EAST COAST RAILWAY

Office of the
Principal Chief Commercial Manager
Bhubaneswar
Date: 24.06.2020

Commercial Circular No. 140(G)/2020.

Sub:- Master Circular on Private Freight Terminal (PFT) Scheme.

Ref:- i) Freight Marketing Master Circular No. 14 of 2010 issued vide Board's letter No. 2010/TC(FM)/14/02 dated 31.05.2010 {ECoR's Comml Circular No.87(G)/2010 dated 01.06.2010}.

ii) Freight Marketing Master Circular/PFT/2015/0 issued vide Board's letter No. 2011/TC(FM)/14/04 dated 02.01.2015{ECoR's Comml Circular No.04(G)/2015 dated 06.01.2015}.

A copy of Railway Board's letter No. 2018/TC(FM)/14/04 dated 23.06.2020 (Freight Marketing Master Circular on PFT /2020/0) regarding upgraded Private Freight Terminal Scheme is enclosed herewith for information and necessary action.

All concerned to note and act accordingly.

Authority:- Rly Bd's Lr No. 2018/TC(FM)/14/04 dated 23.06.2020 (Freight Marketing Master Circular on PFT /2020/0).

Encl: As above (22 pages).

24/06/2020

(H. L. Luwang)
Dy. Chief Commercial Manager (FS)
Date: 24.06.2020

No. PCCM/PFT/Policy/375/Pt.-I.

Copy to:
All Station Mangers / Goods Supervisors / Commercial Supervisors / Siding Clerks / Booking Clerks in Charges / Weigh Bridge Clerks / Clerk in Charges.

Copy for information and necessary action to the:
PCOM & PCCM: All Indian Railways, All PHOD of ECoR, SDGM /ECoR, Dy. CVO (T)/ECoR, PO-RCT/BBS, Dy. COM (FOIS) /ECoR/BBS, CAO(FOIS) / CRIS/NDLS, PDA / BBS, Dy.CCO/ECoR/BBS, DRM/KUR, SBP, WAT. Sr.DCM/ KUR, SBP, WAT. Sr.DOM/ KUR, SBP, WAT. PFA / ECoR/BBS, Traffic Manager / PPT & VPT, DTT(G) & JDTC(R), Rly. Board/NDLS, Executive Director / CRIS / NDLS, Director (RM) / KOL.

24/06/2020.

(H. L. Luwang)
Dy. Chief Commercial Manager (FS)

भारत सरकार **GOVERNMENT OF INDIA**

रेल मंत्रालय **MINISTRY OF RAILWAYS**

(रेलवे बोर्ड **RAILWAY BOARD)**

No. 2018/TC(FM)/14/04 Rail Bhavan, New Delhi – 110 001, dated 23.06.2020

General Managers,
All Indian Railways,

Sub: Master Circular on Private Freight Terminal (PFT) Scheme.

Ref: (i) Freight Marketing/Master Circular No. 14 of 2010 issued vide letter No. 2010/TC(FM)/ 14/02 dated 31.05.2010

(ii). Freight Marketing/Master Circular/ PFT/2015/0 issued vide Board's letter No. 2011/TC(FM)/14/14 dated 02.01.2015.

*****

1.0 Master Circular on policy guidelines on Private Freight Terminal (PFT) was issued earlier vide Freight Marketing/ Master Circular/ PFT/2015/0 under Board's letter No. 2011/TC(FM)/14/14 dated 02.01.2015. Since then, a number of amendments had been issued in the policy vide Freight Marketing Circular No. 08 of 2015; Freight Marketing Circular No. 10 of 2015; Freight Marketing Circular No. 22 of 2015; Freight Marketing Circular No. 10 of 2017; Freight Marketing Circular No. 14 of 2018; Freight Marketing Circular No. 24 of 2018 and Freight Marketing Circular No. 06 of 2019 .

2.0 The revisions in the policy over the years have been focussed on making it more participative and attracting more investment in the area. However, the overall growth in the number of PFTs has not kept pace with the growth in transport sector in general and Railways in particular. On the basis of stakeholder consultations and feedbacks received from trade, it was clear that the policy required to be aligned to the needs of the customer, the investor and the intent of the Railways to enhance its share of freight traffic.

