



EAST COAST RAILWAY

**Office of the
Chief Commercial Manager
Rail Sadan,
Chandrasekharapur,
Bhubaneswar - 751017**

Commercial Circular No. **87** (GC) Parcel / 2016

Dt. 24.6.2016

Sub: Amendment to policy for Parcel Cargo Express Train (PCET) policy

- Ref: i) Freight Marketing Circular No. 2 of 2007
ii) Freight Marketing Circular No. 13 of 2013

Please find enclosed herewith a copy of Railway Board's letter No. 2013/TC(FM)/10/11 dt. 15.6.2016 (Freight Marketing Circular No. 4 of 2016) regarding Parcel Cargo Express Train (PCET) policy for information and necessary action.

All concerned to note and act accordingly.

Authority: Railway Board's letter No.2013/TC(FM)/10/11 dt. 15.06.2016 (Freight Marketing Circular No. 4 of 2016)

/

(P. K. Samal)
Dy. Chief Commercial Manager (FS)

No.CCM/ PCE/ 429/ 2014

Dt. 24.6.2016

* Copy forwarded to:

All Station Managers/ Goods Supervisors/Commercial Supervisors /Siding Clerks / Booking Clerk in Charges / Weigh Bridge Clerks / Clerk in Charges / Out Agencies.

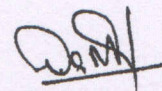
Copy for information and necessary action to the:-

COM: ECoR/ BBS SDGM/ECoR/BBS, Chairman/RCT/BBS, Dy.CVO(T)/ECoR/BBS, Dy.COM(FOIS)/ ECoR/BBS, CAO(FOIS)/ NDLS, Audit officer/BBS. DRM: KUR, WAT,SBP/ ECoR, Sr.DOM- KUR,WAT, SBP/ECoR, Sr.DCM: KUR,WAT/SBP/ ECoR. Dy.CCM(Claims)/ ECoR. & FA&CAO/ECoR Traffic Manager: VZP, Paradeep PortTrust / Paradeep,

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(P. K. Samal)
Dy. Chief Commercial Manager (FS)

**FREIGHT MARKETING
CIRCULAR NO. 04 OF 2016**RB-1355
क.सं/Sl.No.

दिनांक/Date. 21/6/16

आदेश/Initial.....

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

No. 2013/TC(FM)/10/11.

Rail Bhavan, New Delhi - 110 001, dated **15.06.2016****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. 3 to Leasing of Parcel Cargo Express Train (PCET) policy }**Sub: Amendment to Policy for Parcel Cargo Express train to private operators.****Ref: (i) Freight Marketing Circular No. 02 of 2007.****(ii) Freight Marketing Circular No. 13 of 2013.**

1.0 The 'Policy for Parcel Cargo Express Train' to private operators was issued under Freight Marketing Circular No. 02 of 2007 vide Board's letter No. 2007/TC(FM)/10/3 dated 20.02.2007.

2.0 Based upon the references/recommendations of zonal railways & suggestions from stakeholders, in order to liberalize the 'Policy for Parcel Cargo Express train to private operators' i.e. Freight Marketing Circular no.2 of 2007, the following provisions have been amended -

2.1 **Para 2.0 of Freight Marketing Circular No.2 of 2007(Modified)**

The minimum composition of the length of rake size of leased Parcel Cargo Express Train (PCET) shall be 15 Parcel Vans (VPHs/VPs/VPU/VPHUXs etc.) + one Brakevan(two compartments of SLR, having parcel capacity of 04 tonne each), for first six months of the Contract.

The reserve price for leasing of Parcel Express trains shall be worked out with a minimum composition of 15 Parcel Vans + one brake vans (two compartments of 4 tonnes CC each).

After Six Months, the minimum composition of leased PCET shall be 20 Parcel Vans (VPHs/VPs/VPU/VPHUXs etc.) + one Brakevan(two compartments of SLR, having parcel capacity of 04 tonne each) and lumpsum leased freight shall be charged on prorata basis. However, the composition of leased PCET may be increased on mutual consent upto 24 Parcel Vans by enhancing the prevailing accepted rate of the contract during its currency on PRORATA BASIS.

Moreover, in case, after increase of composition, at a later stage, the operation of PCET is not sustainable, the number of Parcel Vans may be reduced upto minimum composition of 20 Parcel Vans + 1 Brake Van and rates reduced accordingly on PRORATA BASIS.

