refreshment Rooms at 'B' & 'C' categories stations
(ii)	75% unreserved stalls, trolleys, khomcha at A1, A, B & C Category stations
(iii)	50.5% unreserved stalls, trolleys and Khomchas, etc. at D, E & F category stations.

- Special Minor Unit (SMU):

(i)	25% reserved Refreshment Rooms at 'B' and 'C' category stations
(ii)	25% reserved Stalls, Trolleys and Khomcha (wherever licensed independently) at A1 at A, B & C Category stations
(iii)	49.5% of reserved stalls, trolleys and Khomchas, etc. at D, E & F category stations.

20. Mobile Units: All catering service through pantry cars/ mini pantry cars are collectively known as mobile units.
21. Quoted license fee: This is the license fee quoted by a licensee including mark up over minimum license fee.
22. Refreshment Room: It is a place where a-la-carte items, Ready-to-Eat meals and 'thali meals' are also served.
23. Sales Turnover of Static Units: The sales turnover of any static unit is considered for the purpose of making assessment of volume of business and for fixing of minimum floor prices.
24. Static Units: All units at the stations including Food Plazas, Food Courts, fast food units, refreshment rooms, stalls, trolleys, Jan Ahaar, base kitchen, cell kitchen, AVMs, etc. are collectively called as static units.
25. Controlled Segment Items/Standard Menu: Consists of standard meals, breakfast, tea, coffee, packaged drinking water for which quantity and rates are fixed by Railway Board.
26. Trains Side Vending (TSV): A large number of trains do not have pantry cars or mini pantries attached to them. From the static units of important station/stations, food is supplied to the train during meal time through vendors, who travel on the trains and take orders.
27. Two packet Tendering consists of Packet-A and packet -B  
In packet-A, technical details received from the licensee are detailed and the Packet-B is the financial offer, which is considered only for those bidders who qualify as per short listing based on all the laid down eligibility criteria for Packet-A.

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*2/11/17*

# **ADVANCE GOODS THEORY**



## Theory of Rates

### General Principles of Railway Rating Policy.

Indian Railways carry a heterogeneous variety of goods; raw materials, finished products, perishables, goods in bulk and in bags, liquids, articles of high and low value, fragile and dangerous goods, building materials of kinds, medicines, chemicals and drugs, clothing, footwear and essential foodstuffs; and in fact every article and commodity that, either directly or remotely, enters into the daily existence of the average person. To fix the charges for the transportation of these diverse varieties of goods, over different distances and under varying conditions, is clearly a matter of great complexity and cannot obviously be reduced to an exact scheme. There are, however, several broad principles which determine not only the method of charging but also the general level of rates for the various commodities, an understanding of which is indispensable to a study of the Goods Rates Structure of the Indian Railways.

One such principle is commonly referred to as charging "what the traffic will bear", i. e. fixing the charge for each variety of goods according to its ability to pay for transportation. This is also called the 'value of service' principle. In this way, goods of high value are made to pay more, so that commodities and articles of low value, including foodstuffs and industrial raw products, may be carried at lower rates. This is eminently equitable and it is from this principle of charging "what the traffic will bear" that the Railways derive sanction for the practice of classifying commodities into different groups, within each of which a sufficient degree of affinity of transportation and economic characteristics can be found to justify the application, to each group, of a different scale of basic rates.

Another basic principle of rating which is receiving increasingly greater attention is that of the 'Cost of Service'. Thus, caking the two principles together, each variety of goods should be charged no more than it can ordinarily afford to pay for transportation and, by and large, no less than it costs to move it. For applying this criterion, duo cognizance has to be taken of the factors affecting the ability of commodity to pay for transport viz. –

- (a) value in relation to weight,
- (b) uses,
- (c) stage of manufacture,
- (d) volume of traffic, and
- (e) Also the factors affecting the costs of transportation viz.
  - (i) bulk in proportion to weight,
  - (ii) risk of damage, wastage, or deterioration in transit,
  - (iii) speed of transit, and ;
  - (iv) Volume of traffic.

As stated earlier, Government had laid down that the 'value of service' was to provide the ceiling and the 'cost of service' the floor in determining the railway rates. With the growth of road transport and its competitive characteristics, the point of substitution of one mode of transport by another, would constitute the effective ceiling on the 'value of service' based rates. The second limitation to the application of the aforesaid twin principle is the legal prohibition against undue preference and undue prejudice.

## TRAFFIC SURVEY

It is a detailed study of traffic conditions and prospects of an area with the object of determining the most promising routes for the railways in the area.

For the purpose of construction and financial implications, the railways are divided into three categories

- Strategic lines
- Protective lines
- Commercial lines

Strategic lines are constructed for the defence of the country. Protected lines are constructed to protect a particular part of the country from famine. Commercial lines are constructed keeping in view the idea of profit and loss.

No financial justification is required for strategic and protected lines. It is for the commercial lines that the financial justification is required.

An experienced administrative officer of the traffic (Commercial / Operating) department should be entrusted with the work of traffic survey. To ensure that the estimates of anticipated traffic, capital cost and recurring expenses etc. are realistic and the financial appraisal of the project including the phasing of investments and returns at each stage are worked out as correctly as possible and with great deal objectivity, an accounts officer of appropriate status should be associated with the traffic survey officer. The traffic survey team should be supplied with terms of reference containing instructions regarding the scope and nature of the investigation to be carried out.

The traffic survey team should also visit the HQ at various intervals both during the progress of the work in the field and during the period of recess in order to consult the General; Manager and where necessary, have the original terms of reference modified by the competent authority. This would enable the main line administration to determine the design of the new line under investigation.

The traffic survey team should also work in close collaboration with the engineering survey party if there is one in the field at the same time, and while collecting information should visit all the trade centers in the area, consult local authorities and prominent citizens freely both on regard to trade and industry and most suitable alignment for the proposed railway line.

Traffic survey is mainly of two types.

- Preliminary survey
- Final survey.

**Preliminary Survey:** Preliminary survey is done to determine how a proposed line will fit in the general development of railway and what return is likely to yield on the estimated total cost. It should be based on the careful study of

- Existing map
- Trade and population
- Financial and statistical data of the railway of similar area
- Modes of transport available in the area.
- 

From this investigation, the railway administration decides whether traffic survey should be under taken or not and what would be the standard of construction. All estimates for traffic survey require the sanction of the railway board and the cost of the survey is included in the budget.

### **Final Survey:**

Final survey is done with the sanction of Railway Board. It depends upon the following factors.

- Acquisition of land
- High flood level
- Boundaries of village lands
- State Govt. requirement
- Position of canals, rivers, culverts etc.
- Station site and junctions
- Diversion of traffic
- Protection work required
- Road ways and gradients
- Expected cooperation of local public
- Requirement of military and civil authority
- Demolition of religious places and burial places

### **Estimation of coaching earnings:**

First find out the estimate of II class passenger earnings then add a percentage of upper class and coaching traffic. The following is the formula for II class passenger earnings.

$$X = F \times N \times P$$

X = Earnings from II class passengers

F = Fare per journey

N = Number of journeys per head per year

P = Population diverted

F and N are to be estimated on the basis of the existing line of the same length and type of section.

### **Estimation of goods earnings:**

Such earnings are worked out keeping in view the following points

- Outward traffic
- Inward traffic
- Long distance traffic
- Short distance traffic

- Economic condition of the area
- Agricultural development in the area
- Industrial development in the area
- Existing market in the area
- Merchants and Govt. departments will also be consulted

**Estimate of expenditure:**

The working expenditures are divided in to the following main heads.

- Maintenance of structural work
- Maintenance of supply of locomotive power
- Maintenance and supply of carriage and wagons
- Expenses on traffic developments
- Expenses on general developments
- Expenses on electrical developments
- Miscellaneous expenses

It is seen what would be the return after 6 years and 11 years which is known as productive test taking the life period of the line as 30 years.

## **RULES REGARDING WAIVER OF DEMURRAGE & WHARFAGE CHARGES**

### **Power of officers to waive demurrage or wharfage charges**

S. NO	Designation of officer	Max. amount of DC per wagon which can be considered by an officer. In Rs.	Max. amount of wharfage per consignment which can be considered by an officer. In Rs.
1.	GM	Full powers	Full powers
2.	CCM(Coordinating HOD in comml dept)	100000	100000
3.	DRM	25000	25000
4.	CTM/Sr.DCM/DCM working as branch officer	6000	6000
5.	DCM/DTM/AO in Sr.scale	600	1200
6.	ACM/ATM in Jr scale	300	300

The powers of waiver of wharfage charges indicated in the table above will be on consignment basis except in the case of train load consignment where it will be applicable on per wagon basis.

Where demurrage charges cases are being handled by officers of operating departments, CCM/Sr.DCM etc., will mean COM/Sr.DOM etc.

The cases for waiver should not be dealt by an officer below the level of officer competent to deal with the case as per the schedule of power given in the above table.

Prior finance concurrence will be required for waiver of demurrage/wharfage charges above Rs.25000/- per wagon per consignment respectively. Cases submitted to GM should be routed through the co-coordinating HOD of the commercial department and FA&CAO of the Zonal Railway.

### **Waiver:**

1. Due care should be taken in preparation of demurrage / wharfage bills at the first instance to obviate recasting of bills subsequently on representation by customer or otherwise.
2. In case the consignor / consignee feels that demurrage / wharfage was due to reasons beyond his control, he could apply for waiver giving all relevant details with documentary evidence wherever necessary.

3. First application for waiver of demurrage or wharfage should be submitted to the station master / goods supervisor within 10 days from the date up to which these charges had accrued.
4. In case of wharfage, the consignor / consignee should first remove the consignment from the railway premises, deposit the amount of wharfage charges and submit the original proof of such payment along with his application while preferring for waiver at first instance itself.
5. The concerned station master / chief goods supervisor will forward the application of waiver of demurrage or wharfage to the divisional officer together with the factual position and remarks within 3 days of the receipt of the application.
6. In case large sidings like those of power houses, steel plants etc the time limit for preferring the first application for waiver of demurrage charge will be the next month implying that application for waiver of demurrage charges accrued in one month should be submitted latest within the next month.
7. The delay beyond 10 days / next month period as mentioned above can be condoned only with the personal approval of the divisional railway manager / chief commercial manager (Coordinating HOD) depending upon whether the powers to deal with the case lies at divisional or zonal level and after having ascertained that the reasons for the delay given in the application are satisfactory. Application for condonation of delay in preferring an appeal for waiver of demurrage, however, shall be entertained only after the demurrage charges are paid in full and the application is supported with proof of such payment.
8. The circumstances which lead to accrual of demurrage / wharfage charges, can be broadly grouped in three categories as under:
  - Reasons within the control of the consignor / consignee.
  - Reasons beyond the control of consignor / consignee like labour strike, transportation strike, general bandhs, agitations, riots, curfew, fire, explosion, heavy rains or abnormal / unforeseen circumstances.
  - Act of God, Act of War and Act of Public Enemies.
9. In case of category (i) waiver should normally be not done. However, if at all waiver is to be granted on justified and meritorious facts, speaking orders should be recorded in a cases. As regards case pertaining to category (ii) and (iii) waive can be considered on merits of individual case.
10. The powers of waiver as mentioned should be exercised judiciously keeping in view the merits of reach case as per instructions contained in this letter. The waiver should not be granted in a routine manner.
11. Whenever the waiver exceeds 50% of the powers conferred on an officer, reasons for such waiver should be recorded in writing.

12. In case of large sidings, like those of powerhouses, where demurrage is not waived on wagon-to-wagon or daily basis, speaking orders need not be recorded for each consignment/wagon. It would be sufficient if broad reasons are given in support of such periodical waiver after analyzing the broad causes of such detentions.
13. The causes of accrual of frequent demurrage/wharfage charges from a particular goods shed or a siding of a consignor / consignee should be analyzed periodically. Remedial steps including provision of infrastructure facilities should be taken to reduce the detention to rolling stock and prompt removal of goods from the Railway premises.

***Appeal against orders of waiver:***

- A consignor / consignee can prefer an appeal to a higher authority in case he is not satisfied with the decision of the lower authority. The station master / chief goods supervisor should forward the appeal to the divisional authorities within 3 days of the receipt of the appeal.
- However, before preferring an appeal for waiver of demurrage charges, he is required to deposit the amount of demurrage charges not waived. The original proof of such should be submitted along with the appeal.
- An appeal against the order of lower authority should be preferred within 30 days of the date when the decision of lower authority is communicated.
- A maximum of two appeals can be made against the decision of the lower authorities.
- In all cases where a change is made by the appellate authority against the decision taken earlier, speaking orders should be recorded by the appellate authority.
- The waiver of demurrage / wharfage charge should be dealt as per the instructions contained in this letter.
- No direct refund of demurrage/wharfage charge should be made up unless proper procedure for waiver as laid in this letter has been followed.
- Refund of waived amount of demurrage / wharfage charges should be made expeditiously through pay orders by commercial department of the division.
- It is felt that the rules for accrual/waiver of demurrage / wharfage charges need review, the same should be recommended by the GM to this office with the observations of the Associate Finance.

***Advance intimation regarding arrival / placement of rakes (Accrual and waiver of demurrage charges):***

Board desires that the system of advance intimation to the freight customer's must be properly put in place so that they in a position to arrange trucks and labour well in time before the placement of the rake. Such a system is essential to ensure that the loading or unloading is completed within the prescribed free time without any detention to the rakes.

Board desires that the division control offices would give advance intimation of the allotment of the empty rakes as well as the forecast of the loaded rake at various terminals. The goods shed's staff shall, in turn ensure advance intimation to the consignors / consignees. The details of the various freight customers using the terminals must be maintained for this purpose. A record of having given such intimation should be maintained for this purpose. A record of having given such intimation to them should also be maintained in divisional control offices and goods Sheds.

Demurrage charges are levied and recovered from rail users in order to discourage detention to wagons beyond prescribed free time. While it is an accepted principle that these charges are more in the nature of penalties than as a source of revenue, in the prevailing situation of shortage of wagons vis-à-vis a large number of pending indents, it is essential that the wagons are released in time and the unloaded consignments cleared without any delay.

## **CLAIMS AND CLAIMS PREVENTION**

Claim means a rightful demand from the customer against the railway administration for payment of compensation for the loss of consignments.

### *Effects of claim:*

1. Leakage of railway revenues.
2. Loss of goods will
3. Diversion of traffic, to other modes of transport.

Elimination of such claims by preventive measure is known as claims prevention. It is a cooperative effort of all departments of railways associated in the carriage of goods.

### *Departments involved:*

- € Commercial
- € Operating
- € Mechanical
- € Engineering
- € Security

### *Causes of claims:*

1. Mis-despatch of goods.
2. Damage by wet.
3. Breakage and leakage.
4. Pilferage of goods.
5. Over carriage of goods.
6. Diversion of goods.
7. Deterioration due to delay in transit.
8. Wrong deliveries.
9. Fire, explosion and accidents.
10. Unconnected consignments.

### *Measures taken to reduce claims:*

#### **1. At the time of acceptance of goods:**

- a. Ensure proper forwarding note is executed, duly filling in all particulars.
- b. Ensure that the packages are packed as per the packing conditions prescribed in goods tariff; otherwise obtain suitable remarks regarding defective packing in the forwarding note .
- c. Ensure private and railway markings on the packages duly removing all old markings. Railway marking should be done with durable ink clearly.
- d. Number of packages should be written both in figures and words in forwarding note.
- e. Ensure the declaration of commodity as per goods tariff.
- f. Name of the commodity recorded in the forwarding note should tally with that of the general classification.

## **2. At the time of booking:**

- a. The commodity should be weighed and correct weight should be recorded in the forwarding note / railway receipt.
- b. Railway receipt should be prepared carefully with all the required particulars including the remarks about defective packing conditions recorded in the forwarding note.
- c. Seal card, pocket label, paste on label should be prepared legibly duly writing the name of the destination station in bold letters. Pictorial labels should be provided wherever necessary.
- d. Railway marking should be done legibly with durable ink.
- e. Freight charges should be correctly computed and shown on the railway receipt.
- f. Do not exceed the maximum permissible load and axle load restrictions.
- g. Supervise loading and observe loading and monsoon precautions.
- h. Supply appropriate wagon as per the nature of the commodity.

## **3. At the time of carriage:**

- a. Ensure the doors are secured after completion of loading and seal the wagon.
- b. Provide 5 rivets for each door of the wagon.
- c. Avoid rough handling. Hooks should not be used to lift the packages.
- d. In case of over dimensional consignments, if it is found that load is shifted, do not allow the wagon to move further till it is brought to the original position.

## **4. At the time of delivery:**

- a. Supervise unloading and tally the number of packages with seal cards / invoice / railway receipt.
- b. Avoid rough handling packages..
- c. Goods unloaded should be secured in a safe place.
- d. In case of shortages / damages DDM / DDPC should be issued immediately.
- e. Obtain signature of the consignee or his endorse in the delivery book. If the qualified remarks recorded by the consignee in the delivery book are not complete or genuine, record counter remarks.
- f. Avoid delay in granting open delivery and assessment delivery.
- g. Maintain liability register and enter the undelivered consignment soon after the expiry of the bailee's responsibility and serve sale notices as per sections 83 and 94 of the Railways Act 1989.
- h. If there is no response from the consignee obtain the permission of DCM for disposal of goods.
- i. Weekly inventory should be taken and packages are connected promptly to the delivery book and also to check excess removals, delayed removals and cross deliveries.

### *Section 106 of Railways Act 1989:*

1. A person shall be entitled to claim for compensation for the loss of

- goods/animals within 6 months from the date of booking.
2. The notice for compensation may be made claimed from
    - ₹ Forwarding station.
    - ₹ Destination station
    - ₹ The railway on which the goods are lost.

*Time limit for settlement of claims:*

- a. For shortages / damages / breakages - 3 months.
- b. For partial delivery of packages - 4 months
- c. For non-delivery of complete consignment - 6 month.

*Monetary powers for settlement of claims:*

- a. General Manager - Unlimited powers.
- b. CCM (PHOD/CHOD)/CCO - Rs.8,00,000/-
- c. Dy.CCM / Dy.CCO - Rs.2,00,000/-
- d. Senior Commercial Officer - Rs. 50,000/-
- e. Assistant Commercial Officer - Rs. 25,000/-
- f. Station manager / Commercial Inspectors of important stations - Rs. 400/-

## **SETTLEMENT OF HIGH VALUE CLAIMS**

High value claims are those where the compensation sought is Rs 15,000 or more except POL products, FCI, consignments and departmental consignments.

The following are the circumstances under which a claim shall not be entertained.

- Claim not preferred within 6 months from the date of booking and with not sufficient particulars to identify consignment as per section 106 of RA.
- A claim not properly addressed to the CCO of the concerned Railway as per section 192 of Railways Act.
- Fall of market price or other loss due to delay in transit as per section 95 of RA.
- When delivery is effected on Indemnity Bond in lieu of original RR not forthcoming, a copy of invoice is basis or on instructions of sender / owner as per section 76 of RA.

### **Extent of compensation (Section 103):**

When the consignor does not declare the value and does not pay PCEV charges the extent of compensation shall be based on the actual weight of the consignment the Maximum value is limited to

- |                       |   |                           |
|-----------------------|---|---------------------------|
| • Parcel / Goods      | - | Rs. 50/- per kg or part.  |
| • Baggage             | - | Rs. 100/- per kg or part. |
| • Elephant            | - | Rs. 6000/- per animal     |
| • Horse               | - | Rs. 3000/- per animal     |
| • Horned cattle       | - | Rs. 800/- per animal      |
| • Small Birds/Animals | - | Rs. 120/- per animal      |

If the value of any goods/ animals is more than the above limits, party may elect to pay PCEV charges. In that case the extent of compensation payable is equal to the declared value (max).

### **Notice for claim (Section 106):**

Notice for claim should be made within 6 months from the date of booking or date of delivery.

### **Application for compensation (Section 107):**

An application for compensation shall be made against the Railway Administration to which a notice is served as per sec 106.

### **Person entitled to receive compensation (Section 108):**

If the Railway Administration pays compensation to the consignee producing the RR, Railway shall be deemed to have done its duty even though he is not legally entitled to receive the compensation.

### **Service of notice (sec 192):**

Any notice or other document required or authorized by this act to be served on a Railway Administration may be served to General Manager or any other railway servant authorized by GM. By

- delivering to him or
- by leaving at his office ; or
- by Register post to his office address.

A claim for partial shortages or damage should be repudiated under the following instances as controlling factors is beyond the control of the Railways.

- Section 93: Act of God, Act of war, public enemy's etc
- Section 95: Delay in transit not due to Railways
- Section 97: Goods booked at OR rate are lost not due to negligence of Railways.
- Section 98: Goods offered in defective packing conditions.
- Section 99: Goods not taken delivery within the termination of transit.
- Section 101: Animals are injured due to fear, restiveness, or over loading.
- Section 102: Exoneration from liability due to bandh riots strikes etc.

### **Documents to be verified:**

(1). Forwarding note (2). DDM & DDPC (3). Trade invoice (4). Qualified remarks in the delivery book (5) Copy of OD & AD etc.

### **The following are also to be checked:**

(1). Risk Rate (2). Correct freight charges (3). Undercharges (4). Type of wagons used (5). PCEV paid or not etc.

### **Settlement procedure:**

Claims when admissible should be verified on the basis of the supplier's bill of cost (puttee or Beejuck) it should be carefully verified that loss / damage / breakage should be worked out at the rate shown in the puttee duly deducting the discount or commission if any, allowed in the puttee

### **The standard procedures for settlement of some of the items are as under:**

10% deduction is made from the invoice of BATA (India Ltd)

- In case of newspapers and magazines a discount of 25% - 30% from the face value to arrive at the net amount payable as compensation.
- Damage by wet to cement consignments, 20% deduction to be made from beejuck value.

- In case the sender prefers the claim, 10% deduction to be made from beejuck value.
- In case of Grains and pulses packed in bags, the weight of the bags is deducted and its value is separately determined from the grains and pulses.
- Proportionate freight charges if claimed in respect of damages assessed should be disallowed this will not apply in cases where the damaged stuff is buried, under certification by the competent authority of the Medical department.
- Consignments received on commission basis for which no puttee/beejuck is available the claims will be settled at market price minus usual commissions.
- When there are two or more parties and the puttee is produced by other than the consignor as per RR a deduction of 2% as middle man's commission has to be made on the amount payable.
- The amount of claims paid must be predominantly recorded in Red ink on the RR duly signed in full with date by the official granting claims this will avert the possibility of a second claim on the same invoice.
- Whenever a claim is paid to the party, cash receipt is prepared in duplicated and the party's signature is obtained.
- A remark of the amount paid as compensation and the proportionate freight charges refunded if any must be made in station delivery book against the relevant entry.

### **Preservation of records:**

Even though the claim is suit barred, records should be preserved upto the settlement of the claims.

### **Note:**

- Sec 149: Making a false claim for compensation by the party
  - Penalty – 3 years imprisonment and a fine or both.
- Sec 178: Making a false report or claim by a Railway servant
  - Penalty – 2 years imprisonment and a fine of Rs 1000/-

## **INTER RAILWAY LIABILITY**

Whenever a claim is settled and compensation is paid by the claims settling Railway, apportionment of claim amount among all Zonal Railways which are responsible for arising of such claims and transferring the apportioned amount to the concerned Railway in the form of debit is known as Inter – Railway liability.

### **Allocation of claims on sealed wagons:**

The following rules should be observed in the apportionment of compensation claims on through goods and parcel traffic.

Liability for damage, deficiency, loss in consignments, other than liquids found in a wagon, the seals of which were intact at the time of unloading shall be accepted by the railway on which the station last sealing the wagon is situated unless the damage etc. is reported within six hours of opening the wagon by issuing a DD message.

For consignments of liquids, liability for loss, deficiency or damage except for the loss of a complete package or packages, liability for which shall be accepted in the ratio of distances of all railways over which the consignment has passed unless the loss, deficiency or damage can be located and provided that the loss, deficiency or damage is reported within six hours of opening of the wagon by issuing a DD message.

When the loss, deficiency or damage is definitely located, the railway on which the loss, deficiency or damage occurs shall accept liability only for that quantity of loss, deficiency or damage that occurred on its line.

For consignments of perishables, liability for damage or deterioration resulting in delay in transit shall be accepted in ratio of distance by all railways over which the consignment is passed unless the delay is definitely located. In which case, the railway on which the delay occurs shall accept full liability. When the delay is located on more than one railway, such railway shall accept full liability in equal shares.

When a seal is not intact and damage etc. is discovered, liability shall be accepted by the railway on which the seal is found broken or defective unless the damage etc. can be proved to have occurred elsewhere.

When the question of liability depends on the state of the wagon seals, the certificate of an officer that the seals are intact or otherwise shall be accepted.

When shackles with lead rivets are used. If the shackle is received without the card attachments the seals shall not be considered as intact although the impression on the lead rivet is intact.

### **Allocation of claims on open wagons:**

All losses and damages to goods loaded in open wagons shall, if reported by issuing a DDM, will be debitable in ratio of distances of all the railways over which the wagon is passed under the damage or loss can be localized. Loaded open wagons should as far as possible be supplied with proper tarpaulin sheets and ropes.

### **Allocation of claims for unlocalised damages by wet and for loss or pilferage:**

Damages caused by wet and to loss (other than loss of complete package), or pilferages which cannot be localized, in such case claims paid will be debitable in the ratio of the distances to all the railways over which the wagon is passed provided the damage, loss or pilferage is reported by issuing a DDM or DDPC.

For damages by wet which occurs at junctions where the goods concerned are transshipped, liability will be settled in terms of the agreement in force between the railways concerned.

'Before settling a claim for wagon load consignments it is established that the wagons were diverted to some other party at a station and some other railway, then that railway will accept liability for that wagon load consignment and will recover its cost from the party to whom it was diverted'

Apportionment of liability between railways will however depend upon each railway proving that it has handed over the consignment to the adjacent railway. In the event of failure to provide such proof, the railway concerned will have to bear the full liability. Cases wherein consignments:

- Have not been dispatched from the booking stations
- Have been diverted to other stations outside the destination railway and delivered fraudulently
- Have been consumed by the railways other than the destination railway

In all cases, the liability will have to be borne by the railway on which such transactions have taken place. The railway will, therefore, accept the entire liability and not apportioned liability based on kms.

Zonal Railways are advised to accept total or part liability as may be worked out by the claims settling railway which will not bear any liability if it not responsible for the claim.

## **RESPONSIBILITY OF RAILWAYS AS COMMON CARRIERS**

Prior to 1962, railways responsibility in carrying the goods was that of bailee. From 1.1.1962, railways has taken greater responsibility in carrying the goods under common carrier liability.

### **Bailee's responsibility:**

A bailee is a caretaker or custodian. The responsibility of bailee is defined in Indian Contract Act, 1872, under Sections 151, 152 and 161.

**Section 151:** The bailee is bound to take reasonable care, as an ordinary man would generally take care of his own goods.

**Section 152:** The bailee is not responsible for loss, damage, destruction, deterioration and non- delivery of goods, if he takes due care of the goods as defined in section 151.

**Section 161:** The Bailee is responsible for loss, damage, destruction, deterioration and non-delivery of goods, if he has not taken due care as per section 151.

### **Common Carrier:**

Means one who provides all reasonable facilities to carry the goods and animals. He works within the framework of rules, procedures and conditions. He will not resort to pick and choose tactics like public carrier.