3.0 Accordingly, the policy has been substantially upgraded and now a comprehensive circular on Private Freight Terminal Scheme i.e. Freight Marketing Master Circular on PFT/2020/0 has been framed.

4.0 The revised provisions shall be applicable to all PFTs unless otherwise mentioned in the policy and all such proposals for which DPR is not approved.

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4.1 In case of PFTs already commissioned, where certain dues like staff cost, etc have already been paid in advance by the Terminal Management Company (TMC) operating the concerned PFT, consequent upon implementation of the revised provisions, change in policy shall be made applicable with prospective effect. This provision shall be applicable on all PFTs from the date of issue of this policy. Prior to the issue of this policy, the cases where staff cost has been collected in advance for a period of 10 years, will remain valid for the said 10 year period. Thereafter (after expiry of the period, for which the staff cost has already been deposited in advance), fresh 'staff cost' shall be collected as per the provisions in Para 13.

4.2 However some provisions of this policy like cost of deployment of commercial staff, exemption for implementation on EOL concept etc shall be applicable to all PFT owners from the date of issue of this policy.

5.0 Necessary changes may accordingly be made in the agreement as well as other documents, if required.

6.0 This issues with the approval of Civil Engineering, Signal & Telecommunication and Electrical Directorates and concurrence of Finance Directorate of Ministry of Railways.

The receipt of this letter may be acknowledged.

DA: as above

23/6/2020

(Mudit Chandra)

Director Freight Marketing

No. 2018/TC(FM)/14/04 Rail Bhavan, New Delhi – 110 001, dated 23 .06.2020

Copy forwarded to :

1. Principal Financial Advisor, All Indian Railways.
2. The Deputy Comptroller & Auditor General of India(Railways) Room No. 224, Rail Bhawan with 36 spares

23/6/2020

for Financial Commissioner/Railways

No. 2018/TC(FM)/14/04 Rail Bhavan, New Delhi – 110 001, dated 23 .06.2020

Copy forwarded for information and necessary action to:

1. The Principal Chief Operations Managers, All Indian Railways.

2. The Principal Chief Commercial Managers, All Indian Railways.
3. The Chief Traffic Planning Managers, All Indian Railways.
4. The Chief Freight Traffic Managers, All Indian Railways.
5. The Chief Commercial Manager (FM), All Indian Railways.
6. Director General, RDSO, Manak Nagar, Lucknow.
7. Director, Indian Railways Institute of Transport Management (IRITM), Manak Nagar, Lucknow.
8. Director General, National Academy of Indian Railways, Vadodara.
9. Managing Director/ Chief Commercial Manager, Konkan Railway Corporation, Belapur Bhawan, Plot No. 6, Sector-11, CBD Belapur, Navi Mumbai-400014.
10. Managing Director, Centre for Railway Information System (CRIS), Chanakyapuri, Near National Rail Museum, New Delhi.
11. Managing Director, DFCCIL , Pragati Maidan, New Delhi.

23/6/2020

(Mudit Chandra)

Director Freight Marketing

No. 2018/TC(FM)/14/04 Rail Bhavan, New Delhi – 110 001, dated 23 .06.2020

Copy for information to:

1. CRB, FC, MT, ME, M(RS), M(S&T), M(Tr.), M(MM), DG(HR), DG(RHS), DG(RPF) and Secretary Railway Board, New Delhi.
2. AM(Traffic), AM(C), AM(Rev.), AM(CE), AM(Sig.), AM(Tele.), Adv (Infra), Adv. (Vig), EDTC(Rates),EDTT(M), EDTT(Coal), EDTT(S), EDTT(F), ED(Plg.) EDT(PPP), EDV(T), EDF(C), EDCE(G), ED(L&A), DTT (Coord), OSD(CRB), OSD(MT), Co-Chairman/TMIR, Chairman and Convener/AGE and DTC(R)/ Railway Board, New Delhi.

23/6/2020

(Mudit Chandra)

Director Freight Marketing

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Sub:– Policy Guidelines on Private Freight Terminals (PFTs).

1.0 Introduction

1.1. 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.

1.2. A prospective Terminal Management Company (TMC) will need to apply for setting up a PFT in accordance with terms and conditions of this PFT Policy.

