



EAST COAST RAILWAY

Office of the
Chief Commercial Manager
Rail Sadan,
Chandrasekharpur,
Bhubaneswar – 751023

Commercial Circular No. : 85 (GC) Parcel / 2016

Date. 17.06.2016

Sub:- Amendment to Policy guidelines on 'Comprehensive Parcel Leasing Policy'.(Amendment No.6 to 'Modified Comprehensive Parcel Leasing Policy')

Ref: Freight Marketing Circular No. 06 of 2014(This office Commercial Circular No.29(C) Parcel/2014 dated 21.04.2014.

Please find enclosed herewith a copy of Railway Board's letter No.2015/TC(FM)/10/06 dated 15.06.2016 (Freight Marketing Circular No.05 of 2016) regarding amendment to policy guidelines on 'Comprehensive Parcel Leasing policy' for information and necessary action.

Authority: Railway Board's letter No. 2015/TC(FM)/10/06 dated 15.06.2016 (Freight Marketing Circular No. 05 of 2016).

(P.K.Samal)

Dy. Chief Commercial Manager (FS)

Encls: (06) Six Pages ,

No.CCM/432 /Parcel & Luggage/09

Dt. 17.06.2016

Copy to:-

All SMs/Goods Supervisors/ Comm'l supervisors/siding clerks/Booking Clerk in charges/weigh Bridge clerks:

Copy for information and necessary action to the:-

COM, FA & CAO, CFTM,SDGM,FA & CAO(T),Chairman/RCT,Dy CVO(T), DY CCO, Dy COM(FOIS),PO/RCT, Audit Officer/ECOR/BBS.

Rates Section/CCM/ECOR/BBS, DRM/KUR,WAT & SBP/ECOR, Sr DOM/KUR,WAT, SBP/ECOR,Sr DCM/KUR,WAT,SBP/ECOR, Traffic manager/Visakhapatnam port trust (VZP), Paradeep port Trust/PRDP.

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(P.K Samal)

Dy. Chief Commercial Manager (FS)

**FREIGHT MARKETING
CIRCULAR NO. 05 OF 2016**

भारत सरकार GOVERNMENT OF INDIA
रेल मंत्रालय MINISTRY OF RAILWAYS
(रेलवे बोर्ड RAILWAY BOARD)

No. 2015/TC(FM)/10/06.

Rail Bhavan, New Delhi - 110 001, dated **15.06.2016**

The General Manager,

- | | |
|--------------------------------------|--|
| 1. Central Railway, Mumbai (CSTM). | 9. North Western Railway, Jaipur. |
| 2. Eastern Railway, Kolkata. | 10. Southern Railway, Chennai. |
| 3. East Central Railway, Hajipur. | 11. South Central Rly., Secunderabad. |
| 4. East Coast Railway, Bhubaneswar | 12. South Eastern Railway, Kolkata. |
| 5. Northern Railway, New Delhi. | 13. South East Central Rly, Bilaspur. |
| 6. North Central Railway, Allahabad. | 14. South Western Railway, Hubli. |
| 7. North Eastern Railway, Gorakhpur. | 15. Western Rly., Mumbai (Churchgate). |
| 8. Northeast Frontier Rly, Maligaon. | 16. West Central Railway, Jabalpur. |

(Amendment No. 6 to 'Modified Comprehensive Parcel Leasing Policy')

Sub: Amendment to policy guidelines on 'Comprehensive Parcel Leasing Policy'.

Ref: Freight Marketing Circular No. 06 of 2014.

- 1.0 The 'Modified Comprehensive Parcel Leasing Policy' i.e. policy guidelines for leasing out of parcel space of the Assistant Guard's Cabin (AGC), Brakevans (SLRs) and Parcel Vans (VPHs/VPs/VPU) was issued under Freight Marketing Circular No. 06 of 2014 vide Board's letter No. 2013/TC(FM)/10/2 dated 15.04.2014.
- 2.0 Based upon the references/recommendations of zonal railways & suggestions from stakeholders, in order to liberalize the 'Modified Comprehensive Parcel Leasing Policy' i.e. Freight Marketing Circular no.6 of 2014, the following provisions have been amended -
- 2.1 **Para 5.0 of Freight Marketing Circular No.6 of 2014**

Para 5.4 - New Para Added

Railways may enhance the Earnest Money in case of repeated failure of tenders due to fake or non-serious bidding by tenderers.

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2.2 **Para 6.0 of Freight Marketing Circular No. 6 of 2014**

Para 6.1- Modified

The 'Security Deposit' 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
1	One compartment of Brakevan (SLR)	Amount equivalent to 10% of annual contractual value as per lumpsum leased freight (accepted rates) of the leased parcel space.	Rs. 1 lakh	FDR or DD in favour of Sr.DFM/ FA&CAO
2	Parcel Vans (VP)	Amount equivalent to 10% of annual contractual value as per lumpsum leased freight (accepted rates) of the leased parcel space	Rs. 4 lakh.	

The above security deposit shall be remitted by the successful bidder within 15 days from the date of issue of LOA.

2.3 **Para 7.0 of Freight Marketing Circular No.6 of 2014**

a. Para 7.1 - Modified

SLR - For leasing of parcel space of the compartment of Brakevans (SLRs), there will be three types of lease, depending on the duration of the leasing contract. These are classified as follows:

	Type of lease	Period of lease	Mode of lease
(i)	Long term lease	5 years	Open tender
(ii)	Temporary Lease	30 days at a time	Quotation Basis
(iii)	Day to Day Lease	Maximum 10 days at a time	Quotation Basis

Long term lease shall be awarded for a period of 5 (five) years. There would be no escalation during the first three years in 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 fourth year onwards.