- So long as the trader offers payment and the common carrier has the facilities to transport the traffic, he cannot refuse to accept the traffic for transport.
- A bailee is responsible only when the goods entrusted to him are lost or damaged due to his fault or negligence.
- A common carrier on the other hand, takes upon him the responsibility of safe delivery of the goods. His responsibility is that of an insurer.
- The responsibility of railways as common carriers is during the period of transit only. After termination of transit the responsibility is that of a bailee, for a period of 7 days, in case of general goods.
- In case of Explosives and other dangerous goods, perishables, livestock and offensive goods, there is no Bailee's responsibility.
- Liability; means the responsibility of the railways after accepting the goods till the same are handed over to owner or consignee. The circumstances, conditions or to what extent railway is responsible for the goods offered to it, is defined in sections 93 to 110 of Railways Act, 1989.

### **Some of the terms used in these sections:**

#### **Act of God:**

Means an event which happens as natural calamity such as cyclones, earthquakes, floods etc., It is not connected with human activity. It is an unforeseen, unimaginable, unpredictable and uncontrollable incident.

**Loss:**

Loss includes all the cases where the goods are not forthcoming.

**Damage:**

It may be by wet or due to defective packing or improper packing.

**Destruction of Goods:**

Means when the entire goods or part of them got burnt by fire and the remaining may be available.

**Deterioration:**

A physical change in the condition of the consignment where the value of the consignment has gone down.

**Non-Delivery:**

Means failure to deliver for some reason or other, it may be due to negligence of staff or otherwise.

**Transit:**

Transit commences as soon as the loading is started or railway receipt is issued, whichever is earlier. Transit terminates when goods are to be unloaded by consignee

- If unloading of the wagon is completed within free time, transit terminates upon the expiry of free time for removal.
- If the unloading of the wagon is not completed within free time, transit terminates upon the expiry of free time for unloading.

**Section 93: General Responsibility of Railways**

Railway is responsible as carriers except in case where loss, damage, destruction, deterioration and non-delivery is attributed to the act of god, act of war, act of public enemies, arrest, restraint by law, orders of central or state government, act of negligence or omission by the consignor or his authorized agent, natural deterioration or wastage or inherent defect of goods, latent defects, fire, explosion or any unforeseen circumstances. Railways must further prove that it has taken reasonable foresight and care in the carriage of goods.

**Section 94: Sidings**

In case of loading at sidings the railways is responsible for loss, damage, destruction, deterioration and non-delivery of goods from the time it has taken over the goods from the siding owner at inter change point and railway administration is informed in writing.

In case of delivery of goods at siding, railways is responsible for loss, damage, destruction, deterioration and non-delivery of goods till it has handed over to the siding owner at the interchange point and siding authorities were informed in writing.

### **Section 95: Delay in transit**

Railways are responsible for loss, damage, destruction, deterioration and non-delivery of goods due to delay in transit because of its negligence or misconduct.

### **Section 96: Consignment carried on foreign railways**

### **Section 97: Goods carried at owner's risk rate**

1. Railways are not responsible for loss, damage, destruction, deterioration and non-delivery of goods in transit at owner's risk rate.
2. If the loss etc. is due to the negligence / misconduct of railway staff, railways is responsible for loss damage, destruction, deterioration and non-delivery of goods
3. When railways fails to give correct reason for the loss, damage, destruction, deterioration and non-delivery of goods. It is the responsibility of owner to prove that railways are at fault. Burden of proof lies with the owner. However railways should disclose how the goods are dealt with, when the goods are in the custody of railways.

### **Section 98: Defective packing condition**

1. Railways are not responsible for loss, damage, destruction and non-delivery of goods offered in defective packing condition/improperly packed
2. Railways should prove that the loss, damage, destruction, deterioration and non-delivery of goods is due to defective / improper packing condition.
3. Railways should also explain what extra precautions the Railways have taken in case of carriage of defectively packed goods.

### **Section 99: Responsibility after termination of transit**

1. Railways is responsible as bailee for the period of 7 days after the termination of transit
2. It does not assume even bailee's responsibility for goods booked at owners risk rate expect upon proof of negligence of railways.
3. Railways shall not be responsible for loss, damage, destruction, deterioration and non-delivery of goods for any consignment, after the expiry of a period of 7 days after the termination of transit.

### **Section 100: Luggage**

1. Railway is responsible for loss, damage, destruction, deterioration and non-delivery of goods carried in brake van.

2. Railways is not responsible for loss, damage, destruction, deterioration and non-delivery of goods booked with owner, unless it is proved that it is due to the negligence of railways.

### **Section 101: Live stock (Animals)**

Railway is not responsible for loss or injury to any animals due to fright (fear), restiveness of the animals or due to overloading of animals.

### **Section 102: Exoneration from responsibility**

Railways is not responsible for loss, damage, destruction, deterioration, and non-delivery of goods due to mis-declaration or frauds practiced by the customers, improper loading or unloading by consignor,/consignee, riot, civil commotion, strike, lockout or loss of particular market.

### **Section 103: Monetary liability of railways**

The amount of liability of railways for the loss, damage, destruction, deterioration and non-delivery of goods shall not exceed the amount calculated with reference to the weight of the consignment as prescribed. For goods and parcels Rs.50/- per kilogram or part of kilogram, luggage Rs.100/- per kilogram or part of a kilogram.

When the value of the consignment is declared and percentage charges on excess value are paid, the amount of liability shall not exceed the declared value. For the articles given in Schedule II declaration of the value of the consignment and payment of PCEV is compulsory.

### **Section 104: Goods carried in open wagons instead of covered wagons**

Goods may be carried in open wagons instead of covered wagons with the consent of the owner for loss, damage, destruction, deterioration and non-delivery in such cases; the responsibility is equally shared between railways and owner.

### **Section 105: Right to check contents**

When value of the consignment is declared under sec 103, Railway administration may make it a condition of carrying such consignment on examination and satisfy or otherwise that the consignment tendered for carriage contains the articles declared.

### **Section 106: Notice of claim for compensation**

Railway is not responsible, if the claim for compensation is made after 6 months from the date of booking.

### **Section 107: Application for compensation**

An application for compensation for loss, damage, destruction, deterioration or non-delivery of goods shall be filed against the railway administration on whom the notice has been served as per section 106.

### **Section 108: Person entitled to claim compensation**

If railway pays compensation to the consignee producing the railway receipt, railways shall be deemed to have discharged its liability, even though the consignee was not legally entitled to receive the compensation.

### **Section 109: Application for compensation for personal injury**

Application for compensation for personal injury shall be made before the claims tribunal of (a). Originating Railway, (b). Destination Railway or (c). The Railway where the loss occurred.

### **Section 110: Burden of proof**

In case of claims for compensation for loss, damage, destruction, deterioration and non-delivery of goods the burden of proving monetary loss actually sustained or the declared value of the goods as its true value lies with the owner.

### **Section 111: Liability of Railways in case of accidents at sea**

When a Railway administration contracts to carry passengers or goods partly by railway and partly by sea, for any loss of life, personal injury or loss or damage to goods which may happen during the carriage by sea, it would be responsible under the Merchant Shipping Act 1958.

The burden of proving that any such loss etc. happened during the carriage by sea shall lie on the railway administration.

### **Section 112: Power to make rules**

The Central Govt. may by notification make rules to any of the following matters namely

- The manner of packing of goods under sec 98
- The goods for the purpose of sub sec 3 of sec 99
- The maximum amount payable by the Railway administration for the loss etc under sec 103

## **RAILWAY CLAIMS TRIBUNAL**

### **Definition:**

A claims tribunal has been set up at New Delhi in accordance with the claims tribunal Act 1987 which is required to determine claims against Railway Administration for compensation of loss, damage, destruction, deterioration or non-delivery of consignment entrusted to Railways for carriage or for refund of fares or freight or for compensation for death or injury resulting during Railway accident.

### **Objectives:**

- To avoid protracted litigation in civil courts, since average time for disposal of a suit by the civil court is 4 – 5 years.
- To give speedy relief to Rail users keeping in view the motto “customer satisfaction”
- To reduce the burden of various civil courts in the country, thereby, giving them more time to decide more cases speedily.

### **Composition of Railway claims tribunal:**

The claims tribunal shall consist of the following staff:

- A chairman
- Four vice chairman
- Such number of judicial members & technical members as the central Govt. may deem fit.

### **Qualification of a Chairman:**

A person shall not be qualified for appointment as chairman unless he

- Is or has been a judge of high court
- Or has for at least 2 years held the office of a vice-chairman

### **Qualification of a Vice-Chairman:**

A person shall not be qualified for appointment as vice-chairman unless he

- Is or has been or is qualified to be a judge of a high court or
- Has been a member of the Indian Legal Service and has held a post in Grade-I of that service or any higher post for at least 5 years or
- Has for at least 5 years held a civil judicial post carrying a scale of pay which is not less than that of a joint secretary to the Govt. of India or
- Has for at least 5 years held a post under a railway administration carrying a scale of pay which is not less than that of a joint secretary to the Govt. of India and has adequate knowledge of rules and procedures of , and experienced in , claims and commercial matters relating to railways or

- Has for a period of not less than 3 years held office as a judicial member or a technical member.

### **Qualification of a Judicial Member:**

A person shall not be qualified for appointment as a judicial member unless he

- Is or has been or is qualified to be a judge of a high court or
- Has been a member of the Indian Legal Service and has held a post in Grade-I of that service or any higher post for at least 3 years or
- Has for at least 3 years held a civil judicial post carrying a scale of pay which is not less than that of a joint secretary to the Govt. of India or.

### **Qualification for a Technical Member:**

A person shall not be qualified for appointment as a technical member unless he

Has for at least 3 years held a post under a railway administration carrying a scale of pay which is not less than that of a joint secretary to the Govt. of India and has adequate knowledge of rules and procedures of, and experienced in, claims and commercial matters relating to railways

The chairman, the vice chairman and every other member shall be appointed by the president.

No appointment of a person as a chairman shall be made except after consultation with the chief justice of India.

### **Benches:**

The central government has set up 19 benches throughout the country and the members of these benches will be reviewed from time to time. The following are the benches set up.

Ahmadabad, Bangalore, Bhopal, Bhubaneswar, Chandigarh, Chennai, Delhi (2 Courts), Ernakulum, Gorakhpur, Guwahati, Jaipur, Kolkata (2 Courts), Lucknow, Mumbai, Nagpur, Patna, Secunderabad.

### **Term of office:**

The chairman, vice-chairman or other members shall hold office of 5 years from the date on which he enters of his office or until he attains

- In case of chairman, 65 years
- In case of vice-chairman or any other member, 62 years whichever is earlier?

The territorial jurisdiction of every bench is specified in the Claims Tribunal Act 1987 and if an application is received by a bench which does not have territorial jurisdiction to

deal with the matter, the registrar of the bench shall return the application to the applicant.

In such cases, the applicant may apply to the chairman and the chairman may there upon direct a bench other than this bench which an application has been filed to hear.

### **Procedure and powers of Tribunal:**

The Tribunal shall have for the purpose of discharging its functions under this act, the same powers as are vested in a civil court, while trying a suit in respect of the following matters namely

- Summoning and enforcing the attendants of any person and examining him under oath
- Production of documents
- Receiving evidence on affidavits
- Requiring any public record or document or copy of such record or document from any office
- Issuing commissions for the examination of witnesses or documents
- Reviewing its decisions
- Dismissing an application for default or deciding it ex parte
- Setting aside any order or dismissal of any application for default

### **Decision of the Tribunal:**

The Tribunal should decide every application as expeditiously as possible on perusal of documents, affidavits and other evidences if any.

### **Representation before RCT:**

The claimants may engage advocates to represent their cases before tribunal. On behalf of Railways, Presenting Officers in senior scale / JA grade, legal staff and other officers working under CCO may represent before tribunal.

### **Limitations:**

- An application for any claim should be filed
- Within 3 years from the date of booking of parcels and goods
- Within one year of occurrence of accident

If the decision given by the Tribunal is against the railways or the party, they can appeal to the high court and if necessary to the Supreme Court.

## SIDINGS

### **Definition:**

A siding is a railway line constructed away from the main line, to serve a government department, a factory, mill, industry, mine or other private property.

### **Types of sidings:**

#### **1. Public siding:**

It is railway siding built at a market place for use of different parties.

#### **2. Private Siding:**

It is constructed for exclusive use of private party and the cost of construction and maintenance is borne by the siding owner.

#### **3. Assisted sidings:**

The cost of construction and maintenance is partly borne by the siding owner and partly by the railways.

#### **4. Departmental siding:**

Constructed for the exclusive use of the railway departments.

#### **5. Defence siding:**

Constructed for the exclusive use of defence department.

### **Serving station:**

A station that is serving a siding is called as serving station.

### **General:**

1. A list of sidings is given in the alphabetical list of stations. The sidings within the zone are also notified through TRCs.
2. The normal working of the siding is based on the agreement between the railways and the siding owner.
3. Sub-letting of the siding is not permitted, without the prior permission of the railways.
4. Booking of commodities is restricted as required by the firm.

### **Siding voucher:**

1. It is in book form, consisting of 2 counter foils namely record and siding voucher
2. The advice of the placement and release of wagons is given through siding voucher by railways and the party.
3. Taking over and handing over of wagons is done at the prescribed inter change point.

### ***Various charges collected at the sidings:***

#### **I. Freight charges:**

##### ***a) Charging on through distance basis:***

1. For commodities which are booked in train load, the distance between the serving station and destination should be calculated with the help of LDT / JDT.
2. To the above distance, the siding distance as notified in TRC / SORC between the serving station and the siding should be added.
3. Freight charges are calculated on the total distance so arrived, and the method of charging is termed as charging on through distance basis.
4. When freight charges are collected on through distance basis the siding charges will not be collected.

##### ***b) Freight charges for other than through distance basis and for W/L***

In case a commodity is booked at wagon load rate, the freight charges are calculated for the distance between the serving station and the destination station only, and for the distance between the siding and the serving station a separate charge is collected called as siding charge.

#### **II. Siding charges:**

1. Siding charges are calculated per trip basis.
2. A trip is defined as one movement of an engine from the serving station to the siding and back, with load / empty or light engine in both directions.
3. Trip charges are notified in TRC's, and collected separately over and above the freight charges, when the commodity is charged at wagon load class rate.
4. Trip charges vary from siding to siding.
5. Siding Charge is fixed as follows:  
“ Siding Charge = Average trip time in Minutes x (Engine Hour Cost / 60 )  
In case 'average trip time' is less than one hour, the Siding Charge will be levied for a minimum of one hour.

#### ***Per wagon basis:***

At certain collieries, the siding charges are notified per 4- wheeler wagon basis in the TRCs. In such cases for every wagon the siding charge is collected separately.

#### ***Shunting charges:***

1. When the engine performs shunting of wagons i.e. placement of wagons on different lines for the purpose of loading or clubbing of wagons from different lines, a separate charge is levied called as shunting charge.

2. Shunting Engine: This charge is levied from the time the Shunting Engine leaves the serving station and till it reaches the serving station.
3. Train Engine: This charge is levied from the time the train engine arrives in to the siding till its departure from siding even if shunting time is less than the total time during which Train Engine is available within the siding.
4. Only one Shunting / Train Engine should be used for shunting and shunting charges should be calculated for one engine only.
5. If situation warrants use of double/multiple engines, then double/multiple engines will be used and accordingly charges will be calculated for double/multiple engines.
6. This charge is levied on per hour or part of an hour basis, for the time engine is utilized, and it is calculated for every 10 days period.
7. These charges are notified in TRCs.

### **III. Demurrage charge:**

1. When wagons are detained beyond the free time allowed for loading / unloading, detention charges are collected.
2. In case of sidings where normal goods shed working is in force, demurrage charges are collected after expiry of the free time for loading and unloading.
3. Free time is granted basing on the number of wagons.

**Note:** Siding charges, demurrage charges and shunting charges should be collected locally, they should not be included in the railway receipts.

### ***Section 94 of Railways Act, 1989:***

1. In case of loading at sidings, railway is responsible for loss, damage, destruction, deterioration and non-delivery of goods, from the time it has taken over the goods, from the interchange point.
2. In case of delivery at sidings, railways is responsible for loss, damage, destruction, deterioration and non-delivery of goods till it is handed over at the interchange point to the siding owner.

## Policy on Private Sidings

The revised policy guidelines shall be applicable for all new sidings and for those ongoing proposals where “Detailed Project Report” has not been approved. All ongoing proposals where DPR is already approved will continue to be governed by the provisions of the Policy prevailing at that time.

### Eligibility and Applicability:

- (i) Private siding is only for end user. However, one co-user is permitted under the policy (with permission of siding owner and approval of COM)
- (ii) All new sidings shall come up with “EOL’ in terms of Railway Boards letter

### 1. Definitions :

- (i) “Abstract Cost” means the cost as indicated by the party in the applicable for setting up of Private Siding.
- (ii) ‘Anticipated cost’ means the cost as anticipated at the stage of feasibility Report.
- (iii) “Completion cost’ means the cost calculated on the basis of payments made for contracts of execution, procurement, establishment etc. For which audited accounts will be submitted.
- (iv) ‘common user’ facilities are those traffic facilities which facilitate the railway traffic operations, such as “y” connection, Additional Lines/Loop Lines at the serving station, Crossing Station, patch doubling, shunting Neck, Engine escape Line, Modification to existing OHE or Electrification, S & T work etc.
- (v) ‘Co-user’ refers to the permission given to a rail user (other than the owner of a private siding) by the Railway administration, for using the siding for the handling of his own goods traffic at that siding, subject to the provisions of the siding Agreement. In case of container traffic, ‘Co-user’ shall be governed by the instructions contained in board’s Letter.2011/TT-III/73/33 dated 08.06.2012, and its amendments.
- (vi) “End user” means a user who owns a plant or manufacturing unit or production unit or mines and the siding is for the purpose of his exclusive use of handling the product(s) being used or manufactured or produced therein. This also includes sidings of FCI, POL & containers.

- (vii) 'Estimated Cost' means the cost, as estimated in Detailed Project Report, i.e. Stage it excludes the cost of land acquired by the party and also the cost of track, network utilized by the party for their internal use.
- (viii) 'Party' means the applicant who is the end user.
- (ix) 'Private siding' refers to privately owned siding constructed / laid out by a party at its own cost for railway freight services at premises of its plant or manufacturing unit or production unit or mines etc. under a special arrangement. It means the railway track connecting the applicants work with the railway system which shall cover only that portion of track network and related infrastructure on which railway rolling stock will ply. The network utilized by the company or party for their internal use shall not form part of the siding defined herein.

## 2. **Nodal Agency:**

- (i) In order to provide a single window service to the rail customers at various stages for all sidings matters, CTPM at the Zonal Railway shall be the nodal officer, throughout the construction stage including activities for approval of plans and sanctioning of estimates CGE will be co-coordinating officer and as soon as the siding is notified for commissioning CCM/FM shall be the co-coordinating Officer.
- (ii) In Railway Board's Office, Executive Director/Civil Engineer (Genl.) shall be the co-coordinating officer during construction stage. Executive Director/ FM shall be co-coordinating officer both prior to construction and also after siding is notified for commercial operations.

## 3. **Procedure and Time line:**

3.1 In the whole process of survey, approval of DPR, Execution, final Inspection etc. railway shall observe the time line as mentioned in Annexure – I and summarized as under;

- (a) For approvals before start work = D + 7 months.
  - (b) For commission of private siding = D + (12 months to 25 months) D is the date of receipt of application from the party for private siding project.
- (i) After undertaking survey exercise and examining the feasibility report and conceptual plan, submitted by Division, CPTM of the Zone shall advise in Principle approval (IPA) to the party in proforma as prescribed at Annexure – II.

- (ii) After approval of the ESP (Engineering Scale Plan) and intimation to the party, no such changes in the ESP shall be permitted, except on unavoidable technical considerations.
- (iii) Commercial Operation on the siding shall be permitted only after signing of the Private Siding Agreement, including land licence Agreement (Annexure – III) by Sr.DCM and Sr.DEN respectively on the Division.
- (iv) Extension or closure of the proposals.
  1. Delay in submission of DPR, Cost and other details – in case of delay in submission of DPR, cost and other details by the party within specified time line, CTPM may permit extension up to one month on receipt of the request from the party. Further extension up to next two months period may be permitted by COM beyond this time period, the case will be deemed to be dormant and may be advised after giving 7 days’ notice to the party.
  2. Closure of Proposals: the cases, where proposals become non-responsive or the applicant is no longer interested in constructing the siding, COM in consultation with PCE shall close the proposal perceived as non-responsive with due forfeiture of codal charges already deposited with railways.
- (v) A committee comprising of CTPM (Convener) CGE & SAG Officer from Finance department will monitor the progress of commissioning of siding at HQ level and reports will be submitted to GM. Similarly at divisional levels branch officers from Operating (Convener, Engineering and Finance Department will review the progress of siding on monthly basis and report be submitted to DRM).

4. Departmental Charges;

- (i) The departmental charges in terms of provisions of Indian railway code for the engineering department – 2012 (ref para 1137 – E & 1829 – E for departmental charges), shall be payable by the party desirous to set up a siding. These charges shall have applicability as per following tables:

<b>Table – 1. Departmental charges and stages of payments</b>						
Sl. No.	Executing Agency for project	Departmental charges inclusive of cost of tools and plants and	Stages of Payment			
			Approval of Undertaking of survey.	Conveying approval to survey/plants and Estimates	Before commencement of execution of work (	Applying for final approval of completed works ( balance cost

		establishment supervision (w.r.t. + total completion cost of project)	(w.r.t. abstract cost of project)	(inclusive of amount deposited with Railways mentioned in col. IV (w.r.t. detailed estimated cost of project)	w.r.t. detailed estimate cost of project)	by adjusting cost already deposited w.r.t. detailed estimated cost of project) (w.r.t. total completion cost of project)
1	2	3	4	5	6	7
1	Railways	12 ½ %	1 %	2 %	8 ½ %	% age worked out as under (Col.3) – (col.5)- (col.6)
2	Party	6 ¼ %	1 %	2 %	2 ¼ %	
3	Approved Consultant	4% (for all works except OHE & S & T works)	1%	2%	NIL	
		6 1/4 <sup>th</sup> % for OHE & S & T works)	1%	2%	2 ¼ %	

Note: An illustration showing sample calculation of the above table is enclosed as Annexure – IV.

- (ii) (1) Departmental charges shall be levied to cover the cost of tools and plant and of establishment supervision w.r.t. survey, DPR approval, plans and Estimates, Construction and final Inspection and certification and shall be utilized by the respective departments in terms of Railway Boards Ir. No, 2001/E&R/400/6 dated 07.03.2002. The charges leviable will be on the total cost of private siding project (wages & materials) including cost of land (para 1137 – E & 1829 –E). however, the cost of land, acquired by the applicant at its own expense, shall not be included, in the total cost of the project for the purpose of levy of departmental charges
- (2) further cost of any work charged staff ( both Gazetted & non-Gazetted) that may be required for actual execution of siding project work in case of only Sl. – 1. Of Table – 1 above shall be in addition to these departmental charges.
- (iii) Project cost of siding shall cover only that portion of track network related infrastructure on which railways rolling stock will ply. The track network utilized by

the company/party for the internal use shall not form part of the siding project cost.

On project completion total cost of project (executed either by the railway or by the party) shall be calculated on the basis of payments made for the contracts of execution and procurement and the establishment provided for the project, the cost of creation of common user facilities if to be incurred by the party shall be shown separately.

The CGE of the Zonal Railway in consultation with respective PHOD will decide the executing agency for the deposit work along with its supervision, depending on the nature of project and a formal request from the party,. Accordingly, applicability of charges as prescribed in table – 1 above (for execution by railway or by the party through an approved consultant and supervision of railways or through consultant. Shall be advised to the party.

#### 5. Capital Cost of Siding :

5.1 The siding owner shall bear the capital cost of the new sidings from the take-off point at the serving station.

5.2 The capital cost of all traffic facilities such as “Y” connection additional lines/loop lines of the serving station, crossing station, patch doubling, shunting neck, engine escape line, S & T work, modification to existing OHE or Electrification in future in station limit etc., has to be approved by COM, shall be fully borne by the Railways.

This distance for charging of traffic, for each ‘Y’ connection, shall be increased by 5 (five) kilometers, which shall be applicable to all traffic handled at that siding.

5.3 The capital cost for augmenting the facilities including electrification within the premises of siding shall be borne by the siding owner.

5.4 All developments for the proposed traffic facilities works and construction thereto at the station, as assessed by the concerned division shall be as per Railways approved designs/drawings and standards/specifications.

5.5 The applicant shall be required to deposit the stipulated departmental charges in advance as per codal provisions detailed in table – I at para 5.1 above.

5.6 Licensing of Railway land for providing connectivity to the private siding exclusively shall be done as per extant policy (master circular no.2005/LML/18/8 dated 10.02.2005) with its amendments.

5.7 The Railway land needed for connectivity to the private sidings including engine escape line and shunting neck exclusively required for placement and withdrawal

of rakes from Private siding shall be based on Local conditions and terrain and taking into consideration railways future requirements. For providing connectivity DRM of the Division (Sr.DOM & Sr.DEN to coordinate) shall identify and decide upon the area to be licensed and send recommendations of the HQ of the Zonal Railways for approval as per extant policy. In addition, Railway land if available and not required for Railway operational/developmental works can be given on lease to other government departments/ PSU's for laying their own private siding as per extant instructions.

5.8 Physical work for providing connectivity to Private Siding shall be done towards the end of construction of siding and after executing the land licensing agreement.

5.9 Maintenance and operation of these assets at the station including staff costs shall be the responsibility of the Railways.

5.10 Sidings shall normally take-off from the existing serving station. However, in case when it is operationally not feasible to provide a connection from an existing serving station, on Party's request for a connection for a location between two existing stations at his own cost, provision of Block Hut/Block Station with required points and crossings may be considered provided.

- (i) All aspects including the operational feasibility of construction of a new Block Hut/Block Station and impact of splitting a block section on train operation have been examined to the satisfaction of the Zonal railway and are certified by the COM of the Railway.
- (ii) Entire Capital cost of the new Block Hut/Block Station and related items is borne by the Party.
- (iii) The siding owner also pays a lumpsum amount which would be equal to recurring cost towards maintenance of Staff employed for a period of 10 years on the basis of initial deployment of staff at the new Block Hut/Block Station. Such payment shall be made before the commissioning of the siding.

The maintenance and staff charges when taken in advance for 10 years [period shall be worked out as per procedure mentioned in Railway Boards Circular No.,2013/CE-I/SP/1 dated 25.02.2015 (enclosed as Annexure-4) with up-dation from time to time: but no escalation @ 10% every year shall be applicable while working out the onetime maintenance cost and also for the cost of staff deployed at new stations, level crossings etc.. as applicable to the private siding and project for 10 years period.

- (iv) The maintenance and staff charges, so deposited by the party shall be utilized by the concerned Departments of Railway for creation of required manpower and the contractual agencies, as the case may be.

## **6. Instructions for bearing the capital cost of Assets in Railway Area:**

The siding owner can also opt for bearing the cost of traffic facilities that are to be normally borne by railways, as stated in Para 6.2. In case the siding owner desires to bear such capital cost of traffic facilities including Y- connection to expedite commissioning of his siding, the following shall be applicable.