1.3. This policy aims to stimulate development of privately owned freight terminals which are not on Railway land for dealing with railway traffic including parcel traffic and containers.

1.4. 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.

2.0 Objective

2.1. The objective of the policy is to-

2.1.1. Enable rapid development of network of freight handling terminals with the participation of Private Sector.

2.1.2. Enhance the presence and share of railways in the overall transport chain.

2.1.3. Attract 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

3.1. 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.

3.1.1. Act: The Railways Act, 1989.

3.1.2. Agreement: Document executed by a Terminal Management Company (TMC) and Railway Administration (RA) setting forth the terms and conditions for operation of a PFT.

3.1.3. Authorized Users: Rail users authorized by the TMC to make use of the facilities at a PFT will be called Authorized Users.

3.1.4. 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

3.1.5. "Consignee" means the person named as consignee in railway receipt.

3.1.6. "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.

3.1.7. Container Terminals: A freight terminal of Container Train Operator dealing exclusively with container traffic only.

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3.1.8. Container Train Operators: Private train operators who have been granted a concession to operate container trains under the provisions of MCA.

3.1.9. Common User Facility: A facility available for use of all rail users without any discrimination.

3.1.10. CONCOR: Container Corporation of India.

3.1.11. CCM (FM): Chief Commercial Manager (Freight Marketing) of a Zonal Railway.

3.1.12. CTPM: Chief Transportation Planning Manager of a Zonal Railway.

3.1.13. Co-use: This term refers to the permission given to a rail user by Railway Administration, 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.

3.1.14. FOIS: Freight Operating Information System.

3.1.15. Greenfield PFT: A term used to refer to a new freight terminal commissioned as a PFT under this policy.

3.1.16. IR: Indian Railways.

3.1.17. MOR: Ministry of Railways.

3.1.18. MCA: Model Concession Agreement entered into by RA and concessionaires of privately owned container trains.

3.1.19. PFT: Private Freight Terminal. A terminal notified under Private Freight Terminal (PFT) policy to deal with rail based cargo including containers.

3.1.20. Private Siding: 'Private Siding' refers to privately owned siding constructed/laid out by a Party at its own cost for railway freight services at the premises of its plant or manufacturing unit or production unit or mines etc. under a special arrangement. It means the Railway track connecting the Applicant's works with the Railway system. It shall cover only that portion of track network and related infrastructure on which Railway rolling stock will ply. The network utilized by the Company/Party for their internal use shall not form part of the siding defined herein.

3.1.21. Private Siding Policy: 'Private Siding Policy' issued vide Freight Marketing Circular No. 11 of 2016 under Board's letter No. 99/TC(FM)/26/1/Pt.-II dated 22.08.2016 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.

3.1.22. Private land: Land not owned by Railways.

3.1.23. RA: Railway administration implies Zonal Railway administration.

3.1.24. Rake: A rake is a train load of wagons with a prescribed composition.

3.1.25. Terminal Charge: This term refers to the Terminal Charge levied by Railways at freight terminals.

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3.1.26. TMC: Terminal Management Company, an entity operating a PFT in agreement with the RA.

3.1.27. TMS: Terminal Management System of FOIS.

4.0 Nodal Agency & monitoring mechanism for grievance redressal

4.1. In order to provide a 'Single Window Service' to the rail customers and to redress the grievances of the PFT Operators, the nodal and coordinating officer shall be as under –

4.2. In Railway Board's office, 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. Executive Director/Civil Engg. (General) shall be the coordinating officer during construction stage. Executive Director/ Freight Marketing shall be coordinating officer both prior to construction and also after PFT is notified for commercial operation.

4.3. At divisional level and headquarter level, the nodal and coordinating officers shall be as under –

Stage	**Nodal and coordinating Officer at Divisional level**	**Nodal and coordinating Officer at Headquarter level**
For all PFT matters - at various stages (planning, pre-construction, construction and after construction stage)	Nodal Officer **DRM**	Nodal Officer **CTPM**
Throughout the construction stage	Coordinating officer **Sr. DOM**	Coordinating officer **CTPM**
After completion of project/ issue of notification and after commissioning	Coordinating officer **Sr. DCM**	Coordinating officer **CCM(FM)**

5.0 Freight Terminals (FTs)

5.1. Loading and unloading of goods transported by rail is done at freight terminals.

5.2. Currently, Freight Terminals (FTs) include following categories of terminals.

5.2.1. Railway owned Goods sheds or railway 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.

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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).