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b. Para 7.2 - Modified

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
(i)	Long term lease	5 years	Open tender

Long term lease contracts shall be leased out for a period of 5 (five) years. There would be no escalation in first three years in 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 fourth year onwards.

2.4 Para 10.0 of Freight Marketing Circular No.6 of 2014

a. Para 10.1 - Modified

There shall be no escalation of lumpsum leased freight during the contractual period on account of Budgetary or any other increase in the tariff rates.

b. Para 10.2 - Deleted

c. Para 10.3 - No Changes.

2.5 Para 41.0 of Freight Marketing Circular No.6 of 2014

a. Para 41.1 - Modified

There will be three 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:

	Type of lease	Period of lease	Mode of lease
(i)	Long term lease	5 years	Open tender
(ii)	Temporary Lease	30 days at a time	Quotation Basis
(iii)	Day to Day Lease	Maximum 10 days at a time	Quotation Basis

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b. Para 41.2 - Modified

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

2.6 Para 42.0 of Freight Marketing Circular No.6 of 2014

a. Para 42.2 - (Modified)

Reserve price for leasing of parcel space of the compartment of Brakevan (SLR) 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 the parcel spaces.

b. Para 42.3 to 42.6- Deleted

c. Para 42.7 & 42.8 - No Changes

d. Para 42.9- Deleted

2.7 Para 52.0 of Freight Marketing Circular No.6 of 2014

a. Para 52.1 & 52.2 - No Changes

b. Para 52.3 - Deleted

c. Para 52.4 - (Para 52.4 & 52.5 merged as shown below)

(i) 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	1.50 times of single journey freight at Scale-R
	Trains notified under "P" or "S" category	1.50 times of single journey freight at Scale-P

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(ii) Reserve price applicable for leasing of round trip Refrigerated Vans (VPRs) on all zonal railways including NF Railway will 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	1.50 times of single journey freight as applicable for round trip Parcel Vans (as per category of train) i.e. $1.5 \times [1.50 \text{ times of single journey freight at Scale-R or Scale P (as per category of train)}]$

d. Para 52.5 - New Para Added

However, zonal railway may with finance concurrence and approval of CCM, revise the reserve price where considered necessary downwardly to maximize the utilization of the parcel spaces. However, in no case the reserve price shall be fixed below the Scale 'P'.

e. Para 52.6- No changes

3.0 These instructions will come into force with immediate effect and shall be made applicable to all future tenders to be invited for leasing out of parcel space of Brakevans (SLRs) and Parcel Vans (VPHs/VPs/VPU etc.). Further;

(i) The cases, where tenders have been finalized and 'Letter of Allotment (LoA)' has been issued to the party by the Railway Administration prior to issuance of this circular, the leaseholder shall be allowed to operate the leasing contract as per policy guidelines prevailing at that time.

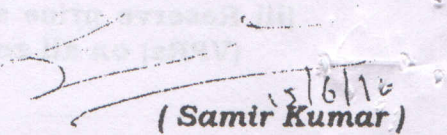
(ii) The cases, where 'Letter of Allotment (LoA)' for award of leasing contract, has not been issued to the party before issuance of this circular, Zonal Railways will cancel all such tenders and return the earnest money to the tenderers.

4.0 Zonal railways are requested to go through the policy guidelines carefully and follow the same strictly.

5.0 Zonal railways, before executing agreements for parcel leasing contracts, must ensure that necessary changes have been made in the agreement in accordance with this circular.

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6.0 Please acknowledge receipt.

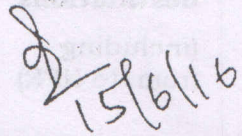

(Samir Kumar)
Director Freight Marketing

No. 2015/TC(FM)/10/6.

New Delhi, dated 15.06.2016

Copy forwarded to:

1. DAI (Railways) with 36 spares.
2. FA&CAOs, All Indian Railways.


for Financial Commissioner/Railways

No. 2015/TC(FM)/10/6.

New Delhi, dated 15.06.2016

Copy forwarded for information and necessary action to:

1. The Chief Commercial Manager, All Indian Railways.
2. The Chief Operation Manager, All Indian Railways.
3. The Chief Passenger Traffic Manager, All Indian Railways.
4. The Chief Commercial Manager (FM), All Indian Railways.
5. MD/CCM, Konkan Railway Corporation Ltd., Belapur Bhavan, Plot No.6, Sector 11, CBD Belapur, Navi Mumbai-400014.
6. Managing Director, Centre for Railway Information System (CRIS), Chanakyapuri, Near National Rail Museum, New Delhi.
7. CAO(PTS), Northern Railway, IRCA Building, New Delhi.
8. Director General, Railway Staff College, Vadodara.
9. Director, Indian Railways Institute of Transport Management (IRITM), Manak Nagar, Lucknow.
10. MT, FC, AM(Traffic), AM(C), AM(Mech), Adv.(F), Adv.(Vig), EDF(C), EDTC(R), ED(Chg.), EDME(Chg.), EDPM, ED(PG), EDV(T), DF(C), Dir.(Punct.)/Railway Board for information please.


(Samir Kumar)
Director Freight Marketing

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