- 6.1 These facilities if executed by the party shall only be done through railways approved contractor/consultants. Alternatively party can request the Railway to execute part/full work on deposit term basis.
- 6.2 The common user traffic facilities at the station, so created by the siding owner shall be used not only by the party who financed these. But also by other users including railways and the assets, so created shall belong to the Indian railways and shall be maintained as any other Railway asset by the Railways.
- 6.3 The ownership of such assets will remain with Railways and no land licensing will be charged for this portion of the work at the station from the siding owner. Stretches of land, where no land licensing will be charged by railway shall also be marked on the approved ESP.
- 6.4 Meanwhile, Division shall analyze the projected outward traffic volumes estimated to emanate annually from the siding after commissioning. This analysis shall be based on the traffic volumes projected by the siding owner in their application. The traffic projections shall be sent to ED/Planning, Railway Board through CPTM of the Railway or use in the planning for traffic facility works on Indian Railways.
- 6.5 Regarding expenditure to be incurred (on railway land) on account of construction of the new siding, the private entrepreneur shall get Abstract Estimate of their siding sanctioned which shall include the break-up of their share as also Railway's share of the total expenditure. The Abstract Estimate of Railways share incurred shall be accordingly to the standardized cost of superstructure per km of track, as issued by Civil Engineering Department. Separate cost shall be laid down for steel girders and PSC girders in case of bridges.
- 6.6 The detailed estimate shall be prepared and vetted by the Division and approved/sanctioned by CGE of the Zonal Railways. Thereafter, the private entrepreneur shall undertake construction of the siding entirely as per this sanctioned estimated cost to be executed by Railways or by the Party under Railways supervision or by the Party through Railways approved consultants.

6.7 After completion of the siding, the actual expenditure incurred by the siding owner on behalf of Railways shall be verified by the Division. This verification shall be based on the certified audited accounts of the siding owner.

**6.8 Charging of Freight from the siding owners, bearing cost of common users facilities.**

- (i) A fixed freight discount of 10% on outward traffic only shall be given to the party, who opts for bearing cost of work in railway area for a maximum period of 10 years or till the investment made by the party is realized through freight discount, whichever is earlier. This discount shall be given in the upfront in the freight charges for outward traffic at the time of booking. To this effect, the CCM/FM of Zonal Railway shall issue notification to grant freight rebate to siding owner for transportation of its outward traffic from the private siding.
- (ii) The above freight discount shall actually be the repayment of investment made on behalf of railways and is not really a freight rebate in the strictest sense of the term. As such, this freight discount shall be admissible in addition to all other rebates that the siding owner may become eligible for such as empty flow direction etc.
- (iii) The distance, for charging of tariff for each 'Y' connection shall be increased by 5 kms, which shall be applicable to all traffic handled at that siding.
- (iv) Division shall advise CCM/FM of the zone the total amount of investment made by the party in railway area in terms of provisions of para 6.2 and 7.0 above. On receipt of advice from the division CCM/FM of the zone shall also advise CRIS regarding the above amount for private party, so that proper checks/flags are set in FOIS for issuing the Railway Receipts. The goods clerk shall maintain records, containing details of all outward traffic moved along with discount given and the balance amount of repayment due to the siding owner through FOIS. TIA and Sectional CMI shall conduct past checks regarding this account – keeping on a Quarterly basis.
- (v) When the cost of common user facilities as mentioned in para 6.2 is borne by the party, cost of supervision, inspection or establishment charges taken in the project cost shall not be included for the purpose of calculating repayment of investment to the party.

**7. Cost of Gauge – Conversion**

The Gauge conversion from MG/NG to BG, being Railways operational requirement, its cost shall be shared with the party in terms of para.E-1822 to E-1826 of Indian Railway Code for Engineering Department 2012. Provided the investment and gauge conversion made by the railways is financially viable with a minimum ROR of 14% based up on traffic offered by the siding in the last 24 months. Where the investment on Gauge conversion is not financial justified, the siding owner shall bear the full cost of conversion or the siding shall be closed.

**8. Maintenance of Assets on New and Existing Sidings:**

**8.1 Responsibilities of Siding Owner:**

- (i) The siding owner shall have the option to maintain the track etc., of his siding either himself or through the Railways. The owner shall enter into an agreement with the concerned divisions regarding the operation and maintenance of the siding'
- (ii) Siding owner shall, at all times maintain the siding properly so that Train operations are not hindered.
- (iii) Siding owner shall be liable to pay damage cost as advised by the divisions if the rolling stock of the Railway is delayed/damaged inside the siding due to bad maintenance conditions.

**8.2 Electrification Cost.**

New Siding	Existing Siding
In case of New Siding in the electrified territory or the territory sanctioned for electrification the entire cost of electrification of the siding shall be borne by the siding owner	While undertaking the electrification of the mainline or existing sidings on this section shall be electrified at Railway cost provided it is operationally justified by COM of that Zonal Railway. While preparing the Abstract Estimate for any new electrification project, GTKM's and cost of electrification shall be taken for mainline as well as siding combined together for calculating the ROR after overall RE Project.(Including both mainline and sidings).

**8.3 Maintenance of OHE;**

9.3.1. OHE maintenance cost for existing as well as new sidings shall be borne by the Railways.

9.3.2 In cases of theft of OHE in the Siding premises, restoration will be done by the Railways but the cost of such restoration shall be borne by the siding owner.

**8.4 Maintenance of Civil Engineering Assets.**

New Siding	Existing Siding
<p>Maintenance shall be got done by the party at its own cost. However railways would charge inspection charges as per details in Annexure – IV Y</p>	<ol style="list-style-type: none"> <li>1. The existing practice of Siding owners getting the maintenance done themselves at their own cost shall continue. However Railways shall charge the Inspection charges as per details in Annexure – IV Y</li> <li>2. Wherever track maintenance is being done by Railway at the cost of Siding owner, the party shall continue to bear this cost of maintenance and its inspection as per annexure – IV X</li> </ol>

### **8.5C & W Examination:**

#### **8.5.1 Maintenance facilities in sidings;**

New Siding	Existing Siding
<p>Normally no C &amp; W facility shall be developed inside the land / yard however in exceptional cases if on operational ground it becomes necessary to develop the maintenance facility including prescribed equipment's inside the siding. Capital cost on one time basis shall be borne by the party; regular upkeep of facilities provided by the party shall remain party's responsibility. Running repairs of rolling stock including material and staff cost for all railway owned stocks in all cases shall, however be borne by the Railways.</p> <p>In case of POL and other hazardous material some facilities exclusive to those commodities such as permanent catwalks,</p>	<ol style="list-style-type: none"> <li>1. As per existing instructions regular facilities for C&amp;W examination shall be planned only if the level of loading / unloading is 5 or more rakes per day. In cases there C &amp; W facilities are essentially required to be provided as part of Private Siding taking into consideration the volume of traffic and pattern of operation, apportionment of the cost shall be done as per Boards Letter No, 84/WI/ST/24 dated 8.1.1985. ( and as amended from time to time) Accordingly the capital expenditure on construction of sick lines / train examination lines (excluding recoverable P.Way materials) and cost of staff quarters shall be borne by the siding owner. While railways shall bear cost of Tools and Plants and consumable stores recoverable. P.Way material and recurring expenditure on staff involving normal examination and repairs to rolling stocks. However in exceptional cases enlisted in Railway Boards Letter No.77/M(N)/951/36 dated 13.04.1981. The siding owner shall bear the expense for examination, certification repairs etc including staff cost.</li> </ol>

steam cleaning and flame proof lighting shall be developed at party's cost in the Railway yard if required	
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### 8.5.2 Handling of wagons in sidings:

- (i) The siding owner shall ensure that no railway wagon gets damaged during loading/unloading in the siding. For damage and deficiencies, caused to the fault of siding owner, damage and deficiency charges shall be raised as per extant rules.
- (ii) There would be frequent checks by the representative of the railways as per railway board letter no.2010/TT-IV/9/1 dated 18.09.2015.(as amended from time to time) to ensure that wagons are not damaged in the siding.
- (iii) All tippers and bulk handling systems shall have to be replaced by the siding owner after their codal life is completed.
- (iv) The applicant shall ensure that tippers and bulk handling systems and mechanized equipment's are operated only by qualified and experienced staff under adequate supervision.
- (v) If the rolling stocks inside the siding continue to get damaged the sidings shall be closed till the equipment or procedure that is causing damage is repaired/ put right.

### 8.6 Maintenance of S & T Assets.

- 8.6.1 Maintenance of Signal & Telecommunication equipment's, provided at the take off point of the siding and linked to the main line railway track, shall be maintained by railway at its own expense.
- 8.6.2 Maintenance of signal &telecommunication equipment's inside the siding which includes black instrument &communication equipment inter locking of points & signals etc .shall be done by the party at its cost, maintenance shall be got done through the sources (contractors)approved by the railways.
- 8.6.3 Periodicity of inspection of equipment's inside the siding shall be once in a quarter. Railways shall inspect the installation at the level of SSE to ensure the safety and reliability aspects of the S & T Equipment's. The cost of such inspection & supervision shall be charged to the siding owner.
- 8.6.4 Technology to be adopted

- (i) Obsolete technology like lever frames, modified non-interlocking etc. shall not be used under any circumstances for the S&T works in the siding.
- (ii) Uniformity in signal installations shall be maintained in contiguity with signaling system in the section in which the serving station is situated.
- (iii) Depending on the condition, age of signaling installation and quantum of modification involved. Railway will also decide for modification to the existing signaling installation at the serving station.

8.7 Commercial staff: the party shall bear the cost of one Commercial Staff per shift or as decided by the Railway, depending upon work-load. As soon as the Siding is notified by the Railway Administration. The party shall be advised by the Division to deposit cost of posts of commercial staff, estimated for 10 years period to facilitate commercial function of the private siding.

#### **9. Provisions of Other Facilities:**

9.1 'In motion Electronic Weigh Bridge" Siding owner shall be required to provide at its own cost an 'In motion Electronic Weighbridge' at Private Siding having outward traffic, on private / Railway land as per the extant rule mentioned in Rates Master Circular / provision of weigh bridge / 2014/O issued vide Railway Board's Lr. No. PC-I/2014/108/2 dated 12.06.2014 and even no. dated 03.03.2016 with corrigendum, as issued from time to time.

9.2 Terminal Management System (TMS) Terminals of Freight Operating Information System (FOIS) with access as prescribed by Indian Railways shall be installed at the siding and costs related to such installation shall be borne by siding Owners.

9.3 Siding owner shall provide all facilities (such as room furniture, electricity hardware, network connectivity, telephone etc.) for provision of FOIS terminals in the siding for issuing of RR or taking delivery of consignment.

#### **10.0 Agreement:**

10.1 An integrated Agreement comprising of land Licencee agreement and private siding agreement shall be signed in the revised format, enclosed as Annexure-III, before commissioning of the siding.

10.2 Land Licensing Agreement: shall be signed before start of physical work for providing connectivity to Private Sidings. Sr.DEN of the concerned division shall be signatory of land Licensing Agreement.

- 10.3 Agreement for private siding shall be signed before issue of commercial notification and operation on the siding by the railway, Sr. DCM of the concerned division shall be signatory of the private siding agreement.
- 10.4 After notification at siding and signing of “integrated private siding agreement” one copy of the same shall also be kept with Sr. DFM of the DIVISION for raising bills for all the dues specified in the integrated private siding agreement.
- 10.5 Commercial department of the zonal railway shall issue such a notification after obtaining alpha & numeric code of the siding, as per extant procedure.
- 10.6 After notification, commercial department of the zonal railway shall inform CRIS. So that relevant particulars of the siding are fed in FOIS for immediate placement of indents and issue of RRs through terminal management system (TMS).

This issue with consent of Civil, Engineering, Traffic, Mechanical, Electrical and Signal Directorates and concurrence of Finance Directorate of Ministry of Railways.

## FREIGHT INCENTIVE SCHEME

### 1.0 INCENTIVE SCHEME FOR FREIGHT FORWARDERS

#### 1.1 Objective:

The Scheme aims to facilitate cargo aggregation and thereby expand the commodity basket on Railways.

#### 1.2 Restricted Commodities:

##### 1.2.1 The following commodities are restricted under the scheme:

- i. Coal and its variants including washed coal and imported coal.
- ii. Coke and all its varieties including metallurgical, Petroleum and Imported coke.
- iii. Iron ore,
- iv. POL
- v. Traffic moving in privately owned wagons (including OYWS and WIS/LWIS wagons) such as Cement in bulk in loose, Food grain in bulk in loose, Caustic soda, LPG, Ammonia, Phosphoric Acid etc. availing freight concession under any other scheme.
- vi. Traffic loaded in Ports,
- vii. Container Traffic,
- viii. Military traffic,
- ix. RMC,
- x. Marine Gypsum

##### 1.2.2 Further, in addition to the list given in Para 1.2.1 above, in case of wagons loaded with more than 2 (two) commodities, following commodities shall not be permitted:

- i. All types of Ores and minerals
- ii. Cement
- iii. Food grain
- iv. Chemical Manures
- v. Iron and Steel

#### 1.3 Floor Rates:

Minimum chargeable freight after all concessions should not be less than NTR\* of class LR – 1.

**\*Normal Tariff Rate (NTR)** refers to the total charges for transport for a commodity inclusive of the base freight rate as published in Goods Tariff plus Demand Management Charges like Busy Season charge, Congestion charge and Supplementary charge as applicable on various transportation products.

#### 1.4 Incentive:

Cargo loaded in any wagon under this Scheme will be charged at the rates indicated below:

		<b>No. of wagons</b>	<b>Restriction</b>	<b>Freight Rate</b>
(a)	Individual wagons loaded with a <b>single</b> commodity	Any number of wagons	As per Para 1.2.1	Trainload rate for each wagon for the commodity loaded
(b)	Individual wagons loaded with <b>two</b> commodities	Any number of wagons	As per Para 1.2.1	Trainload rate for each wagon for the higher class of two commodities loaded
(c)	Individual wagons loaded with more than <b>two</b> commodities	Not more than 10 wagons	As per Para 1.2.1 & 1.2.2	Composite Class rate of 120

#### 1.5 Permitted Terminals:

Goods Sheds

#### 1.6 Lead Restriction:

Minimum 700 kms.

#### 1.7 Permitted Wagons:

Covered, BOXN and Flat wagons

#### 1.8 Concurrent Freight Concessions:

6% concession applicable to traffic loaded to and from North East states will be permitted concurrently with this scheme. Concurrent concessions will be given one after the other on the discounted NTR.

#### 1.9 Processing Procedure:

A customer need not apply for grant of incentive under this Scheme. Railways will give applicable incentive on compliance of provisions of this scheme.

### 1.10 Conditions:

1. Applicable only for freight forwarders who load in the same rake any of the following as mentioned in paragraph "Incentive".

- i. (c) along with (a)
- ii. (c) along with (b)
- iii. (c) along with (a) & (b)

1. Loading at the forwarding terminal and unloading at the destination terminal will be the responsibility of the Cargo Aggregators.
2. A wagon may be loaded with a single or multiple commodities.
3. Any number of wagons can be loaded with a single or two commodities.
4. Not more than 10 wagons can be loaded with more than two commodities.
5. Freight would be charged for each wagon in the rake for the notified Permissible Carrying capacity of the wagon at the Class rate indicated in the above table.
7. These services will be run only on prepaid basis at Owners' Risk. 'Said to Contain' Railway Receipts will be issued for 'Self'.
8. All extant Commercial rules and regulations including those for free times and demurrage will apply.
9. In cases of incorrect declaration of description of commodity or any other Mis-declaration for availing benefit under this scheme, only those multi commodities wagons of the rake will be charged at Class – 200, which are found mis-declared. In case of wagons loaded with either single or two commodities, the normal rule of mis-declaration shall apply.
10. The customer will have to pay all other applicable charges like busy Season Charge, development charges etc.. Over and above the freight rates indicated above.
11. Supply of wagons for loading under the Scheme will be subject to operational feasibility.
12. Indent will be placed by the freight forwarder indicating the station from, station to, approximate indication of wagon wise break up of commodities along with names of consignors/consignees. However, at the time of loading, a modified forwarding note will be submitted by the freight forwarder indicating the final status of station from, station to, wagon wise break up of commodities along with names of consignors/consignees. This will be

subject to the condition that in the modified forwarding note to be submitted at the time of loading, not more than 20% of the wagons for each commodity can be changed.

13. In notified empty flow direction, indent can be placed for less than standard rake size. Indent should be placed for a minimum 20 wagons in case of covered and flat wagons and a minimum of 30 wagons in case of BOXN wagons.
14. For indent of less than rake size, supply of wagons will be made only for full rake. After loading, the entire rake will move carrying both the loaded and empty wagons. Block rake will not be split up for loading this category of traffic.

## 2.0 Freight Incentive Scheme for Loading Bagged Consignment in Open and Flat Wagons:

1.0 Board has decided to introduce a Freight Incentive Scheme for loading of bagged consignment in Open and Flat Wagons as detailed below:

i. **Objective:**

To garner additional volume of traffic and revenue by granting incentives to customers for loading of bagged consignment in open and flat wagons.

ii. **Incentive:**

Following freight discounts will be granted on NTR for loading bagged consignment in Open and Flat wagons:

Commodities	% discount on NTR
Cement, China clay, All types of Chemical manures (except Rock Phosphate), Food grain, De-oiled Cake, Soap stone powder, Hydrated lime, Quick lime, Lead/Zinc concentrate, Bentonite powder, Soda Ash, Chalk powder, Calcite powder, Calcinated bauxite, marble chips and Caustic soda	20%
Fly ash, Urea, Neem coated Urea	30%
<p>In cases, when more than one bagged consignments are clubbed/loaded in open wagon or flat wagons, the applicable freight discount to that consignment may also be granted on pro-rata basis subject to fulfillment of all other terms and conditions.</p> <p><i>For example, if cement is clubbed and booked along with fly ash (both as bagged consignment) in open and/or flat wagons, the discount would be 20% for cement and 30% for fly ash.</i></p>	

- iii. **Floor Rate:**  
Minimum chargeable freight after all concessions should not be less than NTR of Class – LR1.
  - iv. **Permitted Terminals:**  
All terminals including Ports.
  - v. **Restricted commodities:**  
All commodities other than those mentioned under Para 1.0 (ii).
  - vi. **Lead restriction:**  
Not less than or equal to 100 km.
  - vii. **Permitted wagons:**  
Open wagons (BOXN group wagons, BOST, BOX and equivalent wagons but does not included Hopper wagons); and Flat wagons (BRN group wagons, BFR, BRH, BFNS and equivalent wagons).
  - viii. **Concurrent Freight concession:**  
6% concession to and from North Eastern States would be applicable on the discounted NTR under this Scheme. For example, if NTR is Rs. 100, then the discounted NTR under the Scheme (after 20% discount) shall be Rs. 80 and 6% concession for NE Region States shall be granted on Rs. 80 and the applicable freight shall be Rs. 75.20 only.
  - ix. **Processing Procedure:**  
A customer need not apply for grant of incentive under this scheme. Railways shall give applicable discounts on compliance of the provision of the scheme.
- X. **Conditions:**
- a. Commodities should only be loaded in standard bags of up to a maximum of 100kg.
  - b. Tarpaulins, if any, for covering the wagons should be provided by the consignor at their own cost.
  - c. Consignor will be required to furnish an undertaking on the Forwarding note giving their consent to loading in open wagons and to the effect that they would bear full risk for damage/pilferage of the consignment.
  - d. Supply of wagons for loading under the scheme will be subject to operational feasibility.

2.0 These instructions shall come into force with effect from 24.10.2016 and will remain in force for a period of one year ie. upto 23.10.2017.

3.0 Zonal Railways shall ensure that wide publicity is given to this scheme. Steps should be taken to ensure that the Railway officials fully understand this scheme and implement them correctly.

4.0 This issues in consultation with Traffic Transportation Directorate and with the concurrence of the Finance Directorate of the Ministry of Railways.

### **3.0 Liberalized Automatic Freight Rebate scheme for Traffic loaded in Traditional Empty Flow Direction (TEFD)**

#### **1. Objective:**

To reduce the empty running ratio on IR and to gain additional revenue for the Railways by a suitable price mechanism based on the discount in the TEFD, whereby automatic rebate from the computerized FOIS system shall become available to customers offering traffic in inter-zonal / intra-zonal traditional empty flow direction subject to fulfillment of certain criteria elaborated in this policy.

2. Notified stations under TEFD are based on flow of empties between divisions in case of intra-zonal traffic and from divisions to other zones in case of inter-zonal traffic. Traffic under TEFD can be booked from end to end ( division to any point lying in the destination Division /Zone of notified empty flow stream ) or from any terminal of the originating division of empty flow stream to any intermediate terminal in the direction of empty flow stream, subject to certain conditions.

3. **Permitted terminals:** All goods sheds, Sidings, Ports, PFTs etc. Intra-divisional booking of traffic is not permitted under this scheme.

4. **Restricted commodities:** Following commodities shall not be eligible under this scheme:

- (i) Iron ore (all types)
- (ii) Coal and coke
- (iii) POL traffic
- (iv) Military traffic
- (v) Commodities under class LR2 and LR3
- (vi) **Chemical manures**
  - (vi) **Food grains and pulses**
  - (vii)

5. **Lead restriction:** Short lead traffic of less than or equal to 200 Km shall not be eligible under this scheme.

#### **6. Permitted wagons:**

- a. Open – BOXN group
- b. Covered – BCN and BCNHL group
- c. Flat wagons and mixed steel rakes –BRN group, BOST group and CONCORD.

## 7. Traditional Empty Flow Directions:

- (i) The details of Traditional Empty Flow Directions ( inter-zonal and intra-zonal ) for different stocks are given at Annexure 1&2 respectively.
- (ii) En route divisions of O-D pair under TEFD has been given at Annexure-3.
- (iii) Freight for all commodities under TEFD shall be charged at class- LR1 ( trainload) and class – 100 ( wagonload) if traffic is booked on the notified pair given in Annexure 1&2 in case of inter-zonal and intra-zonal identified empty flow stream.

Note 1: Discounted freight will be charged from the first rake itself for the traffic loaded in empty flow directions except in case of commodities mentioned in the brackets against the O-D pair in the Annexure.

Note 2: In case of those commodities which are in brackets, discounted freight at class –LR1 (trainload) will be charged only when the monthly benchmark loading of those commodities is crossed. The benchmark loading for the commodity mentioned in brackets shall be total NTKM of that commodity in the O-D pair during the corresponding month of previous year.

**Example :** If between BB-ADI, 8000 NTKM were loaded in January 2016, then benchmark NTKM for January 2017 will be 8000 NTKM. It implies that rake in which 8000 NTKM is crossed, will be booked at general tariff rate and concessions under TEFD will be granted only from the next rake.

(iv) The booking of traffic from originating point to an intermediate point (only one) of the identified empty flow stream is permitted. The intermediate point should fall in the normal route of the identified empty flow.

Freight shall be charged at Class-100 (trainload) and Class-100 (wagonload) if traffic is booked from originating point to any intermediate terminal in the direction of identified empty flow stream.

**Illustration:** In DLI to DHN empty flow pair via ALD, MGS, traffic from DLI to ALD shall be allowed concession under TEFD and charged at class-100 (trainload) and class-110 (wagonload)

(v) For intermediate loading points in any inter-zonal TEFD O-D flow, divisions just before the destination division shall not be eligible for the concession. This will also be applicable in case where all the divisions of destination zone have been allowed to get benefit under TEFD.

**Illustration:** In DLI to DHN empty flow O-D pair via ALD, MGS, traffic from DLI to ALD shall be allowed concession under TEFD but traffic from DLI to MGS will not get concession under TEFD.

(vi) In case of inter-zonal TEFD, all the divisions of the destination zone will be eligible for discounted freight under the scheme. Each division of the destination zone will be treated as a separate O-D pair. However, for all divisions on a zone other than the destination division on a TEFD O-D pair, the charging will be done at class-100 (trainload) and class-110 (wagonload).

Illustration: In DLI to DHN empty flow O-D pair, traffic from DLI to all divisions of ECR will be allowed concession under TEFD. All commodities will be charged at Class-100 (trainload) and Class-110(wagonload) if booked to destinations other than DHN division on ECR.

**Discounted freight with reference to para (iv), (v), (vi) above shall be granted on incremental traffic only after crossing the monthly loading benchmark (NTKM)**

8. CRIS shall develop software for grant of automatic freight rebate under the scheme.

### 9. Salient features:

(i) Customer does not have to apply under this scheme since FOIS system shall automatically calculate the chargeable freight.

(ii) The minimum offer of traffic shall be half rake of the permitted stock. Half rake for different stocks shall be as under

Wagons	Minimum no. of wagons in a half rake
BCN /BCNA/BCNAHS	20
BCNHL	29
BOXN group	29
BOST	22
BRN	21
<b>Mixed rakes :</b>	
BOXN +BRN group / BOST / BFNS	20 ( minimum 5 of each type and maximum 10 of BOXN wagons)

(iii ) Train load charging is subject to fulfillment of extant conditions for train load benefit.

(iv) No other concession shall be admissible to the traffic booked under this scheme.

(v) Traffic booked under this scheme shall not be rebooked, diverted or given delivery short of destination.

1) However, diversion and delivery short of destination can be permitted on account of Force majeure conditions, viz (a) Act of God, (b) Act of War and, (c) Act of public enemies. Each such case of diversion and delivery short of destination shall be with the approval of the concerned COM and CCM of the Zonal Railway who shall record their reasons in writing.

2) In case such traffic is required to be rebooked or diverted or delivered short of Destination , then, the normal freight shall be charged for the entire distance at the applicable class of commodity.

3) CRIS will develop a program for manning diversion and short of destination delivery in the FOIS for proper accountal.

(vi) Rakes loaded under normal tariff shall not be rebooked under this scheme.

However, rebooking at normal tariff shall continue to be permitted as per extant rules.

(vii) COM, CCM and FA &CAO of the concerned zonal railway shall conduct a monthly review and audit of the scheme to assess the efficacy of the scheme. The results of the review shall be submitted to Railway board for information.

**10. Applicability:** The scheme shall be in force from 01/01/2017 to **31/03/2018**

Following changes may be made in the empty flows:

- (i) In case of intra-zonal and inter-zonal traffic, TEFD concession for IRST (Iron and Steel) booking will not be allowed in open stock if that O-D flow is restricted for booking of flat wagons and mixed steel rakes in empty flow direction.
- (ii) In case of inter-zonal traffic and intra-zonal traffic, IRST booking in open stock will start getting benefit of TEFD concession as soon as the flat and mixed steel rakes start getting benefit of TEFD concession as soon as the Flat and Mixed steel rakes start getting their TEFD benefit after crossing the benchmark ( NTKM ) set for IRST traffic.

## **POLICY GUIDELINES - TRANSPORTATION PRODUCTS**

### **1.0 Introduction**

Railways offer transport services primarily in Block Rakes in addition several other transportation options differentiated by the volume of consignment at varying tariff rates are also available as described below. Traffic which is not covered under any of the transportation products mentioned below will be charged at wagon load rate.

All Transportation products will be available subject to operating restrictions in force from time to time.

### **2.0 Definitions;**

Key terms used in these policy guidelines have been defined in the following Section for precise interpretation and elimination of ambiguities. Field functionaries should interpret them exactly as defined.