5.2.5. Private Freight Terminals set up by the Terminal Management Company (TMC) on private land through private investment in terms of PFT policy for handling of all types of traffic unless and otherwise notified under the policy.

6.0 Eligibility for TMC

6.1. A TMC should be -

6.1.1. A company registered in India under The Companies Act, 2013; or

6.1.2. A public sector entity (PSUs 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 6.1.1or 6.1.2 above; or

6.1.6. A joint venture company; or

6.1.7. A consortium of companies

6.2. The applicants with experience in the business of providing 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 a consortium, experience of the lead member may be reckoned. In the case of a joint venture, for the experience of a member to be considered as qualifying experience he should have at least 26% equity share in the JV.

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. If existing private sidings already operating with a co-use facility, intend to handle cargo of other than co-users (permissible as per the 'Private Siding Policy'), they shall have to necessarily convert themselves into a PFT. However, as provided in FM Circular No. 24 of 2018, ports developed under 'Private Siding Policy' shall not come under the ambit of this provision. Multi-consignors/ consignees/ third party cargo shall be permitted at such ports without any upper limit.

7.1.1. Where in principle approval has been given for conversion of a siding, which was availing co-user permission, into a PFT, such permission will continue till notification of the siding as PFT.

7.1.2. All container terminals (Private Container Terminals developed by container train concessionaires in terms of the MCA and CONCOR's rail-based terminals)

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are permitted to handle container traffic as well as automobile traffic including auto ancillaries. However, in case container terminals intend to handle other than above traffic, they shall have to convert their terminal into PFT.

7.1.3. If an existing Road-based Inland Container Depot/Container Freight Station requires rail connectivity, it shall have to operate under the PFT policy.

8.0 Application

8.1. Documents Required

8.1.1. An application for setting up a Greenfield PFT will include following documents:

8.1.1.1. Papers relating to eligibility criteria as stipulated in para 6.

8.1.1.2. Feasibility Report of the proposed PFT.

8.1.1.3. Projections of anticipated business volumes.

8.1.2. An application for converting an existing private sidings or container terminal into a Brownfield PFT will include following documents.

8.1.2.1. Papers relating to eligibility criteria as stipulated in para 6.

8.1.2.2. Projections of anticipated business volumes.

8.1.3. A list of authorised users of the PFT will be required to be submitted by the applicant TMC after grant of In-Principle Approval (IPA).

8.1.4. This list along with projection of anticipated business volumes as stated above will be used only for the purpose of making an assessment about requirement of additional capacity on IR network, etc.

8.2. Application Fee

8.2.1. For setting up of Private Freight Terminal (PFT), the applicant shall submit online application on Indian railway website https://ircep.gov.in/PVTSDG so as to enable online tracking of status of application/ approval with SMS alert on registered mobile number of applicant.

8.2.2. In addition to on-line application, the applicant shall also submit hard-copy of the application in the prescribed format (along with the requisite documents) duly signed by authorized signatory of the applicant firm to the concerned Division along with a Demand Draft for ₹10 lakh in favour of PFA of the concerned zonal railway as application fee.

8.2.3. If an applicant withdraws his application within 30 days of submission of the application then 90% of the application fee will be refunded to the applicant within 30 days of such intimation of withdrawal.

8.2.4. If an application for a PFT is rejected for any reason whatsoever, 90% of the application fee will be refunded to the applicant within 30 days of such rejection.

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8.3. Security Deposit

8.3.1. The applicant shall deposit a security of ₹ 10 lakh with the Railway Administration (RA) for setting up a PFT, failing which the approval may be withdrawn by RA.

8.3.2. Upon successful completion of the PFT, the security deposit will be refunded with Commercial Notification of the PFT subject to fulfilment of all the conditions of the DPR.

8.3.3. In case non fulfilment of certain conditions, necessary adjustment shall be made from the security deposit, if required, and the remaining amount shall be refunded.