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G.R. Nigam

2.2 Para 2.7 (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, the reserve price shall not be below the Scale 'P' (for single/round trip) except when the PCET originates from NFR to other zonal railways as stipulated in Para 2.1 (ii).

2.3 Para 3.0 of Freight Marketing Circular No.2 of 2007 (Modified)

Duration of Contract

Parcel Cargo Express Train shall be leased out for a period of 6 (six) 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. Parcel Cargo Express Train shall not be leased out on medium term, short term, temporary or day-to-day basis.

2.4 Para 6.0 of Freight Marketing Circular No.2 of 2007 (Modified)

SOP- formation of Tender Committee

Tender Committee will comprise of three members as per SOP given below:

Value of contract	Tender Inviting Authority	Tender Committee	Tender Accepting Authority	Agreement Signing Authority
Upto Rs. 25 Crores	JAG Level Officer	JAG level Committee	DRM	Convener member of Tender Committee.
Above Rs. 25 Crores	SAG Level Officer	SAG level Committee	CCM or AGM in the absence of CCM in PHOD	

Note - Tender Committee will comprise of one Commercial, one Finance and third member to be nominated by Tender Accepting Authority.

2.5 Para 8.0 of Freight Marketing Circular No.2 of 2007 (Modified)

Security Deposit

The successful bidder shall be required to submit Security Deposit within 30 (Thirty) days from issuance of 'Letter of Acceptance' in the form of FDR or Demand Draft (endorsed in favour of SR.DFM/FA&CAO) equivalent to 10% of annual contract value calculated on basis of accepted Lumpsum leased freight/accepted rate at which train is leased out for composition of 20 Parcel Vans + 1 Brake Van (2 SLR compartments of 4 tonne each), irrespective of number of parcel vans attached to the train.

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2.6 Para 8.1 of Freight Marketing Circular No.2 of 2007 - (Modified)

Failure to operate contract

The successful bidder shall start service within 60 (sixty) days from the date of issue of the acceptance letter. If the successful bidder fails to start loading within the stipulated period due to any reason, the "Earnest Money" of such bidder shall be forfeited.

2.7 Para 9.2 of Freight Marketing Circular No.2 of 2007 - (Modified)

Rescheduling of Train

When loading is not possible on scheduled day, CCM (FM) can reschedule the train for any other day with mutual consent of the leaseholder, subject to deposit of advance lumpsum leased freight by the leaseholder. This facility shall be provided for a maximum of one trip in a month.

2.8 Para 16.1 of Freight Marketing No. 2 of 2007 - (Modified)

Loading/unloading at originating and intermediate station

Permission for loading /unloading of parcels may be given at a maximum of four intermediate stations for PCETs covering 2000 kms between OD pair in single trip journey & above 2000 kms one more intermediate station can be permitted, through which the parcel train passes. For this purpose, 'NOC' must be obtained from the controlling zonal railway of the intermediate stations, The intermediate halt for loading/unloading should be atleast 300 kms apart.

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 Cargo Express Trains. Further;

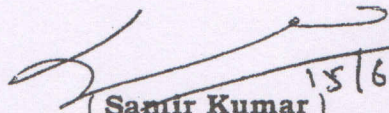
- (i) The cases, where tenders have been finalized and 'Letter of Allotment (LoA)' has been issued to the party by the Railway Administration prior to issuance of this circular, the leaseholder shall be allowed to operate the leasing contract as per policy guidelines prevailing at that time.
- (ii) The cases, where 'Letter of Allotment (LoA)' for award of leasing contract, has not been issued to the party before issuance of this circular, the Zonal Railways will cancel all such tenders and return the earnest money to the tenderers.

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

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

6.0 Please acknowledge receipt.

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(Samir Kumar)
15/6/16
Director Freight Marketing

CCM

No. 2013/TC(FM)/10/11.

New Delhi, dated 15.06.2016

Copy forwarded to:

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

15/6/16

for Financial Commissioner/Railways

No. 2013/TC(FM)/10/11.

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), EDME(Chg.), EDTC(R), ED(Chg.), EDPM, ED(PG), EDV(T), DF(C), Dir.(Punct.)/Railway Board for information please.

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15/6/16
(Samir Kumar)
Director Freight Marketing