1. **Block Rake.** It is a train carrying wagons for a single destination. The number of wagons constituting a Block Rake for different types of wagons is notified by Railway Board.
2. **Covered Wagons:** the term refers to BCX, BCXN, BCN, BCNA, BCNAHS, BCNHL and equivalent wagons; It does not include tank wagons.
3. **Flat Wagons:** the term refers to BRN, BRNA, BFR, BRH, BRS, BFK, BFKI, BFNS and equivalent wagons.
4. **Full Rake Terminal:** this refers to Terminals notified by Zonal Railways as full rake handling point.
5. **Half Rake Terminal;** this refers to Terminals notified by Zonal Railways as half rake handling point.
6. **Mini Rake:** This is a short rake composed of lesser number of wagons than specified or a Block Rake.
7. **Multi Point Rake:** This is a train carrying wagons destined to more than two destinations.
8. **Open Wagons:** It includes BOXN, BOXNHS, BOXNHA, BOXNCR, BOXNHL, BOST, BOX and equivalent wagons. This does not include hopper wagons.
9. **Terminal:** It refers to a private siding, assisted siding, railway siding, goods shed where cargo is loaded or unloaded but does not include an Inland Container Depot or Port.

10. Transport Products: These are various transportation options differentiated primarily by the volume of traffic and include following services.
  - (a) Block Rake.
  - (b) Mini Rake (Covered wagons)
  - (c) Two Point rake (Covered wagons)
  - (d) Multi Point Rake (Covered wagons)
  - (e) Two and Multi Point rake (other than covered wagons)
  - (f) Rake from Two Originating Terminals (covered wagons)
  - (g) Rake from Two Originating Terminals (other than covered wagons)The provisions of these products mentioned in these instructions will be automatically applicable depending on the type of service a customer chooses.
11. Two Point Rake: This is a freight train carrying wagons destined for two terminals.

### **3.0 Block Rakes**

Single point Block Rake with a wagon composition as notified by Railway Board will be booked at Trainload class rate in accordance with conditions noted below;

#### **Conditions**

1. Both the Originating and Destination terminal should be notified as either full Rake Terminal or Half Rake Terminal.
2. Number of wagons indented must be applicable for standard rake size of Block Rake. The present list is at Annexure I, for all other types of wagons not specified in the annexed statement, trainload rates will be granted subject to payload in the train being a minimum of 1400 tonnes.
3. If the number of fit wagons supplied by railway is falling in the range given in Annexure – I, the party will have to load all the wagons to avail trainload rate benefit.
4. In cases where even the minimum number of wagons qualifying for Block rake cannot be supplied by the Railway against trainload indent due to shortage of wagons, operating or any other constraint arising out of unforeseen circumstances in a specific instance such as accident, blockage etc.,. The rail users shall not be penalized in such cases also, the benefit of trainload rate can be extended. However, detailed reasons for non-supply of all the indented number of wagons constituting a block rake should be recorded by the concerned Station Manager / Yard Master, who in turn should get it confirmed in writing from at least a Gazetted Officer, The modalities for implementation of this

instruction will be worked out jointly by Operating, Commercial and Accounts Department of the Railway depending on local conditions.

5. In cases where the load of block rake moving over a particular section is restricted below the minimum of the standard rake size due to operational constraints such as gradient, hauling capacity etc, then conditions stipulated at the bottom of Annexure I will apply regarding standard rake size.
6. In cases where rake is split up during transit due to gradient or other operational reasons but has fulfilled all other conditions for availing trainload rate at originating point, the trainload rate benefit shall be admissible.
7. Trainload rate benefit shall be extended to block rakes at the serving station by clubbing wagons loaded from more than one siding served by the same station or loaded partly from a siding and partly from the station serving that siding for a single destination.
8. Trainload benefit shall be extended to trains originating from one point and terminating at two points provided that the two points are either the serving station and its siding or two siding of the same serving station or two siding notified as independent booking points but operationally branched out from the same station.
9. For rake loaded with two or more commodities, the required number of total wagons as per Annexure I should be loaded with. In case more than one commodity is loaded in a wagon, freight will be charged at the higher class rate of the goods which the wagon contains. Maximum number of commodities loaded in wagons should not exceed two.
10. Indents with BCN groups of wagons and BCNHL wagons will be treated as interchangeable for the purpose of supply of rakes. Trainload rake conditions will be applicable as per the stock supplied, the customer must place an indent for 42 BCN/58 BCNHL wagons.
11. Indents for BOST and BRN/BRNA/BRNAHS/BFNS wagons will be treated as interchangeable for the purpose of supply of rakes. However, Trainload conditions will be applicable as per the stock supplied.
12. This product is applicable on all types of wagons and systems (BG, MG) subject to compliance of all conditions mentioned hereinabove.
13. The customer will have to pay all other applicable charges like busy season charge, congestion charge, development charge etc.

**4.0 Mini Rake (Covered Wagons)** Mini rakes can be loaded at Trainload Class rate under the following conditions.

#### **Conditions**

1. Mini rakes are permitted on in covered wagons.
2. Mini rakes will have a minimum composition of twenty wagons.
3. Mini rakes can be loaded to and from any notified full or half rake terminal.
4. Free time for loading/unloading of Mini Rakes will be 5 hours.
5. Mini rakes can be loaded only for distance up to 600\*Kms.
6. Mini rakes cannot be loaded with coal, Ores and RMSP.
7. A supplementary charge of 5% will be levied on base freight rates for Mini rakes for the period October o June.

(\*Valid up to 14,03,2017 Corrigendum No5 to Rates Master Circular/Block Rakes/ Mini Rakes/ Two Point Combination Rakes)

**5.0 Two Point Rake (Covered Wagons)** Any Two Point Rakes can be loaded at Trainload Class rate under the following conditions.

#### **Conditions**

1. The product is available only for Covered Wagons.
2. Originating terminal should be a notified full or half rake terminal.
3. Both destination terminals should be notified full or half rake terminal.
4. Designation terminal should not be more than 400 KM apart in lean season and 200 KM apart in peak season.
5. A minimum of 10 wagons should be loaded for each destination.
6. The total number of wagons indented and loaded must confirm to the Block Rake composition as notified for various types of wagons by the Railway Board.
7. A supplementary charge of 5% will be levied on Base Freight Rates for two point rake for the period October to June.
8. CRIS may make suitable amendment in the FOIS software.  
(\* Valid up to 14.03.2017 Corrigendum No,5 to Rates Master Circular/Block Rakes/Mini Rake/Two Point combination/etc/2015/0 dated 15.03.2016)

**6.0 Multi Point Rake (Covered Wagons)**

#### **Conditions**

1. The product is available only for Covered Wagons.
2. Originating terminal should be a notified full or half rake terminal.
3. Each destination terminals should be notified full or half rake terminal.
4. No two designation terminals can be more than 200 KM apart.
5. A minimum of 10 wagons should be loaded for each destination.

6. The total number of wagons indented and loaded must conform to the Block Rake composition as notified for various types of wagons by the Railway Board.
7. A Supplementary charge of 20% will be levied on Base Freight Rates for multi point rakes for the period October to June.  
(\* Valid up to 14.03.2017 Corrigendum No,5 to Rates Master Circular/Block Rakes/Mini Rake/Two Point combination/etc/2015/0 dated 15.03.2016).

## **7.0 Two and Multi Point Rake (Other than Covered Wagons)**

Two and Multi Point Rakes for other than Covered wagons can be loaded at Trainload class rate under the following conditions.

### **Conditions:**

1. Originating terminal should be a notified full or half rake terminal.
2. Each destination terminals should be notified full or half rake terminal.
3. Notified Two Point or Multi Point combinations for other than covered wagons, if any are at Annexure – II & III.
4. A minimum of 10 wagons should be loaded for each destination.
5. The total number of wagons indented and loaded must conform to the Block Rake composition as notified for various types of wagons by the Railway Board.
6. For the period October to June.  
A Supplementary charge of 5% on two point rakes and 20% on multi point rakes will be levied on Base Freight Rates,

The loading of two point CONCORD rakes (for steel traffic only) in any combination of BRN/BOST/BFNS wagons is permitted for any two point combinations within the same Zonal Railways for availing trainload rate benefit.

## **8.0 Rakes from Two Originating Terminals (Covered Wagons)**

Rakes from two Originating Terminals can be loaded at Trainload Class rate under the following conditions.

### **Conditions**

1. The product is available only for Covered wagons from notified / specified terminals.
2. Two Point combination from which loading is permitted will be notified by the Zonal railways concerned.
3. In case the two terminals are on different Railways, the Railway issuing notification will take recorded prior consent of the concerned Railway.

4. Each Originating terminal should be a notified full or half rake terminal.
5. The destination terminal should be a notified full or half rake terminal.
6. Loading of rakes from two terminal can be done only if the two loading terminal are less than 200 KM apart.
7. A minimum of 10 wagons should be loaded from each originating terminal.
8. The total number of wagons indented and loaded must conform to the Block Rake composition as notified for various types of wagon by the Railway Board.
9. The customer cannot cancel indent at one point after he has started loading at the other point. If he does so, the entire freight will be charged irrespective of loading only one portion of traffic.
10. For the period October to June, a Supplementary charge of 5% on two point rakes will be levied on Base Freight Rates.

#### **9.0 Rakes from Two Originating Terminals (Other than Covered wagons)**

Rakes from two Originating Terminals in other than covered wagons can be loaded at Trainload class Rate under the following conditions.

##### **Conditions**

1. Notified Two Point a combination from which loading is permitted are at Annexure – IV.
2. Each originating terminal should be a notified full or half rake terminal.
3. The destination terminal should be a notified full or half rake terminal.
4. A minimum of 10 wagons should be loaded from each originating terminal.
5. The total number of wagons indented and loaded must conform to a Block Rakes composition as notified for various types of wagons by the Railway Board.
6. The customer cannot cancel indent at one point after he has started loading at the other point. If he does so, the entire freight will be charged irrespective of loading only one portion of traffic.
7. For the period October to June, a Supplementary charge of 5% on these rakes will be levied on Base Freight Rates.

**COMPOSITION OF BLOCK RAKES**

Sl No.	Type of Wagon	Standard Rake	Minimum number of wagons to be loaded
<b>Open wagons</b>			
1	BOXN, BOXNHS, BOXNHSMI, BOXNHA, BOXNEL, BOXNLW, BOXNMI	59	58*
2	BOXNHL	58	57
3	BOX	35	30
4	BOST	45	43
5	BKCX	32	30
6	BOY, BOYN, BOYEL	53	50
<b>Hopper Wagons</b>			
7	BOBR	53	50
8	BOBRN	59	56
9	BOBRNHS	59	57
10	BOB, BOBC, BOBX, BOXK, BOBS	40	40
11	BOBSN, BOBSNMI, BOBY, BOBYN	53	48**
12	BOBYNHS	54	52
<b>Flat Wagons</b>			
13	BRN / BRNA / BRNAHS / BFNS	43	41
14	BRH / BRS	35	30
15	BRHNEHS	42	40
16	BFR / BFK / BFKI	35	30
<b>Covered Wagons</b>			
17	BCN, BCXN*****	41	39
18	BCNA, BCNAHS*****	42	40
19	BCNHL	58	57
20	BCX	40	35
21	BCCN	30	29
22	BCFC	56	58
23	NMG	25	24
<b>Tank Wagons</b>			
24	BTPN	50	49
25	BTFLN	48	46
26	BTAP	51	49
27	BTCS	59	57
28	BTPH	48	46
29	BTAL	35	32
30	BCCW (Bulk Cement)	58	56
31	BTPGLN / BTPG	32	30
32	Tank Wagon (4 wheeler) @	72	68

33	Tank Wagons TG type (4 wheeler)	64	62
<b>34 Mixed Rakes (BG)</b>			
a	BOXN & BOYN	55	55 (minimum 15 of each type)
	BOX & BFR / BRH***	35	30 (minimum 10 of each type)
	BOXN+	45	40 (minimum 10 of each type)
33	BOXN + BRN / BRNA / BRNAHS / BOST / BFNS****	45	40 (min. 10 of each type & max. 20 of BOXN)
34	BOST + BRN / BRNA / BRNAHS / BFNS*****	43	41 (min.10 of each type)
35	BCN / BCNA / BCNAHS / BCXN*****	41	38
36	BTPN / BTCS	55	BTPN wagons will not be more than 25
<b>Meter Gauge Wagons</b>			
37	MG to MG		34 (in terms of 4 wheeler)
38	MG to BG		90 (in terms of 4 wheelers)

\* *BOXN in Kulem-Castle Rock section 54 wagons permitted for trainload class rate.*

\*\* *The minimum number of wagons for Dalli Rajhara-Bhilai section will be 45 wagons.*

\*\*\* *BFR and BRH wagons may be treated as one type and BOX as another type for reckoning the minimum 10 number of each type.*

\*\*\*\* *BRN, BRNA, BRNAHS, BFNS and BOST may be treated as one type and BOXN as other type for reckoning the minimum 10 number for each type.*

\*\*\*\*\* *BRN, BRNA, BRNAHS and BFNS may be treated as one type and BOST as other type for reckoning the minimum 10 number for each type*

\*\*\*\*\* *Indents for Block Rake of BCN/BCNA/BCNAHS/BCHN will be accepted for 42 wagons (8 wheelers) against which empty rakes of any type of these types or a combination of these types of wagons will be supplied in terms of the standard rake size of these wagons.*

@ *For TNPM siding of IOC, standard rake size of tank wagons (4 wheeler) is 65 wagons and minimum number of wagons required to be loaded for availing trainload rate benefit is 64 wagons.*

## **ENGINE ON LOAD SCHEME (EOL)**

1. In order to improve the utilization of the rolling stock, and help the customers in prompt clearance of freight trains from their sidings/terminals, the 'Engine-on-Load' Scheme is now being introduced afresh. Under the 'EOL' operations, the train engine will remain available during loading or unloading operation in the siding and wait on Railway's account so as to work the train immediately after loading/unloading operation is completed.
2. This will be in supersession of all earlier instructions on the above mentioned subject.
3. The siding holders will be required to opt for the EOL operations under an agreement with the zonal railway administrations as per the terms and conditions of the "Engine-on-Load" operations, as given in the following paragraphs.

### **4. Eligibility**

- 4.1 All new sidings while obtaining Rail Transport Clearance (RTC) will be brought under 'EOL' operations.
- 4.2 The party should also develop facilities for loading and unloading on 'Engine-on-Load' concept and design yard layouts to facilitate the same. 'Engine-on-Load' would mean loading or unloading in such manner and within such time as would permit clearance of the same rake by the same engine.

### **5.0 Permissible Free Time**

- 5.1 Free time for loading and unloading operations under the 'EOL' will be lower than the normal free time so as to minimize detention to the wagons and the waiting period of the locomotives.
- 5.2 The free time in case of terminals on 'EOL' system are governed by Rates Circular No. 23 of 2012 (as amended from time to time).
- 5.3 With the withdrawal of TIELS, it has been decided vide Rates Circular No. 23 of 2012 to incorporate the free time rules for sidings worked in Engine-on-Load basis, in the Rates Circular No. 74 of 2005 by adding a new Para 2.5

**Free time for loading/unloading of various types of block rakes in the case of sidings worked on 'Engine-on-Load (EOL) basis:**

Type of rake	EOL free time (in hours: minutes)	
	Loading	Unloading
Open Rake (BOXN etc.)	3:00	5:00
Hopper Rake (BOBR etc.)	3:00	2:00
Covered Rake (BCN etc.)	6:00	6:00
Tank rake (BTPN etc.)	5:00	5:00

The free time mentioned above will be reckoned for loading/unloading of rakes from their placement to release. If at any terminal, additional shunting time etc., is permissible at present (for example, from exchange yard to siding and back), the same would continue.

6.0 The following provisions will apply for sidings operating under 'EOL' Scheme 2013:

**6.1 Exemption from Engine Hire Charges**

If a siding holder requires to utilize the train engine during loading or unloading of the rake, within the free time prescribed, the same will be allowed without levying any additional charges. The siding owner may therefore, not be required to maintain a captive engine at his cost under the 'EOL' operations. Beyond the free time Engine hire charges shall be charged as per extant rules

**6.2 Exemption form Siding charges**

For the bulb type sidings freight will be charged on the basis of through distance upto a specified loading or unloading point and not for the entire length of the siding. No siding/shunting charges for haulage of wagons within the siding will be leviable under the 'EOL' operations.

**6.3 Multiple – Plant sidings**

There are certain sidings, which serve an old plant and a new plant. If the operation at one of the plants is covered under 'EOL' norms, the siding can be notified as an 'EOL' siding with no cost of Railway staff to th siding owner. However, the other benefits of 'EOL' scheme should be applicable only for specified commodity and/or stock handled in the specified siding.

7.0 Henceforth, there will be three types of customer availing 'EOL' benefits:

- (i) Siding owners availing of 'EOL' benefits under the policy till the policy of 2005. These will continue to avail of the benefits as per the Agreements signed by them with the Zonal Railways.
- (ii) The siding owners who have opted for TIELS will continue to operate as per FM circular No. 18 of 2012.
- (iii) The siding owners whose sidings have come up after 19.11.2008 (Abeyance of TIELS) and those who have opted for the benefits of present 'EOL' Scheme. Such benefits shall be from prospective effect only i.e available from the date of approval by the Railway,

## 8.0 General

8.1 Suitable resting facilities shall be provided to the train crew by the siding owners in their premises.

8.0 Siding owners will also permit the train crew to avail the facilities of staff canteen in their premises on payment of charges as prescribed for their own staff.

8.3 All Railways are requested to give wide publicity to the 'Engine-on-Load' scheme among the existing as well as prospective siding owners. Proposals may be invited from the siding owners desiring to opt for the 'Engine-on-Load' operations.

8.4 Details of the detentions to wagons and locomotives in the sidings before and after switching over to the 'EOL' may be analyzed and also sent to Board's office for information so that the 'EOL' scheme could be reviewed one year after its implementation at various locations.

## **MERRY - GO - ROUND SYSTEM IN RAILWAYS:**

In terms of Rates circular No. 17 of 2016 instructions were issued for the operation of Merry-Go-Round (MGR) system by Railways for the period from 1.4.2016 to 31.3.2018.

In order to provide an economical and reliable alternative to short lead traffic, a revised scheme of operation under Merry Go Round system has been formulated by Board as detailed below.

Operation of MGR.

The guidelines specifying terms and conditions for operation of MGR system as given below.

All Proposal for MGR system should be approved by GM of the Zonal Railway in on the recommendations of the committee consisting of CCM, COM and FA & AO of the Zonal Railway.

MGR terminals at both ends to be privately owned. The customer owning the terminals will provide necessary infrastructure for efficient loading and unloading operations.

MGR terminals should have FOIS connectivity and operated under TMS and enable for E-payment of freight and other charges to the Railways. Systems should be provided by the Party at their own cost.

The Permanent Way (rail track) to be provided by the Customer. Track should be fit with axle load restriction of 22.9 tonnes and speed not lower than 40 kmph.

Signaling equipment should be provided by Railways at customers cost.

The customer shall maintain the terminals rail track and other assets owned by them in accordance with the standards specified by the Railways. However the responsibility for maintaining the terminals rail track and other assets owned by the customers may be entrusted through railways on payment of usual charges as per separate agreement for this purpose.

Railways will provide rolling stock, Viz. Locos, Wagons, Brake Van as per the requirement for running of the rakes under MGR system.

Railways will deploy one rake of BOBRN or BOXN as the case may be, customer should offer loading of minimum one rake per day under the MGR System. More than one rake will be supplied if there is justified need.

Terminals at both ends will work round the clock.

Permissible Free time will be 3 hours for loading and 2 hours for un-loading in case of BOBRN and 5 hours for loading and 3 hours for un-loading in case of BOXN wagons.

Normal Demurrage Rules will apply at loading / unloading terminals for detention of rakes beyond free time only in that case where loading unloading both for MGR and IR System takes place and co-exist.

Customer shall provide an in-motion Electronic Weigh Bridge (EIMWB) at the loading point to ensure that there is no overloading of wagon.

If the wagons are overloaded, extant rule for levy of punitive charges shall apply.

Payment of penalty, demurrage or any other charge that is other than freight shall be decided by the consignor and consignee in the agreement as to who will bear the cost between them and the Railways shall charge the same accordingly.

If Railway fails to provide stock/crew on demand beyond 48 hours, the period shall be treated as dies-non. The loss in loading during dies-non period shall be given exemption from levy of penalty.

Charging of MGR traffic; Lumpsum rates shall be charged under the MGR System which would depend upon the number of trips to be loaded per day per rake (same rake) and the lead of traffic (distance). Different rates have been notified for loading  $\leq$  one trip per day per rake;  $> 1$  to  $< 1.5$  trips per day per rake:  $> 1.5$  to  $< 2$  trips per day per rake:  $>$  than to  $2 > 2.5$  to  $< 1.5$  trips per day per rake and  $> 2.5$  2 trips per day per rake by deploying single rake in the operation for BOBRN wagons. For BOXN wagons rates have been notified for loading  $\leq 1$  trip per day per rake,  $> 1$  to  $\leq 1.5$  trips per day per rake, and  $> 1.5$  trips per day per rake.

Number of trips per day per rake will be arrived at by dividing the total number of loaded trips committed by the customer for the full year divided by 365.

In case party informs railways that they are not able to utilize the rolling stock due to unavoidable reasons for 48 hours or more, railways shall have the right to withdraw the rolling stock so as to prevent idling of valuable resources and such period shall not be treated as dies-non for the purpose of calculation of number of trips per day. Zonal Railway will nominate an officer at divisional level to take such decision.

Distance-wise lump-sum rates under this System for the year 2016-17 are applicable for one year and for the next year i.e. 2017-18 will be 4% higher over the preceding year i.e. 2016-17. After 31.03.2018 fresh rate structure shall be notified.

If the number of loaded in a year is less than the stipulated number of trips, a penalty of 4% on freight paid on actual number of trips loaded in a year shall be recovered from the party for non-fulfillment of commitments. However, the sum total of freight paid and penalty thereof should not exceed freight for committed number of trips.

Since the actual number of trips loaded in a year will be known only at the end of the year, Railways shall make a suitable arrangement in the nature of Letter of Credit/Bank guarantee etc. to ensure recovery of undercharges. This should be finalised before the signing of Agreement. A clause to this effect should also be included in the Agreement.

No charge under Dynamic Pricing Policy shall be applicable under this Scheme except Development Charge.

All relevant commercial rules and charges as amended from time to time, would be applicable, unless specifically mentioned to the contrary.

Zonal railways should enter into a formal agreement with the company for the operation of MGR system covering all the relevant aspects.

Proposals for MGR operation, not covered under the conditions stated above, may be forwarded to Board for examination.

## STATION TO STATION RATES (STS)

1. In terms of Section 32 of the Railways Act, 1989, Railway Administration has been empowered to quote Station to Station Rates in respect of carriage of various commodities.

### 2. Applicability:

2.1 Concession in freight rates under STS shall be applicable to a specific stream of traffic of a particular commodity for movement between a specific pair of originating and destination stations. However, zonal railways shall ensure that grant of concession under STS between a specific pair of O-D should result in overall increase in the NTKM of that station / cluster for that commodity rather than diversion of existing traffic from the adjoining areas.

2.2 The reference to benchmark total NTKM for the station as a whole or for that particular commodity rail user refers to such benchmark / total NTKM for that particular O-D pairs.

2.3 Existing as well as new traffic shall be eligible for concession under STS.

### 2.4 New traffic is defined as

(a) Traffic offered to rail by a new rail user subject to crossing benchmark NTKM for that commodity and that particular station / cluster or

(b) New commodity offered by an existing / new rail user or

(c) Commodity offered for a new O-D pair of station / clusters by an existing rail user subject to total NTKM of that commodity from that particular station / cluster crossing the benchmark NTKM for that particular commodity.

2.5 It should be ensured that the NTKM / freight earning for a commodity from a station after grant of concession under STS should normally increase. The zonal railway should analyze the trend of traffic from a particular station and ensure that the party applying STS should not be able to take concession in the name of new traffic either by changing the loading point or name of the party.

1.6 Concession under STS shall be applicable to cluster of station also. The cluster of station is defined as station / points within close proximity to each other with a maximum distance between any two station not exceeding 150 kms. The cluster shall be applicable for loading point only. Further, booking from a cluster of station should not normally be for more than two station in the cluster.

1.7 COM of the loading zone will define cluster for a commodity. If a station happens to fall in two overlapping clusters the party concerned can have the option of choosing any one of the cluster for availing this concession. If any station of an adjoining railway is included in the cluster then the COMs of the concerned zonal railway should consult each other and decide the modus operandi to operationalize the scheme. The spirit behind the policy is that traffic of one station should not divert to another station In order to get benefit under STS.

1.8 Concession under STS can be granted either to the consignor or the consignee.

### **3.0 Principles for reducing freight rates.**

3.1 Concession under the STS shall be granted only on the incremental traffic over and above the benchmark NTKM subject to other provisions mentioned in these guidelines. Benchmark NTKM is defined as average NTKM of corresponding period of previous 24 months.

3.2 The station NTKM shall be calculated on monthly. Quarterly. Half yearly or yearly basis as per the demand of the customer i.e.

(a) If the customer requests for concession to be provided on monthly basis then the agreement shall become effective from the first day of the following month in which the request is made.

(b) If the customer requests for concession to be provided on quarterly basis then the agreement shall become effective from the first day of the following quarter to the one in which request is made. For the purpose of this scheme. The duration shall be corresponding to the financial period of the year i.e. April-June, July-September, October- December, January- March.

3.3 Concession under STS shall be given from the next rake after the benchmark NTKM has been crossed i.e. if a customer achieves the benchmark NTKM on the ninth rake, the concession under this scheme shall be granted from the tenth rake onwards.

3.4 Zonal Railway may grant concession under STS for retention of traffic also at the current benchmark NTKM of the station as well as individual customer. To arrive at benchmark NTKM in such case, the trend of such traffic during the previous three years may be analyzed to see whether there is any declining trend shown by such traffic. However, in such cases, the reasons for expected fall in traffic should be analyzed very scientifically and concession should be proportional, only to compensate the probable traffic drop in this case irrespective of station benchmark.

The benefit of STS for retention of traffic may also be extended to a commodity / party whose rail coefficient is already very high and if that coefficient is maintained at the same level even with increase in production / output / dispatches of that commodity / customer / party / siding etc.

- 3.5 The concession under STS shall be in the form of percentage discount over the Normal Tariff Rate (NTR).
- 3.6 Concession under the STS scheme can be granted normally to that volume of traffic to which concession under no other scheme has been granted.
- 3.7 While giving concession under STS it should be ensured that the concessional freight should not be less than the NTR of Class -100.
- 3.8 Concession under STS shall be admissible to Block Rake, Two / Multi point rake, Mini rake etc.
- 3.9 The maximum percentage of discount which can be granted under STS for attracting incremental volume of traffic shall be upto 30% depending upon the volume of traffic, road rates, margin over freight rates of class 100 for that particular commodity. For retention of traffic, the maximum concession that can be given to a particular commodity shall be 15% only.
- 3.10 In case of container traffic, the concession under STS shall be admissible to notified commodities only which are presently charged at Container Class Rate. Maximum rate of concession should not be more than 15% and the discounted freight should not be less than NTR of Class-100. This concession shall be subject to station benchmark NTKM being crossed.
- 3.11 For the same commodity from the same station, higher rate of concession can be given to rail user offering higher volume of traffic and making commitment for longer period of time subject to the maximum limit of 30% or 15% as the case may be.

#### **4. Permitted Terminals**

All terminals (goods sheds, sidings, Ports, CRT's PFT's).