8.3.4. The Terminal Management Company shall be required to complete the PFT project (Greenfield and Brownfield PFT) within the time schedule prescribed in the DPR. However, Railway Administration can give extension for completion of project for a maximum period of one year, keeping in view unforeseen exigencies, etc. on payment of penalty @ 20% of the security deposit.

8.3.5. If the PFT is not completed within extended period, the approval for such a PFT will be automatically cancelled and security deposit will be forfeited.

8.4. Application Procedure

8.4.1. The approval process and timelines for PFTs would be as per the guidelines at Annexure A.

8.4.2. CCM/FM of the concerned Zonal Railway and the TMC will execute an Agreement for operation of the PFT before commissioning of the PFT.

8.4.3. After execution of agreement, Principal Chief Commercial Manager of the concerned Zonal Railway will issue commercial notification regarding opening a PFT as an independent terminal.

9.0 Authorized Users

9.1. The list of authorized rail users will be incorporated in the TMS module of FOIS.

9.2. The consignment booked to PFT will be consigned to the consignee, whom TMC has authorized to make use of his facility.

10.0 Commodities permitted at a PFT

10.1. Unless otherwise specified by Indian Railway from time-to-time by suitable notification or by any other means of communications, 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. PFT owners may also be permitted to handle outward iron ore or iron ore pellet traffic from PFTs.

10.2. MOR may also alter the list of such commodities from time to time.

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11.0 Types of wagons permitted at PFTs

11.1. 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.

12.0 General Conditions

12.1. 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.

12.2. 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.

12.3. TMC will be responsible for payment of all charges, all taxes, surcharges, cess, levies, GST, etc. related to transportation and handling of cargo at PFT as per prevalent rules as notified from time to time.

12.4. All PFTs will be required to function round the clock on all days including Sundays and all other holidays.

12.5. TMC can charge its customers for any value added services provided at the PFT. TMC will be free to fix tariff for such services.

12.6. 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 without any liability of IR.

12.7. Additionally, the freight customer shall also pay terminal charges as per the prescribed rates notified by IR time to time and in manner that may be decided by the Railways.

12.8. Unless otherwise mentioned in this policy, all "Commercial and Operating rules" as applicable in a Goods shed for booking, supply and delivery of goods shall be applicable at the PFT. Placement or removal of a rake in PFT premises is an inherent/ essential activity for providing loading/ unloading facilities. However, any other shunting operation 'on customer account' within PFT premises shall attract shunting charges in terms of RC 14 of 2009.

12.9. Brownfield PFTs, which had been working on non –EOL concept, may opt to come under the EOL scheme by signing EOL agreement with railways; or may continue with the prevailing norms. Similarly, Greenfield PFTs may also opt for EOL scheme by signing EOL agreement with railways; or may opt to operate as non EOL terminals .

12.10. If the PFT opts to operate under the EOL scheme, all provisions of EOL Policy issued vide FM circular No. 05 of 2013 and its amendments issued time to time,

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including exemption from staff cost shall be applicable. If the PFT opts to operate as non-EOL terminal, staff cost as per Para 13 shall be applicable.

12.11. The free time will be applicable as per the extant commercial rules.

13.0 Charging of Commercial Staff

13.1. In case of PFTs working on non-EOL, cost of only one commercial staff will be borne by PFT owner.

13.2 In terms of Para 13.1, the PFT owner shall be required to deposit the cost of commercial staff estimated by the railway administration for a period of Two years in advance for every ensuing Two year period.

13.3 The provisions of paragraphs 13.1 and 13.2 above shall be applicable on all PFTs, working on non –EOL from the date of issue of this policy. Prior to the issue of this policy, the cases where staff cost has been collected in advance for a period of 10 years, will remain valid for the said 10 year period. Thereafter (after expiry of the period, for which the staff cost has already been deposited in advance), fresh 'staff cost' shall be collected as per the provisions in Para 13.1.

14.0 Facilities in the PFTs

14.1. Essential facilities inside the PFT and infrastructure at serving stations shall be standardized as per guidelines enclosed at Annexure A.

14.2. 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.

15.0 Non-Acceptance of rake(s) inside the PFT

15.1. Each case of stabling of a rake/ train on IR network exclusively for want of acceptance by a PFT will be recorded as an instance of non- acceptance.

15.2. When a rake is stabled on IR network for want of acceptance by a PFT or for the reasons attributed to TMC, stabling charges will be levied as per extant rules.

15.3. In situations of congestion involving stabling of trains for acceptance by a PFT, RA will be authorized to impose loading restrictions or quota for an appropriate duration for such a PFT.

16.0 Construction and maintenance of PFT

16.1. The construction and maintenance of PFT will be as per provision of 'Private Siding Policy' of IR issued by Ministry of Railways vide Freight Marketing Circular No. 11 of 2016 under letter No. 99/TC(FM)/26/1/Pt.-II dated 22.08.2016 and as revised/amended time-to-time.

16.2. Each PFT will be provided connectivity with a station on IR network. Such a station will be the serving station for the PFT.

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16.3. 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 Policy'.

16.4. Rail connectivity upto the takeoff point (nodal point) at the serving station shall be provided by the PFT owner. However, major S&T and OHE works at the serving station will be carried out by railway administration.

17.0 Reimbursement of capital cost for 'Common User Facility' borne by PFT owner -

17.1. As per the provisions contained in Para 7.0 of Freight Marketing Circular No. 11 of 2016, the PFT owner can opt for bearing the cost of traffic facilities that are to be normally borne by Railways such as 'Y' connection, additional cross over, additional lines/ loop lines at 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., as approved by PCOM. The Common User traffic facilities at the station, so created by the PFT owner shall be used not only by the Party who financed such facilities; 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 RA.

17.2. The amount of expenditure incurred by the PFT owner for creation of 'common user facility' shall be reimbursed in terms of the FM Circular No.06 of 2019 (issued vide letter no.2015/TC(FM)/14/08 dated 21.02.2019), as amended from time to time.

(Note: The reimbursement shall be applicable on the traffic handled with effect from 21.02.2019 i.e. from the date of issue of FM circular No.06 of 2019)

18.0 Agreement

18.1. The period of Agreement for operation of such PFT will be 30 years.

18.2. The agreement can be renewed further time to time by the Railway Administration for mutually agreed duration on receipt of application from the TMC and deposit of renewal fee which shall be equal to the application fee prescribed in the PFT policy existing at the time of renewal.

18.3. An agreement will be signed between TMC and Chief Commercial Manager (FM) of the concerned Zonal Railway which would include detailed terms and conditions for operation of the TMC. The agreement will be signed before the notification of the PFT.

19.0 Payment of Freight

19.1. 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.

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19.2. Freight or haulage charges as the case may be will be paid by the consignor as prescribed in Goods Tariff or through a special notification.

19.3. Consignment booked to and from a PFT will be pre-paid.

19.4. All charges in respect of freight/haulage will be paid by the consignor at the time of preparation of RR through e-payment system.

20.0 Demurrage and wharfage

20.1. Demurrage/detention charges shall be payable by the TMC to Railway Administration in case of detention of rolling stock/rakes owned by Railway/private party beyond the prescribed free time as per the extant rules.

20.2. No wharfage charges would be payable to the IR at a PFT.

21.0 Weighbridge, FOIS and TMS

21.1. Terminal Management Company (TMC) will be required to have a provision of In-motion Electronic Weighbridge at a suitable location in such a manner that all outgoing and incoming rakes can be weighed. In case where PFT is notified for inward traffic only provision of In-motion Electronic Weighbridge may not be insisted upon. However, it should be ensured that incoming rakes have a provision of weighment at originating station or enroute station. It may also be ensured that as and when the TMC wishes to deal with outward traffic also such permission should be given only subject to installation and commissioning of In-motion Electronic Weighbridge at the cost of TMC.

21.2. In-motion weighbridge shall be provided as per Rates Master Circular/ Provision of Weighbridge/2014/0 dated 12.06.2014 as amended time to time.

21.3. 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.

22.0 Rights of the TMC

22.1. TMC will have right to change its list of Authorized Users. TMC will immediately inform the RA of such change so that the list of authorized users is updated in the FOIS.