#### **5. Excluded commodities**

- (a) All commodities with classification below Class – 100.
- (b) All commodities under Main Commodity Head Coal & Coke.
- (c) Iron Ore (all types)
- (d) Military Traffic, POL and RMC.

## 6. Modalities

Zonal Railways may follow the following procedure for grant of STS. However, these procedures can be suitably modified as per field requirements.

- 6.1 Rail user desirous of availing concession under STS in freight rates shall be required to apply to the DRM of the concerned Division along with full details of traffic to be offered, pair of station between which the proposed traffic shall move during the proposed period and details of traffic offered during previous years for the same commodity, between the same O-D station if any.
- 6.2 The application of Rail user shall be verified by a DEC comprising of CI, TIA nominated by DRM.
- 6.3 The application of rail user, duly verified by DEC shall be put up by Sr.DCM for approval of DRM.
- 6.4 DRM shall forward the application to HQrs for final approval by GM through CCM, COM and FA & CAO. After getting the personal approval of GM, necessary instruction shall be issued by DRM or any officer authorised by him. A copy of the same shall also be endorsed to the applicant, in case the application is not approved, a regret letter to the applicant shall be issued. If the railway administration approves grant of concession under STS, an agreement duly incorporating the provisions of STS scheme shall be executed between Railways and Customers.
- 6.5 The agreement under this scheme can be entered into for a maximum period of three years at a time and for not less than one year with provision of fresh agreement for every year as benchmark NTKMs will change every year and circumstances may warrant change in rate of concession also with change in freight rate of other modes.
- 6.6 Any change in freight rate due to change in classification or base freight (excluding imposition of any surcharge) shall not be applicable on the customer during the currency of that agreement or for one year whichever is less, however after one year the rate shall have to be revised duly taking into consideration that increase in freight rate if any and concession shall have to be worked out on the new freight rates. In case of any decrease in freight rates, the old rate shall continue to remain till the end of the year under run. However in this case the party shall have the option of withdrawal from the scheme after giving notice of three months. Suitable provision for such annual change in rate and concession may be incorporated in the agreement.
- 6.7 It has to be seen by the Zonal Railways that the grant of concession under STS does not lead to manipulation by forming of cartels so as to bring traffic to a particular point / terminal from adjoining areas to avail benefits of the scheme.

6.8 Concession under STS shall be granted at the time of preparation of RR once the benchmark is crossed.

6.9 No other concession shall be permitted under STS i.e. no traffic shall be allowed more than one type of concession.

6.10 In case any rebate or concession under STS is already being granted on any of the zonal railways at present, then the zonal railway has the option either to continue with that agreement till the end of the current financial year or till currency of such agreement lapses or to switch over to the STS straight away with mutual consent of both the parties. In case agreement is discontinued after end of the current financial year, from the next financial year the railway shall have the option to rework their policy according to the guidelines contained in this circular.

7.0 To operationalize STS, CRIS shall develop a programme. Zonal railway may write to CRIS giving full details of concession under STS in the following format. CRIS shall design suitable software to implement the scheme.

## LONG TERM TARIFF CONTRACT (LTTC)

This policy is issued in compliance of the announcement made by MR in the 2016 Budget Speech.

### Introduction

This policy LTTC is first of its kind and shall provide certainly in the logistic operation for the Railways as well as the customers. The customers entering into long term contracts with Railways shall bring assured traffic to the Railway and in turn they can get assurance of certainty in tariff rates as well as freight rebate on fulfilment of certain conditions as detailed in the policy.

### Objectives.

The main objectives of this policy are to ensure

1. Long term freight revenue commitments from the customers.
2. Stability and certainty of freight rates to the customers and assured supply of wagons.
3. Generation of additional traffic volumes and revenues for Railways.

### Definitions

1. **Gross Freight Revenue (GFR)** means total freight revenue offered by the customer for the transportation of commodities. GFR of a customer will be derived by adding GFR of the different commodities hence,  $GFR = GFR_1 + GFR_2 + GFR_3 + \dots$  Where 1, 2, 3 represent different commodities. GFR is inclusive of surcharges and other applicable charges if any, but excluding all types of taxes.
2. **Minimum Guaranteed Gross Freight Revenue (MGGFR)** means the annual minimum gross freight revenue, committed by the customer for each individual financial year of the agreement. The MGGFR would normally be higher for each subsequent year with pre-agreed annual incremental growth for the entire period of the agreement
3. **Actual Gross Freight Revenue (AGFR)** means the total revenue realized by Railway from a customer for transportation of commodities by way of freight charges including surcharge and other charges if any but excluding of all taxes.
4. **Benchmark Gross Freight Revenue (BGFR)** means the revenue over which the incremental growth of GFR would be calculated. For the first year BGFR shall be the actual GFR achieved during the previous twelve months and from second year onwards it shall be equal to the MGGFR for the preceding year.

5. **Floor Rates:** means the minimum chargeable rate payable after granting rebate / all concurrent concessions, under any freight incentive scheme / schemes including these agreements.
6. **Incentive** means benefit in freight charges or any other facility being granted to the customer under the agreement.
7. **Freight rebate** means the freight concession granted by way of refund paid in lumpsum based on fulfilment of certain agreed performance, parameters over a period of time.
8. **New Traffic** refers to the traffic loaded by a new customer coming to Railway for the first time in the current year.
9. **Rail co-efficient** means the percentage share of Railways in the total dispatches by the customers.
10. **Normal Tariff Rates (NTR)** refer to the total charges for transport of a commodity inclusive of the BFR as published in Goods Tariff + Demand management charges like busy season surcharge, congestion charges and supplementary charges on various transportation products. Other charges like Development Charge, Terminal charges, Punitive charges for overloading, and penal charges for mis-declaration will be levied on NTR.
11. **Budgetary Freight increase / change:** shall mean the freight increase / change in BFR any other applicable charges or class of commodities announced in the Budget.
12. **Previous year** means the previous 12 months period before the date of commencement of the Agreement.
13. **Terminal / siding:** refers to private siding, Assisted Siding, Railway Siding, Goods Shed, PFT, and Port Siding where the Goods / Traffic of the customer are dealt.

**Excluded Commodities:**

1. All Commodities with classification below Class 100.
2. Coal & Coke.
3. Iron Ore.
4. Military Traffic, POL & RMC.
5. Container Traffic.
6. Automobile Traffic.

### **Eligibility Criteria:**

1. The customer willing to come under this scheme of LTTC shall be eligible only if He / She is already loading or giving traffic of atleast one Million tonnes per annum (Outward or both Outward and Inward as the case may be as per the agreed terms) in the previous year as defined above.
2. New traffic refers to the traffic loaded by new customer coming to Railway for the first time in the current year. In case of new traffic i.e. new entrant to Rail transportation, the customer shall be eligible to enter into this scheme if they commit to provide traffic of more than 3 Million Tonnes over the entire Agreement period and atleast one Million tonne during the first year itself.
3. The customer coming under this scheme shall not be eligible to avail concurrent concessions / rebates under any other scheme except 6% concession applicable to traffic booked to and from North Eastern Region, TEFD and concession for loading bagged consignments in Open / Flat wagons as per the terms and conditions of these policies. In addition the customer coming under this scheme LTTC is also eligible to avail discounts on account of Assisted Siding Policy, Various WIS and Terminal Development Scheme as these three schemes are not freight incentive scheme. However after all rebate including the rebate under LTTC the net freight should not be less than freight applicable to Class 100.
4. The traffic which is currently availing concession / repair under 3 schemes viz STS Scheme, Freight Forwarder Scheme and concessions to short lead traffic shall not be considered for rebate as well as GFR under LTTC. This means that if a customer is getting benefits under these discount schemes for a part of traffic then that traffic will be excluded from LTTC Scheme.

### **The applicable conditions / features of LTTC Policy:**

1. Zonal Railway shall enter into an agreement with the customer incorporating the features of these guidelines.
2. Agreement can be entered into with Zonal Railways as mentioned below.
  - (i) If the customer has terminals in multiple zonal railways he can enter into agreement with each individual Zonal Railway subject to condition that he should have offered a minimum of one Million Tonne for annum traffic to the Zonal Railway.
  - (ii) If the customer desires to have one agreement for all his terminals spread over multiple zones then he shall enter into the agreement with the Zone to which he is offering the maximum traffic.

- (iii) He can enter into individual agreements with some zones and at the same time can also have multi zone agreements for the traffic not covered in the individual agreements.
  - (iv) While entering into an agreement care may be taken to ensure that all the clients within a zonal railway operated by the customer are included in the agreement. This would prevent shifting of traffic from one location to another within a Zone merely for the sake of seeking concessions without any additional traffic to the Railway.
3. Proposal under this scheme shall be submitted by the authorised representative of the company to the office of CCM of the Zone with whom the agreement is proposed to be signed. CCM of the Zone shall process the proposal in consultation with COM and FA & CAO and finalize the same with the personal approval of General Manager. On behalf of zonal railways CCM shall sign the agreement and will be the executing authority.
  4. In case of multi zonal agreement, CCM of the Zone handling maximum traffic will sign the agreement. CXCMs of the other zones whose traffic will be included in the agreement, will sign the agreement as witness. FA & CAO of the contract signing zone shall also act as a witness at the time of signing the agreement under LTTC.
  5. The customer entering into agreement with railways under this scheme shall provide minimum guaranteed gross freight revenue MGGFR with a commitment to increase the freight revenue from existing level. An illustration is given below;  
  
Customer desiring to enter into an agreement under this policy guarantees revenue i.e. MGGFR of Rs.600 Crores in 3 years (assuming agreement is for 3 years period), the customer shall give break-up of year revenue such as Rs.100 crore in the first year, Rs.200 crores in the second year and Rs.300 crores in the third year. Similar increase would have to be provided for the 3<sup>rd</sup> year onwards, if agreement is for more than 3 years. The MGGFR for each year shall become BGFR for next year. For 1<sup>st</sup> year BGFR shall be AGFR of the previous 12 months.
  6. MGGFR for each year would be given by the party by adding up the revenue of total traffic of all the commodities to be offered to railways for the entire agreement period. Railway would account for the total MGGFR given by the party for all commodities for the purpose of fulfilment of MGGFR for each year without bothering for the details of the individual commodities loaded / offered by the customer.
  7. MGGFR for each year should increase by minimum 5% annually. This means the MGGFR for 1<sup>st</sup> year should be atleast 5% more than AGFR of previous 12

months. MGGFR of the 2<sup>nd</sup> and 3<sup>rd</sup> year shall be atleast 5% more than MGGFR of the preceding year.

8. For the purpose of calculating AGFR either the freight received from outward traffic or some of inward and outward freight traffic of the customer from its various terminals / sidings / plants shall be reckoned. While calculating AGFR restricted commodities shall not be taken into consideration. It must be ensured that a particular stream of traffic is not accounted twice. For a given RR either a consignor or a consignee can avail the concession. In case both consignor and consignee are under LTTC then the concession for that RR shall be granted only to the consignor. Since RR No. is a unique code, CRIS should develop necessary safeguards to ensure that each RR is accounted for only once for the purpose of calculating AGFR. Further to avoid duplicate accounting of a particular stream of traffic each customer who enters into agreement with railways under this scheme shall be given a unique contract ID and any booking by them inward and outward shall carry this unique contract ID in the RR.
9. The agreement shall not be for less than three years and shall not be extended for more than 5 years in total.
10. Railway shall grant rebate as per the graded rebate structure as given in the Table – I on AGFR realized by the Railway. The percentage of rebate shall be based on the incremental growth in AGFR over and above the BGFR.
11. In case data for the corresponding period of the previous year is not available (due to delay in data finalization etc.), then pro-rata adjustment of the GFR for the month/Months for which data is not available shall be made i.e. of the 12 months of previous year, if data is available only for 10 months, then the same data shall be extrapolated on pro-rata basis for 12 months to arrive at yearly benchmark figure.

The graded rebate (on AGFR) on the basis of the percentage incremental growth in GFR offered by the customer over and above the benchmark GR is given below:

**Table – I: Rebate structure**

<b>Scenario</b>	<b>Percentage increase in Gross Freight Revenue (GFR) over and above the benchmark GFR</b>	<b>Rebate on Actual Gross Freight Revenue (AGFR)* %</b>
1.	0 - <=5	0
2.	>5 - <= 10	1.5
3.	>10 - <= 15	2.5
4.	>15 - <=20	5
5.	>20 - <=30	7.5

6.	>30 - <=40	10
7.	>40 - <=50	12.5
8.	>50 - <=60	15
9.	>60 - <=70	17.5
10.	>70 - <=80	20
11.	>80 - <=90	25
12.	>90 - <=100	30
13.	>100	35

- GFR shall be the basis for calculating the rebate
1. The availability of rebate under this scheme shall be subject to MGGFR for that year being met by the customer. For the first year, incremental growth in revenue shall be the percentage growth in actual GFR over the GFR of the previous twelve months. From second year onwards, MGGFR of preceding year committed by the customer at the time of signing the Agreement shall become the benchmark GFR and the rebate shall be granted on the incremental growth over and above this BGFR.
  2. The rebate accrued in a year under this scheme shall be granted as refund immediately within 45 days after completion of each year.
  3. In case of zonal/multi zonal agreement, the zone which is signing the Agreement will process the case for rebate and refund the amount to customer. FA & CAO of the agreement signing zone will be the payee officer for the rebate in this scheme. In case of multi zonal agreement, the accountal for the distribution of the rebate amount amongst the participating zonal railways will be ensured by FA & CAO of agreement signing zone through adjustment.
  4. In case of any increase in freight rate during a year, the freight increase shall be implemented from next year onwards only. To neutralize the impact of freight increase on AGFR, the MGGFR and BGFR of that year will be adjusted as per the following formula:

**Modified MGGFR = MGGFR for the commodity/commodities X % age change in freight rate of that commodity/commodities.**

**Modified BGFR = BGFR for the commodity/commodities X % age change in freight rate of that commodity**

Railway shall make all out efforts to supply wagons on priority basis against the indents placed by the customer and if need be, develop a Preferential Traffic order. However, the customer shall load/unload its consignments within the free time specified.

**Price Escalation Principle:**

Under the scheme, the customer shall be offered a fixed freight rate as prevalent (at that date) during the beginning of the each year of the agreement period. It

means that increase in freight rates by railway administration mid – way in a year shall not be passed on to the customer for that year of the agreement period. The change will be effected from the beginning of next year of the agreement.

Illustration: Suppose, an agreement under LTTC is for three years from 01.07.2017 to 30.06.2020. The freight rate applicable from 1<sup>st</sup> July 2017 to 30<sup>th</sup> June 2018 will be the rate prevalent on 1<sup>st</sup> July 2017. This rate will not change mid-way/. Suppose Railway changes freight rates and increased it by 4% (budgetary or general) in August 2017, then this rate will be applicable from 1<sup>st</sup> July 2018 only.

### **Rebate in case of Retention of Traffic**

Under, this policy, the rebate shall also be granted on retention of traffic at the same level as of the previous year’s AGFR. The Companies who are already carrying a very high volume of traffic on rail and offering a huge amount of GFR, a certain percentage of rebate shall also be offered to such Companies on the absolute GFR offered by them, for retention of traffic, if they enter into a Contract with Railways. This shall be in addition to the rebate available on the incremental percentage growth in GFR offered by the Company.

The rate of rebate for retention of traffic shall vary according to the slabs of total volume of traffic corresponding to the AGFR given as per the rebate structure given as per the rebate structure given in the table (Table – II) subject to previous year’s AGFR being met. The current year’s AGFR cannot be lower than the AGFR given during the previous year. The rebate is subject to the customer giving revenue equal to or more than the AGFR of the previous year and will be based upon the slab in which the corresponding absolute quantum of traffic offered by a customer falls.

<b>Scenario - I</b>	<b>Percentage increase in Gross Freight Revenue (GFR) over and above the benchmark GFR</b>	<b>Rebate on Actual Gross Freight Revenue (AGFR)* %</b>
I.	0 – 5	Nil
II.	>5 <=10	0.5
III.	>10 <=15	1.0
IV.	>15 <=20	1.5
V.	>20 <=25	2.0
VI.	>25 <=30	2.5
VII.	>30 <=35	3.0
VIII.	>35 <=40	3.5
IX.	>40 <=45	4.0
X.	> 45 <=50	4.5
XI.	>50	5.0

The illustration indicating the calculation of rebate under the scheme is given in the Annexure – A attached with the circular.

**For new traffic** (i.e new entrant) during the first year, the customer shall be eligible for a flat 2.5% rebate on the GFR subject to the fulfilment of the prescribed condition for new traffic. From the 2<sup>nd</sup> year onwards the rebates would apply as per the percentage increase in freight revenue compared to previous year's freight revenue as per the freight rebate structure.

**Arbitration:** In the event of any question, dispute or difference arising out of or under this Contract in connection therewith (except as to matters, the decision to which is specifically provided under this Contract) the same shall be resolved by amicable settlement failing which the matter will be referred to the Sole Arbitrator appointed by the Competent Authority i.e General Manager of concerned Zonal Railway. The arbitration shall be conducted in accordance with the provision of Arbitration and Conciliation Act, 1996 as amended in 2015 and the Rules made thereunder. The decision of the Arbitrator shall be final and binding upon the parties.

**Termination of Agreement:** Both parties to the Agreement have the right to terminate the agreement by serving a letter of termination on the other party by giving 3 months' notice, in case of continuous default or it appears that other party is not complying with terms of Agreement. In such a situation, the customer shall not be entitled to any rebate for the year in which the Agreement is terminated.

**Renewal of Agreement:** The Contract can be renewed with re-negotiated terms/conditions between Railways and the Company after expiry of the term of earlier contract to the satisfaction of both parties. The renewal would be done on mutually negotiation terms as per rules prevalent at the time of renewal of contract.

### **Role of FOIS/CRIS**

1. The rebate structure shall be system built and shall be calculated/managed automatically by the FOIS system. Each customer who enters into Agreement under LTTC with Railways will be given a unique contract ID and any booking by them inward or outward will carry this unique contract ID on the RR.
2. Freight revenue or volume of traffic is easily traceable since RR issued by the FOIS system records the RR amount and the tonnage with unique ID.
3. CRIS shall develop a software to implement this policy. The Railways shall furnish relevant data to CRIS
4. CRIS will give monthly report to Railway Board regarding progress of the scheme.

A copy of Model Draft Contract is attached at Annexure – B.

## **MILITARY TRAFFIC**

TC-I/2001/8/6 dated 26.09.2014 (Rates Circular No.32 of 2014.)

Rationalization of Rates for Military Traffic.

In supersession of all earlier instructions on the subject, it has been decided to revise the rates for Military Traffic as under:

### 2.0. Charging for Coaching Trains

2.1 Military Coaching Specials consisting of military owned non-AC coaches shall be charged at Rs.59.00 per km per coach (8-wheeler) Charges for 4-wheeler and 6 wheeler coach will be 59% and 75% respectively of 8-wheeler coach. For other special coaches, the rates will be notified separately.

2.2 In case of Railway owned non-AC coaching, vehicles used/supplied for military traffic, an additional surcharge @20% of the haulage charge worked out vide Para 2.1 shall also be levied.

2.3 AC coaches shall be charged at 1.6 times the rate for non-AC coaches.

2.4 Charge for coaching train shall be levied for actual number of coaches in the train subject to a minimum m charge or 18 coaches per train.

2.5 No charges shall be levied for empty haulage of Military coaches or special trains.

2.6 If the total number of coaches in a mixed coaching train ( Railway owned + military owned coaches) is less than the minimum composition prescribed in Para 2.4 above, charge for the shortfall in the number of coaches shall be calculated as per Para 2.1 above (i.e. at the rate prescribed for military owned non-AC coach)

### **3.0 Charging for Mixed Trains (Coaching + Goods)**

Mixed trains consisting party of coaching vehicles and goods wagons shall be charged at the rate given under paras 2.1, 2.2 & 2.3 above.

3.2 for charging purpose one bogie wagon shall be treated at par with one no-AC coaching vehicle.

3.3 Total charge for mixed train should be worked out for actual number of coaches/wagons used subject to minimum charge for following number of coaches/wagons foe each Mixed Trains.

3.4 No charge will be levied for empty haulage of Mixed Trains.

#### 4.0 Charging for Parcel Traffic

4.1 Parcels booked by normal passenger trains shall be charged at public tariff for actual weight of the consignment. Bulky Parcels shall be charged for weight compounded as per measurement as per extant rules.

4.2 Full parcel load in VPUs dispatched by normal passenger train shall be booked at Scale-P and charged at carrying capacity of the VPU.

4.3 VPU attached to Military special trains shall be charged at the rate given under Paras 2.1 & 2.2

4.4 No charge shall be levied for empty haulage of VPUs.

#### 5.0 Charging for Military Saloon/carriage.

5.1 military saloons / carriage for high officials of Defence services shall be charged at the rate given under Paras 2.1 & 2.2 above.

5.2 No charge shall be levied for empty haulage of saloons.

#### 6.0 Charging for Goods Traffic,

6.1 The Goods traffic of any description, including explosives in Military owned wagons shall be charged at Class "LR1".

6.2 The Goods traffic of any description, including explosives in Railway owned wagons shall be charged at Class – 110.

6.3 Freight shall be charged for each wagon in accordance with paras 6.1 and 6.2 for the applicable permissible carrying capacity as notified from time to time. In case of wagons for which no permissible carrying capacity has been notified, the stenciled carrying capacity shall be chargeable weight.

6.4 The wagons loaded with Military Explosives will also be charged in accordance with para 6.3 irrespective of the actual quantity loaded.

6.5 Freight shall be charged for actual number of wagons in the train, subject to a minimum charge for 40 bogie wagons per train. However, if piecemeal loading is dispatched with other railway traffic by forming Block rake, freight shall be levied at Public Tariff for wagon loads rates for actual number of wagons.

6.6 If the total number of wagons in a mixed goods train (Railway owned + Military owned wagons) is less than the minimum composition prescribed in para 6.5 above, charges for shortfall in the number of wagons shall be calculated as per para 6.1 above. (i.e. at the rate prescribed for Military owned wagons)

7.0 Miscellaneous:

7.1 Siding Charge, shunting charge, Demurrage charge in respect of railway owned stock and wharfage charges should be levied as per the extant instructions applicable to public traffic.

7.2 In case of Military owned wagons/coaching vehicles suffer detention in railway premises, stabling charge for such detention shall be levied as per the extant instructions applicable for privately owned wagons.

8.0 Based on the above, all relevant rules/provisions of Military Traffic No.6 Vol I, and relevant Board instructions stand modified.

9.0 A strict watch should be kept by Milrail to keep empty haulage to the bare minimum.

1.0 These instructions will come into for w.e.f. 01.10.2014.

## CONTAINER TRAFFIC

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#### 4. **Permission**

Permission for operation of container train by Private Container operator (PCO) in Railway owned terminal notified as Container Rail Terminal (CRT) has been granted upto 31.3.2016 as per rates circular no.6 of 2016 (and as amended from time to time).

#### 2. **General Guidelines:**

- 2.1 Operation and handling of conventional trains will be given preference over container trains. It must be ensured that the Railways business interests are not compromised.
- 2.2 Depending upon assessment of requirement zonal railways may notify one or more CRT's at a Railway owned terminal in accordance with procedure laid down under para 4 of the circular. Every CRT will have a capacity of dealing with one container train at a time.
- 2.3 The CRTs will provide common user facilities for all PCOs. No PCO will be provided 'exclusive use' of any Railway facility except under relevant guidelines specifically issued by Railway Board to regulate provision of such facilities for PCOs. All PCOs will have access to any CRT on a nonexclusive basis on a first cum first served basis.
- 2.4 Use of ground at a CRT will be permitted to only one PCO at a time.
- 2.5 CRTs will provide facilities for handling container trains by all PCOs. However the handling of railway rakes will get priority over container rakes.
- 2.6 In order to ensure that handling of railway rakes get priority over container rakes and for otherwise also the extant policy and practices regarding imposition of restrictions for loading to and from a terminal will also be applicable for container train operations at CRTs.
- 2.7 No CRT will provide container or cargo storage facilities (akin to an ICD or DCT). No staff should be deployed on exclusive basis for any CRT. No permanent container or cargo storage facility will be provided at any CRT.
- 2.8 All CRTs will function round the clock for which necessary facilities should be provided, however relaxation may be granted for round the clock functioning of any CRT with the personal approval of GM.
- 2.9 Custody, Security and responsibility for the containers and cargo on ground awaiting removal, stuffing, de-stuffing, unloading or loading will be with the PCO.

#### 3. **Charges:**

The following charges will be paid by PCO for handling container at any CRT.

- 3.1 Terminal Access Charge:
  - 3.1.1 Private container operators (PCO) dealing with their container train at railway owned terminals notified as container rail terminal will be required to pay TAC at the rates as notified from time to time by Railway Board. Rate of TAC with effect

from 25.11.2014 is Rs.1, 46,450/- per rake per terminal. In case of terminals owned by PCOs TAC is not leviable.

3.1.2 Charges mentioned above will be levied on per rake basis irrespective of the actual rake composition or actual number of containers on a train or actual number of wagons or containers handled at the CRT.

3.1.3 TAC will be collected at the time of preparation of RR the methodology for levy of TAC is given below:

Type of Rake handling at CRT	Terminal Access Charge
1. Loaded rakes in and empty flats out	1 x Rate of TAC
2. Empty rake in and loaded rake out	1 x Rate of TAC
3. Loaded rake in and loaded rake out	1.5 x Rate of TAC
4. Chasses handling	1.5 x Rate of TAC

Note: Loaded means flats loaded either with empty containers or container loaded with goods.

### 3.2 Permissible Free Time and Detention Charge for Use of CRTs.

3.2.1 Total Permissible Free Time at CRTs for loading and/or stuffing the containers, and/or unloading and/or de-stuffing the containers on a container train will be 9(nine) hours, irrespective of the activity or activities done on the rake and number of operations performed (chassis stuffing and de-stuffing, single operation, double operation etc.)

3.2.2 Free time will commence from the time of placement of the first wagon of the container train.

3.2.3 A container train will be considered to be released at the time at which the last wagon of the rake is released i.e. at the time at which the rake has been released in its entirety and is available for removal from the placement line(s).

3.2.4 Detention Charge will be levied for occupation of CRTs beyond the permissible free time up to the time of release of the rake.

3.2.5 Detention Charges will be levied for 45 BLC wagons irrespective of the actual number of wagons or containers in the rake or the number of wagons or containers actually dealt with at the CRT concerned.

3.2.6 Detention charges would be levied at the prevailing rate of Demurrage Charge, which at present is Rs.150/- per wagon per hour or part thereof.

3.2.7 CCM/COM (whoever is designated for dealing with demurrage) of a Zonal Railways may notify a Higher Detention Charge (up to six times the normal rate).

Higher Detention charge will be applied for those PCOs who take excessive time to release their rakes or do so repeatedly.

### 3.3 Ground Usage Charges:

3.3.1 Ground usage charges will be levied for the use of ground at CRT.

3.3.2 PCOs will be permitted free time for the use of ground at the CRTs.

3.3.3 Permissible free time for use of free time for dealing with a Container will be the same as is prescribed under wharfage rule for the goods traffic, irrespective of the activity or activities done on the rake and no. of operations performed (chassis stuffing and de-stuffing, single operation, double operation etc., which at present is as under:

Type of Goods Shed*	Free Time (in hours)
Group-I	12
Group-II	15
Group-III	30

\*Type of goods shed will be determined as per the guidelines prescribed under wharfage rules.

3.3.4 Free time for the purpose of Ground Usage Charge will commence from the expiry of the free time for loading and/or unloading the container traffic. Ground Usage Charges will be levied after expiry of the Permitted Free time till the time all containers and cargo are removed from ground by the PCO and ground becomes available to be allotted to the next PCO.

3.3.5 However, the advance stacking time is availed by the PCO, ground usage time will commence from the time advance stacking is permitted to the time all-cargo and containers are removed and ground made free for use by the next container train. Ground usage charge will be levied after making allowance for permissible free time for advance stacking and for ground usage.

3.3.6 Ground usage charges are levied on per train per hour basis irrespective of the number of containers or the goods on the ground.

3.3.7 Ground usage Charge will be levied for full rake of 45 wagons at the prevailing rate of Wharfage charge, as under:

Type of Goods shed	Present rate of Wharfage charge (per wagon per hour or part thereof)		Rate of Ground Usage charge (per rake per hour or part thereof)
Group - I	Rs. 150/-	150 x 45 = 6750	6750/-
Group - II	Rs. 120/-	120 x 45 = 5400	5400/-
Group - III	Rs. 75/-	75 x 45 = 3375	3375/-

3.3.8 CCM of a Zonal Railway may apply a higher Ground Usage Charge (up to six times the normal rate applicable for the 6<sup>th</sup> Day). Higher Ground Usage Charges will be applied for those PCOs who repeatedly failed to release the Ground at the CRT within two days.

**3.4 Ground Usage for advance stacking:**

3.4.1 PCOs may be permitted advance stacking of cargo and/or containers on the ground of any CRT for 24 hours free of any charge for loading on an incoming train.

3.4.2 Ground Usage Charge at the rates mentioned in para 3.3.7 to be levied in accordance with para 3.3.5 if the ground is not cleared at expiry of the free time for advance stacking. However, no ground usage charge will be levied till the placement of the empty container for loading even after the lapse of the advance stacking period. The empty container rake will be supplied only after the expiry of the permitted time for advance stacking or completion of stacking, whichever is earlier.

**3.5 Waiver of Detention Charge and Ground Usage Charge:**

Detention charge and Ground Usage charge will be treated on par with Demurrage charge and Wharfage charge for the purpose of consideration of waiver etc. under justified circumstances as per extant instructions as applicable to waiver of Demurrage/Wharfage charge.

**3.6 Development Surcharge:**

Development Surcharge as applicable on Goods traffic will be leviable on Container traffic. This surcharge will be leviable on haulage charges. At present, development Surcharge is 5 %

**4.0 Procedure for notifying a railway owned terminal as Container Rail terminal (CRT):**

4.0.1 If there is a demand for creating a CRT at any railway owned location, it will be processed by CCM in consultation with COM to examine whether such demand is considered necessary and justified. If it is found justified, such a terminal will be notified as Container Rail Terminal (CRT) with the personal approval of GM.

4.0.2 All Group III goods sheds will be treated as CRTs, unless and otherwise notified to the contrary by the Zonal Railway.

- 4.1 Before notifying any rail facility as CRT, it must be ensured that the contemplated container handling activity will not in any way hinder or restrict or hamper handling of inward or outward traffic in rail wagons at present and as far as possible, even in the foreseeable future.
- 4.2 Preferably stations and goods sheds not currently opened for goods booking or unused yard lines (including unused yard line at goods shed notified in Groups I and II) with adequate road access should be considered for notification as CRT.
- 4.3 Stations and goods sheds notified in Group I or Group II in terms of wharfage rule will not be permitted for notification as CRT. However, on a trial basis Group I and II stations other than those stations mentioned in Annexure, may also be considered for notifying as CRT for chassis stuffing/de-stuffing operation only provided the chassis operation of container rakes at such station does not affect the railway's operation of loading/unloading of its own stock. It may also be kept in view that handling of chassis operation by PCOs does not lead to diversion of rail traffic to container.
- 4.4 Every CRT will have a capacity of dealing with one container train only at a time. If suitable placement lines and adequate ground area is available for dealing with more than one container train concurrently in a terminal or yard, the available lines and ground area should be demarcated for notifying more than one separate and independent CRTs at such railway goods sheds or unused yard lines.
- 4.5 Permission to use any railway owned terminal as CRT can be terminated by the concerned Zonal Railway after giving a notice of two weeks, if circumstances so warrant in the opinion of the concerned GM. Such decision will be binding on the PCOs.
- 4.6 For the purpose of giving permission to use any station/goods shed as CRT, the classification of station/goods shed excluding the number of container trains dealt at such station/goods shed. However, for the purpose of granting free time and levy of Ground Usage Charge as prescribed in Para 3.0, the classification of station/goods shed will be done by including all types of trains including container trains dealt at such station/goods shed.

## **CHAPTER – II Container Class Rate**

### **1.0 Haulage charge:**

Haulage charge is levied for movement of containers in privately owned wagons. At present, there are two types of rates for levy of haulage charge for movement of containers in privately owned wagons as under:

- a) Haulage charge for TEU: For commodities other than notified commodities

b) Container class rate for notified commodities

1.1 Haulage charge for TEU for commodities other than notified commodities:

Haulage charges for TEU for commodities other than notified commodities will be levied as per the rates notified by Railway Board from time to time. At present, the rate of haulage charges per TEU for loaded containers single deck, empty container single deck and empty flat wagon are prescribed vide rate circular no. 41 of 2014.

1.2 **Container class rate for notified commodities:**

1.2.1 **Notified commodities:**

Haulage charges for the movement of notified commodities groups namely cement other than white cement, slag, iron and steel, bricks and stones other than marble and ceramic types alumina and petroleum products and gases (as classified in Goods tariff no. 48 part – I, Vol. II) in container will be levied as per the guidelines prescribed below. These guidelines will be applicable for movement of notified commodities in containers except custom bonded EXIM containers.

1.2.2 **Container class rate:**

Container class rate for the above mentioned commodities (except CR coil under notified commodity group Iron and Steel) will be levied by applying 15% concession on applicable class rate as published in Goods tariff and as amended from time to time.

1.2.3 In the case of CR coils (cold rolled coils) which falls under the notified commodity group Iron and steel, the container class rate will be levied by applying 20% concession on applicable class rate (GTR – 20%) as published in goods tariff subject to fulfilment of following conditions:

- I. CR coils upto 5000 tonnes per month will have to be moved from a steel plant (private siding) at existing CCR (GTR – 15%) after which the concessional rate of GTR – 20% will be applicable on additional CR coil traffic moved in container for that month.
- II. The threshold figure of 5000 tonnes per month may be offered by a single CTO or combined from more than one CTO from a steel plant (private siding). However, an individual CTO is required to offer a minimum volume of 2500 tonnes per month per steel plant and only then, it would be able to get the concessional rate of GTR – 20%, once the threshold figure of 5000 tonnes are exceeded.
- III. The rake on which threshold limit has mentioned at I above is crossed will not be eligible for concessional rate. The concessional rate of GTR – 20% will be levied from the next rake onwards. For eg. If the threshold limit of 5000 tonnes/2500 tonnes whichever the case may be is

crossed on the second rake, then concessional rate will be applicable from third rake onwards.

- IV. Zonal Railways should take special care so as to ensure implementation of this facility scrupulously.

Instructions for CR foils are effective from 11.01.2015 and will remain valid upto 10.01.2016. The concessional rate of GTR – 20% applicable to CR foils will be reviewed after a year based on the feedback from Zonal Railways.

1.2.4 (i) Container Class Rate for 20' container (TEU) and 40' container (FEU) will be levied on the basis of chargeable weight notified by Railway Board from time to time which at present are notified vide Rates Circular No. 5 of 2015, as under:

Type of wagons	Chargeable weight per TEU (in tons)	Chargeable weight per FEU (in tons)
BLLA	30	60
BLCA, BLLB	30.5	61
BLCB	31	62
BFKN	29.85	59.7
BLCAM	33.95	67.9
BLCBM	34.5	69

(ii) Haulage charge for empty flat wagons will be levied as per prevailing Haulage rates.

(iii) Rounding off to Haulage Charge will be done as per extant guidelines stipulated vide Rule 191 of Goods Tariff No. m41 Part – I (Vol. I).

(iv) In accordance with the prevalent instructions, transportation of notified commodity groups remain dis-allowed under double stack operation.

1.2.5 When a notified commodity is loaded in more than 30 containers (TEUs) of a container train either as a single commodity or mixed with other commodity (including other than notified commodity), Haulage charge for such containers will be levied as per Container Class Rate. For the containers containing single notified commodity, Haulage charge will be levied as per Container Class Rate of that commodity and for the container loaded with two or more than two commodities, Haulage charge will be levied on the basis of higher container class rate of the commodities which the container contains (refer illustration at Appendix).

1.2.6 If 30 or less than 30 containers (TEUs) in a rake are loaded with any of the notified commodity groups either as a single commodity or mixed with other commodity (including other than notified commodity), Haulage charge for such container will be levied as per prevailing Haulage Rate per TEU. For container loaded with other than notified commodities or are empty, Haulage Charge for such containers will be levied as per prevailing Haulage Rate per TEU. (Refer illustration at Appendix)

1.2.7 CTOs should declare the details of commodities loaded in containers in the forwarding note. Concerned Railway staff should verify the correctness of the commodity details furnished by the CTO at the time of booking.

1.2.8 In case mis-declaration is detected in any container, Haulage Charge on the entire rake shall be levied at four times of the highest Container Class Rate. This will be in addition to the Haulage Charge otherwise leviable on the rake. If five cases of mis-declaration are detected for a particular CTO, suitable action may be initiated under Article 17 of Concession Agreement.

2.0 The terms and conditions as prescribed vide Board's letter No. 2008/TT-III/73/8 dt. 01.07.2008 (and as amended from time to time) will continue to be applicable for movement of commodities including notified commodity groups in containers, to the extent modified therein.

**Illustrations** w.r.t guidelines prescribed vide Paras 1.2.5 and 1.2.6 of Container Class Rate (CCR)

For a container rake consisting of 45 wagons and 90 containers (TEUs) which is loaded as under:

Case (i)	Applicable Rates
28 containers (TEUs) containing Cement (other than white cement)	Haulage Rate per TEU
40 containers (TEUs) containing Iron & Steel	Container Class Rate for Iron & Steel
22 containers (TEUs) containing other than notified commodities	Haulage Rate per TEU
<b>Case (ii)</b>	
30 containers (TEUs) containing Cement (other than white cement)	Haulage Rate per TEU
28 containers (TEUs) containing Iron & Steel	Haulage Rate per TEU
32 containers (TEUs) containing other than notified commodities	Haulage Rate per TEU
<b>Case (iii)</b>	
26 containers (TEUs) containing Cement (other than white cement) and Alumina	Haulage Rate per TEU
28 containers (TEUs) containing Slag	Haulage Rate per TEU
36 containers (TEUs) containing other than notified commodities	Haulage Rate per TEU
<b>Case (iv)</b>	
30 containers (TEUs) containing Cement (other than white cement) and Steel	Haulage Rate per TEU
30 containers (TEUs) containing Slag and Alumina	Haulage Rate per TEU
30 containers (TEUs) containing Bricks & Stones (other than Marble & Ceramic Tiles) and Petroleum Products	Haulage Rate per TEU
<b>Case (v)</b>	

20 containers (TEUs) containing Cement (other than white cement)	Container Class Rate for Cement
25 containers (TEUs) containing Cement (other than white cement) and Iron	Container Class Rate for Iron & Steel
30 containers (TEUs) containing Cement (other than white cement) and other than notified commodities	Container Class Rate for Cement
15 containers (TEUs) containing other than notified commodities	Haulage Rate per TEU
Note: In this case Cement (other than white cement) is loaded in more than 30 containers	

### **Subject – III: HUB & SPOKE SYSTEM OF CHARGING**

(Refer Rates circular No. 38 of 2012)

#### **GENERAL**

- i. At the time of first booking, the container train operator (CTO) shall declare the list of containers that are to be transported to destinations through designated Hub(s). Stuffing/de-stuffing of such containers at any time during transit will not be permissible.
- ii. RRs shall be generated for each leg of the movement separately. However, the linkage of RRs so generated for movements under Hub & Spoke System shall be maintained for all in-transit containers; all adjusted RRs will have reference to the previous RRs and this information shall be displayed on the container –wise Annexure sheets that form part of the RRs even presently.
- iii. In the case of traffic booked under the Hub & Spoke System, diversion and/or rebooking shall not be permissible.
- iv. Hubs can also be the final destination of any container.
- v. Loaded containers that idle at a designated Hub during transit for a period of five days (which shall be a parametric value) or more would be treated as having been delivered short of destination. In case such containers are ultimately dispatched to their original destinations, through distance or telescopic benefit would not be applicable.
- vi. The minimum/standard composition prescribed for different types of stocks would continue to be reckoned for the purpose of generating each RR and also for levy of Haulage Charge for a rake.
- vii. Notified commodities moving in a container rake under Hub & Spoke System will be charged as per Container Class Rate (CCR). However, the benefit of levying Haulage Charge per TEU for thirty or less containers in the rake will not be applicable.
- viii. Other charges such as Punitive Charge, Development Surcharge and Terminal Access Charges applicable on a RR shall not be adjusted in subsequent RRs. These charges will be calculated for point to point movements on a single RR basis.

## **METHODOLOGY FOR CHARGING FOR SINGLE STACK OPERATIONS UNDER HUB & SPOKE SYSTEM**

### **A. In case of container transiting via just **one** transit Hub:**

- a. The RR issued at the point of origin (say, S1) would be for its movement to the designated Hub (say, H1). However, the stated destination of the container (say, S2) would be indicated on the RR (and/or the Annexure sheet referred to in Para (ii) above).
- b. At H1, the CTO would be required to surrender the RR that was issued at S1.
- c. At the time of dispatch from H1, 'freight already collected at S1' would be deducted from the 'freight chargeable for transportation of the container from S1 to S2 on through distance basis and 'balance freight' so arrived at would be collected.
- d. The (balance freight) RR issued at H1 would reflect linkage to the original RR that was issued at S1.

### **B. In case of container booked through **two** transit Hubs:**

- a. The RR issued at the point of origin (say, S1) would be for its movement to the designated Hub (say, H1). However, the stated destination of the container (say, S2) would be indicated on the RR (and/or the Annexure sheet referred to in Para (ii) above).
- b. At H1, the CTO would be required to surrender the RR that was issued at S1.
- c. At the time of dispatch from H1, a second RR would be issued; the 'freight chargeable for transportation of the container' would be the 'freight on through distance basis from S1 to H2' minus the 'freight already charged and collected at S1'.
- d. The RR issued at H1 would reflect linkage to the original RR that was issued at S1.
- e. At H2, the CTO would again be required to surrender the RR that was issued at H1.
- f. At the time of dispatch from H2, a third RR would be issued, the 'chargeable freight for the transportation of the container from H2 to S2' would be the 'freight on through distance basis from S1 to S2' minus the 'freight on through distance basis from S1 to H2'.

- g. The RR issued at H2 would reflect linkage to both the original RR that was issued at S1 as well as the other, intermediate RR that was issued at H1.

**METHODOLOGY FOR CHARGING FOR DOUBLE STACK OPERATION UNDER HUB & SPOKE SYSTEM**

- C. In case of containers carried on the lower/bottom deck, charging principle outlines in Paras A & B, as the case may be, for single stack operations under HUB & Spoke system would apply.
- D. In case of containers carried on the upper deck, freight for the distance over which the containers are transported on upper deck would be levied @ 50% of the freight chargeable in line with the principles outlined above in Paras A and B, as the case may be, for single stack operations under Hub & Spoke System; for example, in case of the containers loaded on upper deck at H1 and transported as such to H2, 50% of the freight as computed under the provisions contained Para B(c) above would apply. The methodology prescribed in Paras A and B above, in respect of issued of RRs at S1 and H1/H2 as well as their surrender at the intermediate Hubs would also apply equally in the case of the double stack operations under the Hub & Spoke system.

## **RAILWAY MATERIAL CONSIGNMENTS AND STORES**

Railway Material Consignments (RMC) shall be booked and transported as per following procedure.

1. Indent/memo for departmental wagons shall normally be placed in writing in advance. In case of urgency, duly certified by Senior Scale/JA grade departmental officer concerned through control order no., the same can also be given by JE/SE/SSE concerned on the date of movement.
2. Priority for placement of departmental wagons against indents at different stations shall be decided by Sr. DEN (Co)/Branch Officer in case of other departments. In case of urgency to be certified by Sr. DEN (Co)/BO it may be decided to place departmental wagons even at stations where no indents are available.
3. No registration fees shall be levied for placing of indents/memo for departmental/general service wagons intended to transport Railway materials where both consignor and consignee are railway officials.
4. Loading/unloading can be done either at a station or in the block section.
5. Indents for wagons required for movement of Railway materials shall be given/accepted at the loading station if opened for goods booking or at the station nearest to the loading station which is open for goods booking. However, the indent will clearly specify the stations/block-sections from/to where the consignment will be loaded and unloaded. The loading or unloading of material can be done at more than one station/block section and also at stations/block sections enroute.
6. In case loading/unloading is done from multiple points, booking should be done to/from the farthest station/point.
7. Charging of all types of Railway Material Consignments (including Ballast) shall be done at notified Class rate of the commodity for a distance from the loading station to the unloading station. If for some urgent reason the material train has to be sent to destination farther than the farthest booking station, the same can be done as per the written memo of the Engineering Control with the approval of Sr. DEN (Co)/ DEN Branch Officer of other Department.
8. In case the loading station/point is not opened for loading of goods traffic, the booking should be done from the nearest station open for goods traffic. Similarly, the booking should be done for station open for goods traffic beyond the actual unloading station/block section if the actual unloading point is not open for goods traffic. In case there is no station open for goods booking beyond the actual unloading station/block section then the booking shall be done for the nearest station open for goods booking.

9. If consignment is to be moved in departmental wagons then train load charges with a concession of 30% shall be levied. No charge/surcharge for wagon load, Busy Season, Development charge etc. shall be levied on booking of RMC materials in departmental wagons.
10. If RMC rake consists of more than one commodity chargeable at different rates, it shall be charged on per wagon basis for the type of commodity loaded in a particular wagon. If a wagon contains more than one commodity, the highest Class of the commodity loaded in that wagon shall be charged.
11. These charges shall be levied as per the carrying capacity of departmental wagons as painted on them. General Service wagons shall be charged at notified PCC.
12. Charges shall be paid through a credit note duly filled in triplicate at the station from where the Railway materials are being booked. Necessary details shall be repeated by the station to Commercial Control, where a record of all such bookings/ re-bookings shall be maintained.
13. RR shall be issued in all cases of booking/movement of railway materials. However, this shall not prevent the movement of the material train/wagons soon after loading. In such cases where RRs have not been issued prior to movement of materials, RRs should invariably be got issued within 15 days of the movement failing which movement of further material without issue of RRs shall not be done.
14. RRs shall be issued only for those stations which are open for goods booking located beyond the actual unloading station/block section in the direction of movement.
15. RRs will clearly specify the stations/block sections from/to where the consignment will be loaded and unloaded. In all such cases, RRs will be deposited at the booked station for the purpose of effecting book delivery of the consignment. This shall not, however, prevent loading/unloading of materials from material trains / wagons. In such cases where RRs have not been deposited prior to unloading of materials, RRs should invariably be got deposited within 15 days of the unloading failing which unloading of further material without deposition of RRs shall not be done.
16. Only said to contain RRs will be issued. The same should be deposited at the booked station and physical delivery should be taken at the unloading station/block section.
17. Commercial staff will not be responsible for supervising either the loading or the unloading of the Railway materials. Railway materials will be loaded/unloaded by the departmental officials concerned as per programme received from control.

18. No siding charges should be levied on Railway Material and Stores booked in departmental wagons, as well as general service wagons to or from private and railway sidings for train load and wagon load.
19. No demurrage charges should be levied for detention of departmentally owned wagons. Moreover, no demurrage will be levied on
  - i. General service wagons declared condemned and subsequently excluded from general service pool and handed over to Engineering Department e.g. MBOX, BFR, BRN wagons;
  - ii. BOB/BOBY/BOBYN wagons which are not public wagons and have been introduced for transporting ballast or other Engineering materials by Engineering Department, and
  - iii. Other wagons converted into departmental wagons of other departments for movement of RMC.
20. In case fit general service wagons are used for moving of railway materials, then detentions to all such wagons shall be subject to the same demurrage rates and rules as applicable for wagons booked by the public.
21. No wharfage charges shall be levied on RMC lying at such railway premises which are meant exclusively for handling RMC.
22. However, at goods shed/sidings where goods booked at public tariff rate are also handled, all RMC shall be subject to the same wharfage rates and rules as applicable to consignment booked at public tariff rate.
23. For diversion/rebooking of departmental material from one place to another or the unloading of consignment done farther than the farthest booking station /Block section, the following procedure shall be followed in case of paucity of time :
  - i. Such diversion/rebooking shall have the approval of Sr. DEN(Co)/Branch Officer of department concerned which will be conveyed to Sr. DOM.
  - ii. Engineering Controller/concerned departmental functionary of other departments in control office shall give a written memo to Commercial Controller and Chief controller to move the train to the revised destination.
  - iii. On the basis of this memo, consignment shall be moved without further delay and commercial formalities like approval for rebooking from Operating/Commercial Officers will be undertaken subsequently.
  - iv. Within next seven days, revised indent, payment of freight by credit note, issue of supercessional RRs etc. and all other formalities will be completed at the booking/destination station by the consignor/consignee.
  - v. Monthly position will be maintained of all such cases in commercial control to ensure that all required formalities are completed timely before end of the next month when such diversion/rebooking was carried out.
  - vi. In case such formalities are not completed and all charges are not paid by the end of next month, the same shall be brought to the notice of the Branch officer concerned who shall ensure the same.

- vii. In case such formalities are still not completed and all charges are not paid by the end of the second month, booking of next consignment may not be done.
- 24. Material trains shall be moved as per programme given by Sr. DEN(Co)/Branch Officer of the departments concerned.
- 25. The material train programme shall be given to the Chief Controller at least one day in advance.
- 26. The material trains shall be moved as per programme. However, in special cases Sr. DEN(Co)/Branch Officer of the departments concerned can request Chief Controller through Engineering Controller/concerned departmental functionary of other departments in control office to change the programme to suit the immediate requirement. A written memo shall be given to this effect.
- 27. Terminal charge is not leviable on the RMC traffic moving in Departmental Wagons but is leviable when moved in General Service Wagons.
- 28. Diversion fee will be applicable in case of diversion of RMC traffic in all types of wagons.
- 29. Freight on railway material carried by General Service Wagons only is to be credited to earnings. Freight on railway material carried by Departmental Wagons is to be taken as reduction in expenditure.

## DEDICATED FREIGHT CORRIDOR

### Project at a Glance

The Indian Railway's quadrilateral linking the four metropolitan cities of Delhi, Mumbai, Chennai and Howrah, commonly known as the Golden Quadrilateral and its two diagonals (Delhi-Chennai and Mumbai-Howrah), adding up to a total route length of 10,122 km carried more than 55% of revenue earning freight traffic of IR. The existing trunk routes of Howrah-Delhi on the Eastern Corridor and Mumbai-Delhi on the Western Corridor are highly saturated with line capacity utilization varying between 115% and 150%.

Economic liberalization policies of 1991 followed by information technology explosion have taken India to a new growth scenario. Backed by strong fundamentals and commendable growth in the past few years, the resplendent Indian Economy is poised to grow even further at an average of 8 to 10% in the coming years. Transport requirement in the country, being primarily a derived demand, is slated to increase with elasticity of 1.25 with GDP growth by 10 to 12% in the medium and long term range.

This rapid growth of Indian economy in the last few years has created demand for additional capacity of rail freight transportation, and this is likely to grow further in the future. This burgeoning demand led to the conception of the dedicated freight corridors along the Eastern and Western Routes. Hon'ble Minister for Railways, made this historic announcement on the floor of the House in the Parliament while presenting the Railway Budget for 2005-06.

Ministry of Railways initiated action to establish a Special Purpose Vehicle for construction, operation and maintenance of the dedicated freight corridors. This led to the establishment of "Dedicated Freight Corridor Corporation of India Limited (DFCCIL)", to undertake planning & development, mobilization of financial resources and construction, maintenance, and operation of the dedicated freight corridors. DFCCIL was incorporated as a company under the Companies Act 1956 on 30<sup>th</sup> October 2006.



**Eastern Corridor:** The Eastern Corridor is a DFC with an initial route length of 1301 km and consisting of two distinct segments as an electrified double line of 897 km between Son Nagar and Dadri, and an electrified single line of approximately 404 km between Khurja and Ludhiana (Sahnawal Kalan). It was further decided to extend the Eastern DFC to Dankuni in the Kolkata area, an additional route length of approximately 538 km making a total corridor length of about 1839 km.

**Western Corridor:** The Western Corridor is a double line DFC from Jawaharlal Nehru Port in Navi Mumbai to Tughlakabad/Dadri in the NCR of Delhi, running along the Indian Railways' JN Port, Vasai Road, Surat, Vadodara, Ahmedabad, Mahesana, Palanpur, Ajmer, Phulera, Ringus, Rewari, Dadri route over a route length of 1499 km.

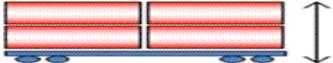
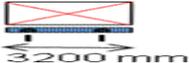
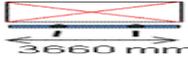
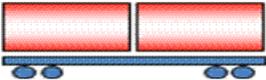
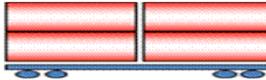
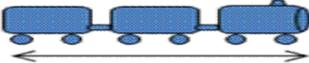
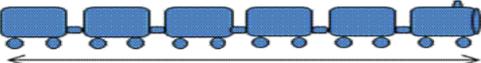
### **Mission**

As the dedicated agency to make the vision into reality, DFCCIL's mission is:

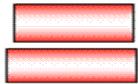
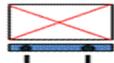
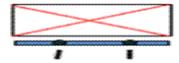
- To build a corridor with appropriate technology that enables Indian Railways to regain its market share of freight transport by creating additional capacity and guaranteeing efficient, reliable, safe and cheaper options for mobility to its customers.
- To set up Multimodal logistic parks along the DFC to provide complete transport solution to customers.
- To support the government's initiatives toward ecological sustainability by encouraging users to adopt railways as the most environment friendly mode for their transport requirements.

### **Salient Features**

Dedicated Freight Corridors are proposed to adopt world class and state-of-the-art technology. Significant improvement is proposed to be made in the existing carrying capacity by modifying basic design features. The permanent way will be constructed with significantly higher design features that will enable it to withstand heavier loads at higher speeds. Simultaneously, in order to optimize productive use of the right of way, dimensions of the rolling stock are proposed to be enlarged. Both these improvements will allow longer and heavier trains to ply on the Dedicated Freight Corridors. The following tables provide comparative information of the existing standards on Indian Railways and the proposed standard for DFCC.