22.2. TMC will have right to change the list of commodities permitted at its PFT.

22.3. TMC will have right to independently and at its exclusive discretion fix charges for the services it offers to rail users.

23.0 Liabilities and Indemnification

23.1. Goods to be loaded or delivered at a PFT not belonging to a railway administration-

23.1.1. Where goods are required to be loaded at a PFT for carriage by railway, the railway administration shall not be responsible for any loss, destruction, damage

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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 PFT and the railway administration and a railway servant authorized in this behalf has been informed in writing accordingly by the owner of PFT.

23.1.2. Where any consignment is required to be delivered by a railway administration at a PFT 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 PFT, and the owner of the PFT has been informed in writing accordingly by a railway servant in this behalf.

23.2. 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.

23.3. 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.

23.4. The TMC shall pay to the Railway Administration all the dues accrued against it within a period of 30 days from the date on which claim has been raised by the Railway Administration, failing which Railway Administration shall be authorized to encash the Bank Guarantee deposited by the TMC in terms of Para 23.5 below.

23.5. To ensure sufficient financial coverage against any default in payment by the TMC to the IR, the TMC shall deposit a Bank Guarantee of ₹20 lakh having initial validity period of 5 years, with the RA, which shall be liable to be encashed in case of any failure of the TMC to pay Railway dues. The Bank Guarantee shall be extended every time for next 5 years so that valid Bank Guarantee is always available with Railways.

Note: The BG as mentioned in paragraph 23.5 shall not be payable by PFTs in existence or by those PFTs for which commercial notification has been issued on the date of issue of this policy.

24.0 Dispute Resolution

24.1. In case of any dispute in interpretation of the policy, the decision of MOR will be final and binding.

24.2. 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 as per provisions of the "Arbitration and Conciliation Act 1996". Fee to the Arbitrator shall be fixed by Ministry of Railways time to time irrespective of whether the

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Arbitrator have been appointed by a Court of Law or Railways unless otherwise directed by the Court of Law in any specific case.

25.0 Termination of the Agreement

25.1. 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.

25.2. 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.

25.3. The TMC will also have the right to terminate the agreement by giving a notice of 180 days to the Railway Administration.

25.4. Any dispute arising out of the same will be resolved through the Dispute Resolution Mechanism as prescribed under Para 24.0 of the policy.

26.0 Conflicts

26.1. Notwithstanding any provisions in this policy, stipulations of The Railways' Act, 1989 will prevail.

26.2. 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 in PFTs of any type.

26.3. 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.

27.0 Review of the Policy

27.1. IR reserves the right to review this policy time to time.

28.0 Guidelines on setting up of Private Freight Terminals (PFTs)

28.1. Detailed guidelines along with timelines is enclosed as Annexure A.

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Annexure - A

PROCEDURAL GUIDELINES & TIME-LINE FOR SETTING UP OF PRIVATE FREIGHT TERMINALS (PFTs)/ PRIVATE SIDINGS

1.0 The approval process and timelines of PFT/Private Siding :

1.1 The entire approval process will be operated through two Standing Committees – one each at Zonal and Divisional levels to accord approval of proposals for private sidings/ Private Freight Terminals (PFTs) and monitor the compliance of mandated timelines.

1.2 The Constitution of the Committees will be as follows:

Division Level		**Zone/ HQ level**	
DRM	Chairperson	PCOM	Chairperson
Sr.DOM	Convenor	CTPM	Convenor
Sr. DCM	Member	CCM/FM	Member
Sr. DEN(Co)	Member	CE(G)	Member
Sr. DEE/TRD	Member	CEDE	Member
Sr. DSTE	Member	CSTE/Plg	Member

1.2.1 The member of the above committees at the divisional and headquarter level shall be by designation and in absence of the incumbent, the officer looking after either formally or as link officer shall discharge this function.

1.2.2 The convenor will initiate and maintain the case file and coordinate for the meetings of Standing Committee.

1.2.3 The Divisional Standing Committee on PFTs and Pvt Sdgs. shall conduct due diligence on the eligibility documents and the siding layout proposal. For this, the Standing Committee will consider all relevant issues across the table and take decision accordingly. If needed, the committee may also ask applicant to attend the meeting. The Committee will hold its meetings on pre-determined frequency, ideally a day should be fixed, but the frequency should not be more than a month. The Convenor will be responsible for maintaining records of the Committee Meetings, a copy of which may be shared with the Applicant.