Feature	Existing	On DFC
Moving Dimensions		
Height	 <p>4.265 m</p>	 <p>7.1 m for Western DFC 5.1 m for Eastern DFC</p>
Width	 <p>3200 mm</p>	 <p>3660 mm</p>
Container Stack	 <p>Single Stack</p>	 <p>Double Stack</p>
Train length	 <p>700 m</p>	 <p>1500 m</p>
Train Load	 <p>4,000 Ton</p>	 <p>15,000 Ton</p>

Upgraded Dimensions Of DFC

Feature	Existing	On DFC
<b>Heavier Axle Loads</b>		
<b>Axle Load</b>	 22.9t/25t	 32.5t/25t for Track Superstructure
<b>Track Loading density</b>	 8.67 t/m	 12 t/m
<b>Maximum Speed</b>	 75 Kmph	 100 Kmph
<b>Grade</b>	Up to 1 in 100	1 in 200
<b>Curvature</b>	Up to 10 degree	Up to 2.5 degree
<b>Traction</b>	Electrical( 25 KV)	Electrical(2x25 KV)
<b>Station Spacing</b>	7-10 Km	40 Km
<b>Signalling</b>	Absolute/ Automatic with 1 Km spacing	Automatic with 2 Km spacing
<b>Communication</b>	Emergency Sockets/Mobile Train Radio	Mobile Train Radio

### **Benefit of the Project**

DFC Project aims to help boosting the present trends of growth of the economy in India as well as improve the environment:

- Acceleration of nationwide economic development due to improvement of freight transportation system in India.
- Increase of industrial development along the DFC will bring about increase of employment opportunity in the region.
- Improvement of transportation of agricultural produce by DFC in terms of distance and speed will bring about expansion and improvement of the market for farmers in the region as well as forestry and fisheries.
- Less energy use for transport of goods compared to transportation by truck.
- No gaseous emission to local community along the DFC alignment (Reduction of gaseous emission from truck along the road).
- Clean energy transportation system, Green House Gas Emission Reduction by 477 million ton CO<sub>2</sub> over a period of 30 years.

## WAGON LEASING SCHEME

### 1.0 Objective:

The objective of this scheme is to develop a strong wagon leasing market by encouraging third party leasing of wagons, particularly with a view to bring in wagons of better designs. This document lays down the policy for leasing of wagons and their operation on the rail network of Indian Railways.

### 2.0 DEFINITIONS AND ABBREVIATIONS

Definitions and abbreviations of some of the terms used in this document are as under:

- 2.1 **IR:** Railway Administration.
- 2.2 **MOR:** Ministry of Railways, Government of India.
- 2.3 **End User:** Rail customers who are producers or consumers of the goods transported by rail.
- 2.4 **Operators:** Third Party Logistics Companies engaged in providing service to multiple customers under Concession granted by IR to run their container trains on IR network.
- 2.5 **Wagon Leasing Company (WLC):** A Leasing Company engaged in the business of procuring railway wagons and making them available to other business entities authorised to deploy such wagons for operation over IR network in accordance with the extant policy of MOR.
- 2.6 **Lessor:** A WLC engaged in the business of leasing wagons to a Lessee(s).
- 2.7 **Lessee:** It refers to End Users or Operators under Concession granted by IR to run trains on IR network.
- 2.8 **Leased Wagons:** Wagons given on lease by a Lessor to a Lessee.
- 2.9 **Idle Leased Wagons:** Wagons owned by a Lessor and held on IR network or a private siding awaiting nomination of a lessee.
- 2.10 **High Capacity Wagons (HCW):** Wagons with payload which are at least 2.0 tonnes higher than the payload of extant similar wagons on IR for 25.0 tonne or 22.9 tonne axle load route, as the case may be. The dimension of such wagons should be such that it gives commensurate higher payload in the full train length without changing the laid down standard composition of

rakes. Such wagons will operate on specific routes approved by IR and will not form part of the wagon pool of IR.

2.11 **Special Purpose Wagons (SPW):** Wagons designed for rail transportation of a specific commodity or group of commodities. Such wagons will operate on specific routes or close circuits as approved by MOR and will not form part of the wagon pool of IR.

2.12 **Liberalized Wagon Investment Scheme (LWIS):** Scheme introduced by MOR in 2008 to encourage private investment for procurement of difference types of wagons.

### **3.0 TYPES OF WAGONS**

Following types of wagons may be procured for leasing:

- i) High capacity Wagons (HCW)
- ii) Special Purpose Wagons (SPW)
- iii) Wagons for Container movement.

### **4.0 LEASING OF WAGONS**

Wagons may be leased to the following agencies:

- i) End Users (for HCW and SPW)
- ii) Operators (for only such types of wagons as are permitted under the Concession)

### **5.0 ELIGIBILITY CRITERIA**

The applicant should fulfill the following eligibility criteria to become a WLC:

- 5.1 It should be an entity registered in India under the Companies Act, 1956.
- 5.2 It should have at least 5 years' experience of asset leasing business.
- 5.3 It should have a net worth of at least Rs. 100 crore.
- 5.4 In case the applicant is a subsidiary company, experience and net worth of the holding company, owning more than 50% equity, may be reckoned for the purposed of Para 5.2 and 5.3 above. However, in such cases, applicant company should have a minimum of 25% of the prescribed net worth.

### **6.0 REGISTRATION OF WLC:**

- 6.1 An entity intending to offer railway Wagons on lease for operation on IR network will be required to register itself as a WLC with MOR by paying a onetime non-refundable registration fee of Rs, 5 crores.

6.2 Registration of a Wagon Leasing Company (WLC) will be valid for 35 years from the date of registration further extendable on payment of registration fee subject to satisfactory performance.

6.3 Registration of a WLC will be summarily cancelled on the Company becoming insolvent or on being found to be acting in manner which constitutes a breach of its contract with MOR.

## **7.0 PROCUREMNT OF WAGONS BY WLC:**

7.1 A WLC will be required to procure wagons directly from wagon manufacturers or through imports.

7.2 Procurement of wagons will be allowed only with prior administrative and technical approval of MOR.

7.3 Procurement of wagons would be in units of the prescribed composition of block rakes for such wagons plus 4% wagons as maintenance spare along with a brake van for each rake.

7.4 Freight concessions to which investors are entitled under LWIS will be made available to Lessees. However, this benefit will not be available if wagons are leased to Operators.

7.5 These wagons will be inducted into service only after completion of the mandatory safety and quality inspections by authorized agencies as notified by MOR.

7.6 Wagon Leasing Company (WLC) is also permitted to purchase wagons from Container Train Operators (CTO), Special Freight Train Operators (SFTO), Automobile Freight Train Operator (AFTO) and end users with prior approval of Ministry of Railways. The rebate applicable to these wagons will be that of the policy under which the wagons were procure initially and in case the WLC purchases wagons which are entitled to any rebate, no rebate will be permissible under WLS scheme.

7.7 The brake van of the rake purchased by the WLC will be added to the general pool of IR brake vans, in exchange for the undertaking that IR will meet the operational requirement of providing brake vans to the Wagon Leasing Companies for which it has been procured.

## **8.0 LEASING CONTRACTS**

8.1 Wagon leasing contracts will be bi-partite agreements between the WLC and the Lessee.

- 8.2 IR will not have any responsibility of liability in respect of wagon leasing contracts except to the extent set forth in this document.
- 8.3 The WLC (as Lessor) and the Lessee will furnish to IR a jointly authenticated copy of their Wagon Leasing Contract which must include clauses certifying the ownership of the Wagons with the WLC and articulating an explicit and unambiguous right of WLC to single terminate the lease of Wagons to Lessee.
- 8.4 The WLC will have the right of substitution of lessee on the approved route(s) or close circuit(s), under intimation to IR.
- 8.5 Consequent upon receipt of an advice of termination of the lease by the WLC, IR shall cease to make such wagons available to the Lessee and hold such idle leased wagons in its custody awaiting further nomination of a Lessee by the WLC.
- 8.6 IR will not act on any advice regarding termination of lease form the lessee.

## **9.0 SUB-LEASING BY THE LESSEE**

Lessee will not be permitted to sub-lease the wagons held by him to another agency.

## **10.0 LIABILITIES**

### **10.1 Liabilities of IR**

Liabilities of IR in respect of claims and compensation will be regulated by the relevant provision of the Railways Act in this regard.

### **10.2 Liability of Lessee**

Lessee of the Wagons will be responsible to pay all charges raised by IR in respect of freight, demurrage, wharfage, stabling and any other charges claimed by IR for services rendered.

### **10.3 Liability of WLC**

- 10.3.1 WLC will be the legal owner of the wagons procured by it and leased to a Lessee.
- 10.3.2 WLC will be responsible to secure necessary insurance against damage to such wagons in accidents or for third party liabilities etc..

- 10.3.3 If a WLC terminates lease of Wagons to a Lessee and directs IR to hold such Wagons in its custody on IR owner railway lines, the WLC will be liable to pay Stabling Charges at prevalent rates as notified by IR.
- 10.3.4 Stabling Charges, however, will not accrue if such wagons are held in the private sidings of the WLC or Lessee or any other private siding with which the WLC or Lessee or any other private siding with which the WLC or Lessee has any agreement for keeping their Idle Lease Wagons.
- 10.3.5 If a WLC required IR to move Idle Leased Wagons from any terminal or siding to another terminal or siding selected by WLC, WLC will be liable to pay to IR freight charges at class – 100 for movement of empty Rakes of such wagons.
- 10.3.6 All cess, duty, taxes or fees payable to State Government/s, Central Government or any other authorised agency shall be borne by the WLC.
- 10.3.7 Stabling charges other than above reason should be considered as follows:
- (a) In case the train suffers detention at the serving station for reasons attributable to the WLC/Lessee or when the WLC/Lessee either declines to accept inside the terminal, scheduled to be the terminating station or is not in a position to receive placement of subsequent train then stabling charges should be levied.
  - (b) At any of the stations en-route due to any reason attributable to the WLC/Lessee including for want of demand then stabling charges should be levied.
  - (c) When the rake is on run from originating station to the destination station or on scheduled maintenance, the stabling shall be on Railways account unless expressly asked by the lessee.

**11.0 MAINTENANCE OF WAGON:** Maintenance of Leased Wagons will be undertaken by IR on payment as per agreements to be executed with the WLC.

## **12.0 LIEN**

12.1 In cases of default of payment by WLC, IR may exercise lien on the leased wagons to recover its dues.

12.2 In cases of default by a Lessee in respect of any payments due to IR, IR may exercise lien on the consignment loaded in the leased wagons to recover its dues.

## **13.0 DISPUTE RESOLUTION**

All disputes in regard to implementation of the agreements with the Zonal Railway, under this scheme, will be referred to an Arbitrator nominated by General Manager of the Zonal Railway.

भारत सरकार GOVERNMENT OF INDIA  
रेल मंत्रालय MINISTRY OF RAILWAYS  
(रेलवे बोर्ड RAILWAY BOARD)

No. 2009/TC (FM)/ 4/6(LWIS)

रेल भवन, नई दिल्ली, - 110001, तिथि  
Rail Bhavan, New Delhi - 110 001, dated 08.12.2014

General Managers  
All Indian Railways.

**Sub : LIBERALIZED WAGON INVESTMENT SCHEME (LWIS)**

**Ref : Board's letter No. listed below**

1. 2009/TC (FM)/ 4/6(LWIS) dt. 02.01.2012
2. 2009/TC (FM)/ 4/6(LWIS) dt. 17.09.2012
3. 2009/TC (FM)/ 4/6(LWIS) dt. 10.06.2013
4. 2009/TC (FM)/ 4/6(LWIS) dt. 21.08.2013
5. 2009/TC (FM)/ 4/6(LWIS) dt. 01.09.2014
6. 2009/TC (FM)/ 4/6(LWIS) dt. 27.10.2014

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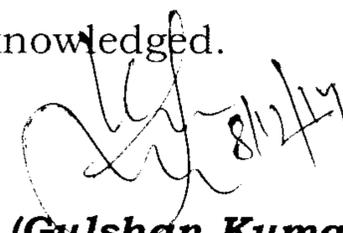
Liberalized Wagon Investment Scheme (LWIS) was issued vide circular referred at 1 above. Subsequently, 5 more corrigendums/addendums were issued vide circular referred 2 to 6 above. It has been decided to issue Freight Marketing Master Circular for LWIS duly consolidating all the corrigendum and addendums.

Accordingly, the Freight Marketing Master Circular on Liberalized Wagon Investment Scheme is enclosed herewith.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

The receipt of this letter may please be acknowledged.

DA. As above.



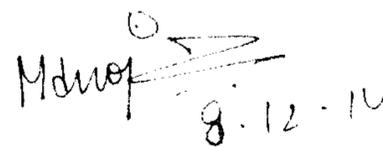
**(Gulshan Kumar)**  
**Dy. Director Freight Marketing**

No. 2009/TC (FM)/ 4/6(LWIS)

रेल भवन, नई दिल्ली, - 110001, तिथि  
Rail Bhavan, New Delhi - 110 001, dated 08.12.2014

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1. DAI (Railways) with 36 spares.
2. FA & CAOs, All Indian Railways.



**For Financial Commissioner/Railways**

**No. 2009/TC (FM)/ 4/6(LWIS)**

रेल भवन, नई दिल्ली, - 110001, तिथि

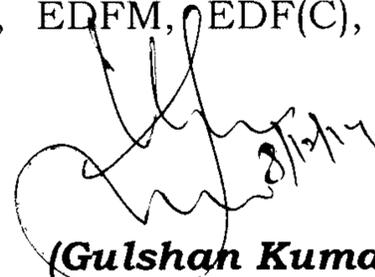
Rail Bhavan, New Delhi - 110 001, dated **08.12.2014**

**Copy forwarded for information and necessary action to:**

1. Chief Commercial Managers, All Indian Railways.
2. Chief Operations Managers, All Indian Railways.
3. Chief Mechanical Engineers, All Indian Railways.
4. Managing Director, Konkan Railway Corporation, Belapur Bhavan, Plot No. 6, Sector 11, CBD Belapur, Navi Mumbai-400014.
5. Director General, RDSO, Manak Nagar, Lucknow.
6. Director General, National Academy of Indian Railways, Vadodara..
7. Director, Indian Railways Institute of Transport Management (IRITM), Manak Nagar, Lucknow.
8. Managing Director, DFCCIL, Pragati Maidan, New Delhi.

**Copy for information to:**

1. CRB, FC, MT, ME, MM
2. AM (T), AM( C), Adv. (F), Adv.(Infra), Adv. (Vig.), EDTT(M), EDTT(F), EDTT(S), ED(Plg.), EDT(PPP), EDTC(R), EDFM, EDF(C), EDV(T), DTT(Coord.), OSD/CRB Railway Board.



**(Gulshan Kumar)**  
**Dy. Director Freight Marketing**

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## **LIBERALIZED WAGON INVESTMENT SCHEME**

### **1.0 GENERAL**

The existing Liberalized Wagon Investment Scheme (LWIS) circulated vide Freight Marketing Circular No. 07 of 2008 along with all its amendments, stand superseded by the revised Liberalized Wagon Investment Scheme (LWIS). The terms & conditions of the revised Liberalized Wagon Investment Scheme (LWIS) shall also be made applicable to the customers who have already made investment for procurement of wagons or obtained approval from Ministry of Railways for procurement of wagons under the existing LWIS.

### **2.0 DEFINITIONS AND ABBREVIATIONS**

Definitions and abbreviations of some of the terms used in this document are as under.

2.1 **IR:** Railway Administration.

2.2 **MOR:** Ministry of Railways, Government of India.

2.3 **Investors:** This refers to End Users or WLCs.

2.4 **End User:** Rail customers who are producers or consumers of the goods transported by rail.

2.5 **Wagon Leasing Company (WLC):** A Leasing Company engaged in the business of procuring railway wagons and making them available to other business entities authorized to deploy such wagons for operation over IR network in accordance with the extant policy of MOR.

2.6 **Lessor:** A WLC engaged in the business of leasing wagons to Lessee(s).

2.7 **Lessee:** It refers to End Users, Investors under Terminal Development Scheme or Operators under Concession granted by IR to run trains on IR network.

2.8 **Leased Wagons:** Wagons given on lease by a Lessor to a Lessee.

2.9 **Idle Leased Wagons:** Wagons owned by a Lessor and held on IR network or a private siding awaiting nomination of a Lessee.

2.10 **High Capacity Wagons (HCW):** Wagons with payload which are at least 2 tonnes higher than the payload of extant similar wagons on IR for 25.0 or 22.9 tonne axle load route, as the case may be. The dimension of such wagons should be such that it gives commensurate higher payload in the full train length without changing the laid down standard composition of rakes. Such wagons will operate on specific routes approved by IR and will not form a part of the wagon pool of IR.

- 2.11 **Special Purpose Wagons (SPW):** Wagons designed for rail transportation of a specific commodity or group of commodities. Such wagons will operate on specific routes or close circuits approved by MOR and will not form a part of the wagon pool of IR.
- 2.12 **Wagon Leasing Scheme (WLS):** The Scheme introduced by MOR in the year 2008 for leasing of wagons and their operation on IR.
- 2.13 **Terminal Development Scheme:** Scheme introduced by MOR in 2008 to encourage development of railway terminals through investment from private sector.

### 3.0 **TYPES OF WAGONS PERMITTED FOR PRIVATE PROCUREMENT**

Following types of wagons may be procured under this Scheme.

- (i) High Capacity Wagons (HCW)
- (ii) Special Purpose Wagons (SPW)

### 4.0 **PROCUREMENT OF WAGONS**

Following types of investors may procure wagons.

- (i) WLC (for leasing to End users)
- (ii) End users (for their own traffic only)
- (iii) Logistics providers exclusively for the end user company.

### 5.0 **PROCEDURE FOR PROCUREMENT OF WAGONS**

- 5.1 General conditions and procedure for procurement of wagons is laid down in Annexure - A.
- 5.2 Procurement of wagons will be allowed only with prior administrative approval of MOR.
- 5.3 Privately procured wagons will be inducted into service only after completion of the mandatory safety and quality inspections by authorized agencies as notified by MOR.
- 5.4 MOR reserves the right to terminate the Agreement with any investor procuring wagons under LWIS on payment of the residual value as assessed by IR.

### 6.0 **OPERATION OF PRIVATELY OWNED WAGONS**

HCW and SPW will be operated as per the provisions prescribed in Annexure - B.

### 7.0 **MAINTENANCE OF WAGONS**

- 7.1 Maintenance of Wagons will be undertaken by IR on payment as per agreements to be executed with the investor.

7.2 The haulage charges for moving the wagons in rake formation from a private terminal to the workshop/maintenance depot/train examination point of the railway administration and back to the loading point shall be borne by the railway administration.

#### **8.0 FREIGHT RATES AND CONCESSIONS**

8.1 Freight concessions will be permitted to End Users only as indicated in Annexure - C.

8.2 However, if the investor has availed of any concession, subsidy or any other financial benefit for procurement of wagons from any other Ministry or from Ministry of Railways under any other Scheme, he will not be eligible under this scheme. The investor will give an undertaking to this effect. In case of false undertaking, benefit given if any, shall be recovered through a suitable mechanism to be developed by the Railways.

#### **9.0 RESTRICTED COMMODITIES**

Transport of Coal and coke, ores and minerals including iron ore will not be permitted in privately owned wagons.

#### **10.0 LIEN**

In cases of default of payment by the investor, IR may exercise lien on the privately owned wagons and the consignment loaded in such wagons to recover its dues. However, in case of leased wagons the relevant provisions of the WLS will apply.

#### **11.0 DISPUTE RESOLUTION**

All disputes in regard to implementation of the agreements with the Zonal Railway, under this scheme, will be referred to an Arbitrator nominated by General Manager of the Zonal Railway.

\*\*\*\*\*

**Annexure - A**

**General conditions and procedure for procurement of High Capacity and Special Purpose Wagons for LWIS**

Following procedure and conditions are laid down for procurement of wagons by prospective investors under LWIS:-

1. The Chief Operations Manager (COM) of the concerned loading railway should be contacted along with specific details of the proposal. The details should include number of rakes required, type of wagons, commodity, loading station(s), destination station(s), proposed specific route(s) or close circuit(s) and any other information relevant to the proposal.
2. After examination of the proposal regarding its operational feasibility, No Objection Certificate (NOC) shall be issued by the COM of the loading railway in consultation with the COM of the destination railway. NOC should normally be issued within 10 days of receipt of application.
3. NOC should clearly indicate number of rakes, type of wagon, loading station, unloading station(s), commodity, route or the close circuit for movement of the traffic in such rakes, etc.
4. Application along with NOC should be forwarded by the zonal railway to the Executive Director/Freight Marketing (EDFM), Railway Board for examination by the TT Directorate and issue of final approval of the Railway Board for permitting procurement of rakes under LWIS.
5. On the basis of the approval of the Railway Board, an Agreement will be signed between the Chief Commercial Manager (CCM) of the concerned Railway and Investor.
6. Wagons should be procured in units of rake with 4% maintenance spares and one brake van.
7. Rakes will be procured by customers directly from wagon manufacturers or through import subject to compliance with current applicable IRS designs and specifications and inspection by nominated agency of IR, namely, RDSO.
8. Customers will be required to incorporate following warranty clause in the purchase contract with the wagon manufacturer.

“Supplies shall be guaranteed against any manufacturing defect/poor workmanship quality etc. for a period of 24 months of commissioning or 30 months from the date of delivery, whichever is earlier. During this period contractor will arrange to repair/replace any defective part free of cost or replace complete set if required. Further, since these wagons are to be utilized by the customers of Indian Railways, they

are hereby authorized to invoke this warranty clause in case of any default on the part of wagon manufacturer.”

9. Information regarding placement of order for procurement of rakes may be advised to the COM of the concerned zonal railway as well as EDFM, Railway Board.
10. Date of actual induction of the rake on IR network may be informed to the COM and EDFM, Railway Board. The zonal railway will keep the details of the wagons and brake-vans procured for each rake.
11. On receipt of documents about commissioning of the rake under LWIS, a commercial notification will be issued by the CCM in consultation with COM. The notification should have all relevant details mentioning inter alia, the details of the concession, the date of commencement of the concession period, the name of the investor, wagon numbers, commodity, approved circuits, the base freight at the time of notification etc.
12. Each rake procured by investor will thus have an associated loading and unloading point(s) over specific route(s) or close circuit(s) as approved by the Railways as per the above procedure.
13. The associated loading and unloading point or points can be changed as per the requirement of the LWIS customer. This change is subject to the operational feasibility and NOC from the concerned Zonal Railway and approval of the Railway Board. The loading and unloading station will be of end users.
14. In case the LWIS customer wants to carry commodity other than for which permission has been given, the same may be permitted provided that commodity is produced/consumed by LWIS customer and can be carried in rake/rakes for which permission has been granted. E.g. If BCCW rake/rakes under LWIS have been procured for loading cement and fly ash and the investor desires to change the number of rake/rakes dedicated to either of the commodity, it should be allowed.
15. However, in the case of leased wagons, changes in the associated loading and unloading point(s) and the route(s) or closed circuit(s) can be made as per the requirement of the WLC subject to the certification of operational feasibility and approval of the Railway Board. Each such case shall, however, be processed for issue of a fresh NOC from the concerned Zonal Railway and the approval of Railway Board as per the procedure prescribed above.
16. Rake(s) should be procured under this scheme within one year from the date of signing of the Agreement, unless specific prior extension is given by the Railway Board.

\*\*\*\*\*

Annexure - B**Conditions for operation of High Capacity and Special Purpose Wagons in LWIS**

IR will operate HCW and SPW as per the conditions prescribed below:-

1. Private wagons falling in this category will not be merged in the wagon pool of IR. Rakes comprising of such wagons will be identified as exclusively belonging to the private investor who has procured them.
2. Loading in wagons procured under this Scheme will be permitted only against indents registered by End Users subject to extant rules for allotment of wagons.
3. Indents for loading in such wagons will be placed at the approved loading point for the approved destination point for movement over specific route(s) or closed circuit(s) as approved by the Railways.
4. If the End User does not place any indents, these wagons will remain idle in his premises.
5. If IR has to stable these rakes in railway owned yards at the request of the End User or otherwise, stabling charges as notified by MOR will be payable.
6. IR will have no right to use these wagons, except as stipulated in Para 7 below, for loading of traffic of any customer other than the End User for the wagons concerned.
7. Notwithstanding Para 3 and 6 above, HCW or SPW may be used by IR for traffic offered by customers other than the End User subject to a prior mutual written agreement between IR and such Investors or WLCs regarding the terms of such usage.
8. Investor will not be entitled to any residual value of the rake procured by him.
9. Freight traffic transported in the SPW in an approved close circuit will originate from a private siding or terminal and terminate at a private siding or terminal capable of handling the traffic in such special purpose wagons.
10. Wherever relevant, provisions of the Terminal Development Scheme will apply for operation of SPW.

\*\*\*\*\*

**Annexure-C****FREIGHT CONCESSIONS in LWIS**

Freight concessions to the End Users that will be granted for each loading in the rakes consisting of new HCW and SPW procured under LWIS are as under:-

**A. HCW operating on approved specified routes**

1. Investments in HCW, with a payload of 2 tonnes more than the payload of extant similar wagons (as mentioned in Para 2.10 of the scheme) will be eligible for a freight concession of 12% for a period of 20 years.
2. For each additional tonne of payload in excess of what is prescribed in Para 1 above, an additional 0.5% of freight discount will be granted for 20 years.
3. Payload will be reckoned in terms of integral units of tonnes after rounding off the fractions to the lower integer.

**B. SPW operating in approved Closed circuits**

Freight concession of 15% will be granted for a period of 20 years for each loading of a new rake of SPW procured under LWIS operating between existing or new private terminals capable of handling the traffic in such special purpose wagons in an approved close circuit.

The above mentioned freight concessions of 12% and 15% shall henceforth be granted in each case on the Base Freight Rate prevailing at the time of booking during the currency of the concession period of 20 years.

The concession shall be applicable to (a) rakes that are already running over Indian Railways System with prospective effect only and (b) new rakes that will be inducted in Indian Railways System. Arrangements may be made to incorporate the change in the existing LWIS agreements for the rakes which have already been inducted.

C. No freight will be charged for movement of empty rake to the next destination provided the distance travelled by empty rake is less or equal to the distance travelled by the train before unloading. However, if the distance travelled by empty rake is more than the loaded distance then for additional distance travelled by empty rake over and above the loaded distance, empty freight rate shall be charged at 50% of loaded freight of public tariff on carrying capacity of the wagons.

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भारत सरकार GOVERNMENT OF INDIA  
रेल मंत्रालय MINISTRY OF RAILWAYS  
( रेलवे बोर्ड RAILWAY BOARD )

No. 2011/TC(FM)/14/14.

New Delhi Dt.02.01.2015

General Managers,  
All Indian Railways.

**Sub: Policy Guidelines – Revised Private Freight Terminals (PFT) Scheme.**  
**Ref: Freight Marketing Circular No. 5 of 2012 dated 23.04.2012.**

Policy guidelines for development of Private Freight Terminal (PFT) were revised by Ministry of Railways vide Freight Marketing Circular No. 5 of 2012 dated 23.04.2012 referred above. Since then the following amendments have been issued on the subject:

- i) FM Circular No. 12 of 2012 vide letter No. 2010/TC(FM)/14/2 dated 25.05.2012 (S.No. 4)
- ii) FM Circular No. 03 of 2012 vide letter No. 2012/TC(FM)/14/5 dated 26.02.2013 (S.No.5)
- iii) FM Circular No. 08 of 2013 vide letter No. 2012/TC(FM)/14/15 dated 03.04.2013 (S.No.6)
- iv) FM Circular No. 01 of 2014 vide letter No. 2011/TC(FM)/14/14 dated 09.01.2014 (S.No.7)
- v) FM Circular No. 17 of 2014 vide letter No. 2011/TC(FM)/14/14 dated 25.09.2014 (S.No.8)
- vi) FM Circular No. 26 of 2014 vide letter No. 2011/TC(FM)/14/14 dated 22.12.2014 (S.No.10)

It has been decided to issue Freight Marketing Master Circular on PFT duly incorporating all the above amendments.

Accordingly, a consolidated policy on Revised Private Freight Terminal (PFT) Scheme is enclosed herewith.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

The receipt of this letter may please be acknowledged.

DA : As Above

No. 2011/TC(FM)/14/14.

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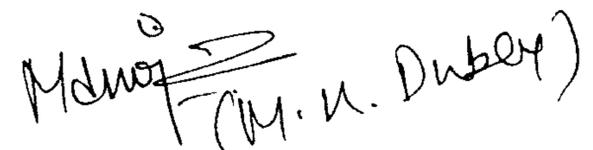
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2. DAI (Railways) with 36 spares.



(Rita Raj)

Director Freight Marketing

New Delhi Dt.02.01.2015



for Financial Commissioner/Railways.

No. 2011/TC(FM)/14/14.

New Delhi Dt.02.01.2015

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3. Chief Operations Managers, All Indian Railways
4. Chief Commercial Managers, All Indian Railways
5. Chief Mechanical Engineers, All Indian Railways
6. Director General, RDSO, Manak Nagar, Lucknow.
7. Director General, Railway Staff College, Vadodara.
8. Director, Indian Railways Institute of Transport Management (IRITM), Manak Nagar, Lucknow.
9. Managing Director, Konkan Railway Corporation, Belapur Bhavan, Plot No. 6, Sector-11, CBD Belapur, Navi Mumbai – 400014.
10. Managing Director, DFCCIL, Pragati Maidan, New Delhi.



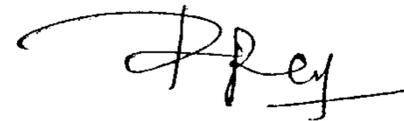
*(Rita Raj)*

**Director Freight Marketing**  
**New Delhi Dt 02.01.2015**

**No. 2011/TC(FM)/14/14.**

Copy for information to:

1. CRB, FC, MT, ME, MM, MS, ML and Secretary Railway Board, New Delhi.
2. AM(T), AM(C), Adv.(Rates), Adv.(F), Adv.(Inf.), Adv.(Vig.), EDTT(M), EDTT(S), EDTT(F), ED(PLG.), EDT(PPP), EDF(C), EDV(T), DTT(Cord.), OSD(CRB), OSD(MT) and JDTC(R)/Railway Board.



*(Rita Raj)*

**Director Freight Marketing**

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**Sub: Policy Guidelines – Revised Private Freight Terminals (PFT) Scheme.**

Policy guidelines for development of Private Freight Terminal (PFT) was issued by Ministry of Railways under Freight Marketing Circular No. 5 of 2012 vide letter No. 2011/TC(FM)/14/14 dated 23.04.2012 followed by a number of amendments issued from time to time. In supersession to the earlier circulars/ instructions, the comprehensive guidelines on Revised Private Freight Terminals (PFT) Scheme are as under:

**1.0 Introduction**

This policy seeks to supplement the in-house programme of Ministry of Railways by opening the area of terminal development with participation of the logistics service providers to create world-class logistics facilities.

A prospective TMC will need to apply for setting up a PFT in accordance with terms and conditions of the PFT Policy.

- 1.1 This policy aims to stimulate development of privately owned freight terminals not on Railway land for dealing with railway traffic including parcel traffic and containers.
- 1.2 Any freight terminal, private siding or any other type of goods handling facility on Railway owned land is excluded from the applicability of this policy.
- 1.3 A TMC who has already been granted approval for setting up a PFT under earlier PFT Policy will have the option to continue to operate under the earlier PFT Policy or switch over to the new PFT Policy. This option must be exercised within 6 months of notification of the New PFT Policy after which such a change will not be permitted.
- 1.4 Proposals for setting up a PFT under process in terms of the earlier PFT Policy and not notified as a PFT on the date of issue of this PFT Policy will be processed in terms of this PFT Policy.

**2.0 Objective**

2.1 The objective of the policy is to-

- (i) Enable rapid development of network of freight handling terminals with the participation of Private Sector.
- (ii) Enhance the presence and share of railways in the overall transport chain.
- (iii) Divert traffic so far predominantly moving by road to rail and attain increased rail freight volumes by offering integrated, efficient and cost effective logistics and warehousing solutions to users.

**3.0 Definitions**

Key Terms used in this policy guideline have been defined in the following Section for precise interpretation and elimination of ambiguities. Field functionaries should interpret such terms exactly as defined.

- 3.1 Act: Railways Act, 1989.
- 3.2 Agreement: Document executed by a TMC and RA setting forth the terms and conditions for operation of a PFT.
- 3.3 Authorised Users: Rail users authorised by the TMC to make use of the facilities at a PFT will be called Authorised Users.

- 3.4 Brownfield PFT: A term used to refer to an existing Private siding (including the Private sidings dealing with container traffic) converted into a PFT under this policy
- 3.5 "Consignee" means the person named as consignee in railway receipt.
- 3.6 "Consignor" means the person, named in railway receipt as consignor, by whom or on whose behalf goods covered by the railway receipt are entrusted to a railway administration for carriage.
- 3.7 Container Terminals: A freight terminal of Container Train Operator dealing exclusively with container traffic only.
- 3.8 Container Train Operators: Private train operators who have been granted a concession to operate container trains under the provisions of MCA.
- 3.9 Common User Facility: A facility available for use to all rail users without any discrimination.
- 3.10 CONCOR: Container Corporation of India.
- 3.11 CCM (FM): Chief Commercial Manager (Freight Marketing) on a Zonal Railway.
- 3.12 CTPM: Chief Transportation Planning Manager of a Zonal Railway.
- 3.13 Co-use: This term refers to the permission given to a rail user by RA, other than the owner of a private siding, for using the siding for handling of his own goods at the siding, subject to the provisions of the Siding Agreement.
- 3.14 FOIS: Freight Operating Information System.
- 3.15 Freight Terminals (FTs): A terminal notified by the Railway to deal with freight(Goods) traffic.
- 3.16 Greenfield PFT: A term used to refer to a new freight terminal commissioned as a PFT under this policy.
- 3.17 IR: Indian Railways.
- 3.18 MOR: Ministry of Railways.
- 3.19 MCA: Model Concession Agreement entered into by RA and concessionaires of privately owned container trains.
- 3.20 PFT: Private Freight Terminal. A terminal notified under PFT policy to deal with rail based cargo including containers.
- 3.21 Private Siding: Privately owned freight terminal created for a single rail end user (manufacturer, consumer etc).
- 3.22 Private Siding Policy: Liberalization of Siding Rules issued on 30.1.12 vide letter no. 99/TC(FM)/26/1 Pt. II by MOR and as amended from time to time. Setting forth conditions for construction, maintenance and operation of private sidings and the associated charges payable by the siding owner to RA.
- 3.23 Private land: Land not owned by Railways.

- 3.24 RA: Railway administration implies Zonal Railway administration.
- 3.25 Rake: A rake is a train load of wagons with a prescribed composition.
- 3.26 Terminal Charge: This term refers to the Terminal Charge levied by Railways at Railway owned Goods sheds. MOR notifies commodity wise rates for these charges.
- 3.27 TMC: Terminal Management Company, an entity owning a PFT.
- 3.28 TMS: Terminal Management System of FOIS.
- 4.0 Nodal Agency**
- 4.1 Executive Director (Freight Marketing), Ministry of Railways (or any other functionary nominated for this function by Railway Board) would be the nodal officer for implementation of this policy.
- 4.2 At the level of Zonal Railways, CTPM would be the nodal officer during construction and planning stage. CCM (FM) would be the nodal officer after commissioning of a PFT.
- 5.0 Freight Terminals (FTs)**
- 5.1 Loading and unloading of goods transported by rail is done at freight terminals.
- 5.2 Currently, FTs include following categories of terminals.
- 5.2.1 Railway owned Goods sheds and sidings on Railway land.
- 5.2.2 Private sidings built on private land in terms of the private siding policy for exclusive use of its owner for its own cargo.
- 5.2.3 Private sidings built on private land where rail users other than the owners of Private sidings have been permitted to use the siding under the provisions for co-use facility in the private siding agreement.
- 5.2.4 Privately owned container handling terminals set up on private land in accordance with the provisions of MCA (including those created by CONCOR on private land before introduction of MCA).
- 6.0 Eligibility for TMC**
- 6.1 A TMC should be
- 6.1.1 A company registered in India under the Companies Act, 1956, or
- 6.1.2 A public sector entity (PSUs or organizations created under an act of Parliament), or
- 6.1.3 An entity registered as a Cooperative Society under the Cooperative Societies Act 1912, or
- 6.1.4 An entity owning an existing Private siding or an assisted siding, or
- 6.1.5 A subsidiary of an entity covered in 6.1.1 or 6.1.2 above, or
- 6.1.6 A joint venture company, or
- 6.1.7 A consortium
- 6.2 The applicants with experience in the business of logistic service will be preferred. In case of subsidiary company, experience of the holding company may be reckoned for the purpose of experience. In case of joint venture or consortium, experience of lead member or a member, who has atleast 26% equity share may be reckoned for the purpose of experience.

6.3 If an eligible entity has already applied for a Private siding on private land and same has not been notified as a private siding, it will be entitled to opt for converting its proposal into a proposal for a Greenfield PFT.

#### 7.0 Conversion of Private Sidings to PFTs

7.1 A private siding operating exclusively for the traffic of the siding owner of such a facility is permitted to continue to operate as private siding.

7.2 Existing private sidings already operating with a co-use facility that allow handling of third party cargo i.e. other than co-user as per definition at Para 3.13 will have to necessarily apply to convert themselves into a PFT.

7.3 If the siding owner desires to continue with the co-use of his siding and does not want to convert to PFT, co-user permission can be given to one user only as per definition of co-user at 3.13. All other sidings where more than a single co-use is allowed, will have to convert into a PFT.

7.4 Where in principle approval has been given for conversion of a siding into a PFT, which was availing co-user permission, such permission will continue till notification of the siding as PFT.

7.5 Container Terminals developed by a container train Concessionaire in terms of the MCA may choose one of the following options.

7.5.1 Continue to operate as container terminals under MCA, or

7.5.2 Apply for conversion to a PFT in terms of the PFT Policy for handling goods in rail wagons in addition to containers.

7.6 Road based Inland Container Depot/Container Freight Station desiring rail connectivity will have to operate under the PFT policy.

#### 8.0 Documents Required

8.1 An application for setting a Greenfield PFT will include following documents-

8.1.1 Papers relating to eligibility criteria as stipulated in para 6.0.

8.1.2 Feasibility Report of the proposed PFT.

8.1.3 Projections of anticipated business volumes.

8.2 An application for converting an existing private sidings or container terminal into a Brownfield PFT will include following documents.

8.2.1 Papers relating to eligibility criteria as stipulated in para 6.0

8.2.2 Projections of anticipated business volumes.

8.3 A list of authorized users of the PFT will be required to be submitted by the applicant TMC after grant of approval.

8.4 This list along with projection of anticipated business volumes as stated in para 8.1.3 and 8.2.2 above will be used only for the purpose of making an assessment about requirement of additional capacity on IR network etc.

#### 9.0 Application Fee

9.1 Applicants of both Greenfield and Brownfield PFT's will be required to deposit ₹1 Crore as application fee at the time of applying for setting up a PFT. The fee is to be deposited as per the extant procedure.

9.2 If an application for a PFT is rejected for any reason whatsoever, 99% of the application money will be refunded to the applicant within 30 days of such rejection.

#### 10.0 Security Deposit

10.1 A security deposit of ₹1 Crore will be deposited by the applicant within one month of granting approval for setting up a PFT by RA, failing which the approval shall be withdrawn.



- 10.2 Upon successful completion of the PFT, 99% of the security deposit will be refunded within 30 days issue of notification of the PFT.
- 10.3 If the PFT is not completed within a period of 1 year for Brownfield PFT and 3 years for Greenfield PFT from the date of issue of final approval, the approval for such a PFT will be cancelled and application fee and security deposit forfeited unless otherwise extension of gestation period is granted by RA as per clause 15.9.

**11.0 Application Procedure**

- 11.1 An eligible entity proposing to set up any type of PFT will apply to CCM/FM of the Zone in whose jurisdiction the proposed PFT falls enclosing the prescribed documents and application fee. CCM/FM will scrutinize the application for looking into aspect of eligibility criteria and forward to CTPM of the Zone who will examine the proposal for operational feasibility. CTPM will put up to CCM and COM for in principle approval for the PFT.
- 11.2 Proposals for setting up a Greenfield PFT will be examined as under:
  - 11.2.1 Examination of such proposals would be limited to confirmation of the TMC fulfilling the eligibility criteria in terms of Para 6.0 and operational feasibility of the proposal.
  - 11.2.2 Examination of operational feasibility as mentioned in Para 11.1 will be restricted only to confirmation of the technical feasibility of connecting the proposed PFT with the rail network of IR.
- 11.3 If the proposal for setting up a Greenfield and Brownfield PFT is found to be operationally feasible in terms of Para 11.1, RA will grant an in-principle approval of the proposed PFT within 45 days of submission of the application and the prescribed documents together with the application fee.
- 11.4 Setting up a PFT would not require a Rail Transport Clearance (RTC).
- 11.5 Final Approval : After grant of an in-principle approval of a PFT, Zonal railway and the applicant/TMC should abide by following time schedule for grant of final approval by CTPM-

**For Greenfield PFT**

(i)DPR submission by the applicant	Three months after receipt of Zonal Railway's in principle Approval
(ii)DPR approval by zonal railway	One month on receipt of DPR from the applicant/TMC.
(iii)Engg./bridge drawing submission by the applicant	One month after DPR approval by Zonal Railway
(iv)Engg. Drawing approval by zonal railway	One month after receipt of engineering drawings from the applicant.
(v)Bridge drawings approval by zonal railway	Two months after receipt of bridge drawings from the applicant/TMC.

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**For Brownfield PFT :**

(i)DPR submission by the applicant	One month after receipt of Zonal Railway's in principle approval.
(ii)DPR approval by zonal railway	One month on receipt of DPR from the applicant/TMC.
(iii)Engg./bridge drawing submission by the applicant	One month after DPR approval by Zonal Railway.
(iv)Engg. Drawings approval by zonal railway	One month after receipt of engineering drawings from the applicant/TMC.
(v)Bridge drawings approval by zonal railway.	Two months after receipt of bridge drawings from the applicant/TMC.

- 11.6 The completion time of 1 year for Brownfield PFT and 3 years for Greenfield PFT will start after final approval is given by CTPM as per the time schedule given in para 11.5.
- 11.7 CCM/FM of the concerned Zonal Railway and the TMC will execute an Agreement for operation of the PFT before commissioning of the PFT.
- 11.8 Chief Commercial Manager of the concerned Railway will issue a commercial notification opening a PFT as an independent terminal.
- 11.9 However, notification vide Para 11.8 will be issued only after the Agreement has been executed between CCM/FM and the TMC.

**12.0 Authorised Users**

- 12.1 The list of authorised rail users will be incorporated in the TMS module of FOIS.
- 12.2 The consignment booked to PFT will be consigned to the consignee, whom TMC has authorized to make use of his facility.

**13.0 Commodities permitted at a PFT**

- 13.1 Unless otherwise specified by IR from time to time by suitable notification or any other means of communication, a PFT under this policy would be permitted to book and handle all traffic excluding coal and coke under 'C' priority. Outward loading of coal and coke under 'D' priority is allowed. However, PFT may be permitted to handle outward iron ore or iron pallet traffic from PFTs on payment of additional fee of ₹ 5 crore by the PFT owner(s).
- 13.2 MOR may also alter the list of such commodities from time to time.
- 13.3 Except for the commodities mentioned in Para 13.1, a PFT may deal with all commodities or only with limited commodities as specified by the TMC.

**14.0 Types of wagons permitted at PFTs**

- 14.1 All types of wagons and parcel vans, including privately owned wagons, Containers permitted to run on IR network will be permitted to be dealt with at PFTs, unless otherwise notified by MOR from time to time.

**15.0 General Conditions**

- 15.1 Applicant TMC will be solely responsible in respect of ownership of land or lease, license or any other arrangement under which private land is proposed to be used for development of a PFT.
- 15.2 TMC will be responsible to fulfill all statutory requirements and get all statutory and non-statutory clearances that may be required from other government departments and statutory bodies for setting up and operating a PFT.
- 15.3 TMC will be responsible for payment of all taxes etc related to working of the PFT.

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- 15.4 All PFTs will be required to function round the clock on all days including Sundays and all other holidays.
- 15.5 TMC will recover various charges from its customers for the use of PFT including Terminal charges and any charges for value added services provided at the PFT. TMC will be free to fix tariff for such services at PFT owned by him.
- 15.6 Freight charges or haulage charges as the case may be shall be paid by the consignor as per the prescribed rate from time to time. Consignment booked from and to PFT will be pre paid. Rake booked to PFT will be unloaded by the TMC with out any liability of IR.
- 15.7 All "Commercial and Operating rules" as applicable in a Goods shed for booking, supply and delivery of goods shall be applicable at the PFT.
- 15.8 The free time will be applicable as per the extant commercial rules.
- 15.9 Gestation period for setting up and to operationalize a green field PFT will be a maximum of three years from the date of final approval of the proposal by RA. The gestation period for Brownfield PFT (the conversion of an existing terminal to PFT) will be one year from the date of final approval. The Greenfield and Brownfield PFT can also be operationalized earlier. Unless otherwise extended in writing by RA, failure to adhere to this time limit would lead to cancellation of such approval without any liability of Railways. However, Railways can extend the gestation period for operationalization of Greenfield PFT for a maximum period of 2 years and in case of Brownfield PFT for a maximum period of 1 year keeping in view unforeseen exigencies etc. on payment of penalty @ 20% of the security deposit per year or part thereof.
- 16.0 Facilities in the PFTs**
- 16.1 Placement capacities on the handling lines should be adequate to deal with full rakes (composition as notified by Railways from time to time).
- 16.2 Depending upon anticipated business plan, as submitted by the TMC in para 8 PFT would provide various logistics related services.
- 16.3 TMC will be required to provide furnished rest room facilities for crew and guard at the PFT at its cost.
- 16.4 TMC will permit the train crew and guard to avail of the facilities of staff canteen in their premises, if available, on payment of charges as prescribed for their own staff.
- 16.5 TMC will be responsible to develop adequate facilities for handling the anticipated volume of traffic at his PFT without causing undue detention to incoming trains or causing stabling of such trains at any station on IR network.
- 17.0 Non-Acceptance**
- 17.1 Each case of stabling of a train on IR network exclusively for want of acceptance by a PFT will be recorded as an instance of non- acceptance.
- 17.2 When a rake is stabled on IR network for want of acceptance by a PFT or for the reasons attributed to Terminal Management Company the stabling charges will be levied as per extant rules.
- 17.3 In situations of congestion involving stabling of trains for acceptance by a PFT, RA will be authorised to impose loading restriction/quota for an appropriate duration for such a PFT.
- 18.0 Deployment of Railway Staff**
- 18.1 Railway commercial staff will be posted at PFTs to carry out commercial functions related to booking and delivery of cargo and collection of freight and other charges.
- 18.2 TMC will be required to pay to the Railways cost of a maximum of one commercial staff per shift.
- 18.3 However, if there are more than one handling areas which cannot be supervised from one location, cost of additional commercial staff subject to a maximum of one commercial staff per shift per handling area will be paid by the TMC.

**19.0 Construction of PFT**

- 19.1 The construction of PFT will be as per provision of private siding policy. The connectivity to Railway line through Railway land will be facilitated by Railway as per extant rules on payment of license fee. All charges stipulated in the extant policy for construction of a private siding would be applicable on PFT.
- 19.2 Each PFT will be provided connectivity with a station on IR network. Such a station will be the serving station for the PFT.
- 19.3 Generally, a PFT will not be permitted to be connected to IR network in mid section. However, in exceptional cases where such a connection becomes inescapable due to physical layout, the same will be permitted by RA in accordance with the extant relevant policy guidelines for private siding.

**20.0 Revenue Sharing**

- 20.1 For Greenfield PFTs, revenue sharing will start after 5 full years of notification of the PFT.
- 20.2 For Brownfield PFTs, revenue sharing will start after 2 years of notification of the PFT.
- 20.3 Revenue sharing to be paid to RA will be ₹ 16/- per ton. The sharing of revenue shall be for the tonnage handled as ascertained from railway receipt.
- 20.4 The revenue sharing will be on the basis of the weight mentioned in the RR. (The payment should be made on a quarterly basis by the TMC.) and shall be payable along with freight/haulage charges at the time of preparation of RR.
- 20.5 In case existing siding is converted to PFT, revenue sharing will be done on traffic which pertains to customer other than the siding owner.

**21.0 Agreement**

- 21.1 The period of Agreement for operation of such PFT will be 30 years. Further extension will on the basis of the extant policy at the time of such extension.
- 21.2 An agreement will be signed between TMC and the authorised representative of Chief Commercial Manager of the concerned Zonal Railway which would include detailed terms and conditions for operation of the TMC.
- 21.3 The agreement referred to in para 21.1, will be signed before the notification of the PFT.
- 21.4 In this connection, a specimen copy of Agreement to be executed between Terminal Management Company and Indian Railway under the Revised Private Freight Terminal (PFT) scheme", has been uploaded in Indian Railway's website  
[http://indianrailways.gov.in/railwayboard/uploads/directorate/traffic\\_comm/Freight Mktg\\_2K\\_12/FM\\_12\\_2012.PDF](http://indianrailways.gov.in/railwayboard/uploads/directorate/traffic_comm/Freight_Mktg_2K_12/FM_12_2012.PDF)  
 (Specimen agreement for Central and South Central Railway for customers who have opted for old policy circulated vide FM Circular No 08 of 2013)

**22.0 Payment of freight**

- 22.1 Freight or haulage charges on traffic booked from and to a PFT will be charged on the basis of through distance as per public tariff as in the case of private sidings.
- 22.2 Freight or haulage charges as the case may be will be paid by the consignor as prescribed in Goods Tariff or a special notification.
- 22.3 Consignment booked to and from a PFT will be pre-paid.
- 22.4 All charges in respect of freight/haulage will be paid by the consignor at the time of preparation of RR preferably through e-payment system.

**23.0 Demurrage and wharfage**

- 23.1 Demurrage charges will be levied as per the extant rules and will be payable by the TMC to Railways with respect to General Service Wagons owned by the railways.

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23.2 No wharfage charges would be payable at a PFT.

**24.0 Other Charges Payable by TMC**

24.1 All charges, surcharges, cess, levies, taxes etc. as per prevalent rules as notified from time to time.

**25.0 Weighbridge, FOIS and TMS**

25.1 TMC will be required to provide an in-motion electronic weigh bridge at a suitable location in such a manner that all incoming and outgoing rakes can be weighed.

25.2 TMC is required to provide an in-motion weighbridge at Brownfield/Greenfield, as prescribed in Para 25.1 above. Such a weighbridge shall be provided as per Rates Circular No.12 of 2007 dated 12.02.2007 and its corrigendum 06.08.2012, as amended from time to time.

25.3 In case it becomes unavoidably essential to install the weighbridge of private siding either wholly or partially on railway land, on account of operational and technical constraints, permission may be granted by the General Manager of Zonal Railways; the location of such Electric in-motion weighbridges (EIMWBs) would be decided by the COM in consultation with CCM, CME and PCE.

25.4 Whenever a weighbridge is provided at a location outside the PFT, all expenses towards its installation, maintenance will be paid by the TMC as per Corrigendum to Rates Circular No.12 of 2007 dated 06.08.2012, as amended from time to time.

25.5 FOIS and TMS with limited access as prescribed by IR shall be installed at the PFT and all costs related to FOIS/TMS will be borne by the TMC in accordance with the rules applicable for a private siding. All RRs will be prepared through TMS.

**26.0 Rights of the TMC**

26.1 TMC will have right to change its list of Authorised Users. TMC will immediately inform the RA of such change so that the list of authorized users is updated in the FOIS.

26.2 TMC will have right to change the list of commodities it has permitted at its PFT.

26.3 TMC will have right to independently and at its exclusive discretion fix charges for the services it offers to rail users.

**27.0 Liabilities and Indemnification**

27.1 Goods to be loaded or delivered at a siding not belonging to a railway administration-

27.1.1 Where goods are required to be loaded at a siding not belonging to a railway administration for carriage by railway, the railway administration shall not be responsible for any loss, destruction, damage or deterioration of such goods from whatever cause arising, until the wagon containing the goods has been placed at the specified point of interchange of wagons between the siding and the railway administration and a railway servant authorised in this behalf has been informed in writing accordingly by the owner of the siding.

27.1.2 Where any consignment is required to be delivered by a railway administration at a siding not belonging to a railway administration, the railway administration shall not be responsible for any loss, destruction, damage or deterioration or non-delivery of such consignment from whatever cause arising after the wagon containing the consignment has been placed at the specified point of interchange of wagons between the railway and the siding and the owner of the sidings has been informed in writing accordingly by a railway servant in this behalf.

27.2 TMC shall indemnify IR for any damage to Railway property including rolling stock and injury or loss of life arising out of any negligent act or omission or breach of any of its obligations under the agreement by the TMC inside the PFT.

27.3 Railway Administration will indemnify the TMC against any negligent act or omission or breach of any of its obligations under the provision of the agreement subject to the provisions of Railway Act and rules made there under.

### **28.0 Dispute Resolution**

28.1 In case of any dispute in interpretation of the policy, the decision of MOR will be final and binding.

28.2 Any dispute in interpretation and implementation of the agreement, which is not resolved amicably, shall be finally decided by reference to arbitration by a Board of three Arbitrators appointed through a procedure which will be clearly spelt out in the Agreement between the Railways and the TMC. Such Arbitration shall be held in accordance with the Rules of Arbitration of the International Centre for Alternate Dispute Resolution, New Delhi and shall be subject to the provisions of the "Arbitration and Conciliation Act 1996".

### **29.0 Termination of the Agreement**

29.1 Subject to the provisions in the agreement between RA and a TMC, RA may terminate an Agreement with a TMC operating a PFT for any breach of the terms and conditions of the agreement, violations of the provisions of the Railways Act, 1989, commitment of an unlawful act or in the event of default as defined in the agreement by giving a written Notice of Termination of 180 days to the TMC.

29.2 Before issuing the Termination Notice, Railway Administration will issue a written show cause notice informing the TMC to make a representation within 30 days. After expiry of 30 days, the Termination notice will be issued in writing if no representation is received from the TMC. If representation is received; the railway administration will consider and decide the issue regarding termination.

29.3 The TMC will also have the right to terminate the agreement by giving a notice of 180 days to the Railway Administration.

29.4 Any dispute arising out of the same will be resolved through the Dispute Resolution Mechanism as prescribed under Para 28.0 of the policy.

### **30.0 Conflicts**

30.1 Notwithstanding any provisions in this policy, stipulations of Railways' Act, 1989 will prevail.

30.2 In case of conversion of container terminal into PFT, if there is any conflict between the provisions of this policy and the MCA, the former will prevail.

30.3 In case of a conflict between the provisions of this policy and the private siding policy, the former will prevail in PFTs of any type.

### **31.0 Review of the Policy**

31.1 IR reserves the right to review this policy from time to time.