1.2.4 The Zonal Level Committee will also work on similar lines.

1.3 In Principle Approval

1.3.1 **Stage 1 –At the Divisional Level:**

1.3.1.1 For setting up of Private Freight Terminal (PFTs), the applicant shall submit online application on Indian railway website

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https://ircep.gov.in/PVTSDG so as to enable online tracking of status of application/ approval with SMS alert on registered mobile number of applicant.

1.3.1.2 In addition to on-line application, the applicant shall also submit hard-copy of the application in the prescribed format (along with the requisite documents) duly signed by authorized signatory of the applicant firm to the concerned Division along with the fee as under:

In case of Private Freight Terminal (PFT), an application fee of ₹ 10 lakh in the form of Demand Draft in favour of FA&CAO of the concerned zonal railway (for example if the proposal is in the jurisdiction of South Central Railway, Demand Draft will be in favour of FA&CAO, South Central Railway).

1.3.1.3 The process will start with submission of hard copy of application by the applicant to the Division in the prescribed format, with required fee and documents.

1.3.1.4 The In-Principle Approval (IPA) will be confined to (i) understanding the eligibility of the Applicant; (ii) whether a takeoff can be given at the serving station; (iii) whether the station has the requisite infrastructure for construction of proposed PFT; (iv) whether 'Electronic In-motion Weighbridge' can be installed inside the PFT or outside; and (v) operational plan for traffic projection, assessment about requirement of additional capacity on IR network etc.

1.3.1.5 The time limit for IPA at the Divisional Level will be 21 days from the date of submission of application by the party.

1.3.1.6 On completion of the exercise at the Divisional level, the proposal with the recommendations of the Divisional Standing Committee shall be sent to the CTPM for further consideration of the Zonal Committee. In case of any delay beyond stipulated 21 days, adequate reasons should be recorded on the file by the DRM.

1.3.2 **Stage 2 –At the Zonal Level:**

1.3.2.1 The time limit for the approval PFT proposal at the Zonal Level will be normally cleared in 15 days and in exceptional cases not exceeding 21 days from the date of receipt of documents from division.

1.3.2.2 The Standing Committee on Private Sidings/PFT at Zonal Railway's level shall consider all relevant issues of the private siding/PFT proposal across the table, in Committee's Meeting and take decision during the course of meeting itself.

1.3.2.3 CTPM shall convey In-Principle Approval of headquarter to the DRM of the concerned division.

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1.3.3 **Stage 3 – Communication to the Applicant**

1.3.3.1 'In-Principle Approval (IPA)' shall be communicated by the Division to the Applicant **within 5 days** of receipt of approval from Headquarter.

1.3.3.2 The IPA shall be deemed as 'lapsed' after expiry of 180 days from the date of communication of IPA to the applicant, if Detailed Project Report (DPR) alongwith stipulated codal charges are not received from the applicant. In this case, application fee shall be forfeited by Railways. After expiry of the above period, if the applicant intends to continue with his proposal, he shall be required to submit a fresh application along with the prescribed application fee.

1.3.3.3 A periodical review of In principal approved proposals should be carried out by the zonal railways. In case of non-responsive proposals, such proposals may be cancelled and closed.

1.4 Detailed Project Report (DPR)

1.4.1 **Stage 1 –At the Divisional Level:**

1.4.1.1 The Applicant shall submit the DPR along with all relevant drawings, especially proposed ESP to the DRM **within 45 days** of receipt of the IPA. The DRM may condone any delay beyond this limit up to 30 days for valid reasons to be recorded in writing. If the party fails to submit DPR beyond the condoned period, the IPA shall be withdrawn by the railway and application money shall be forfeited.

1.4.1.2 The scope of the DPR approval shall, inter alia, include the following –

A. Approval of ESP drawing which shall include, inter alia, clear markings defining Common User Facilities;

B. Approval of area of railway land to be licensed for connectivity;

C. Detailed estimate of the PFT covering all departments clearly specifying estimate of work in Railway premises as well as outside Railway premises;

D. Approval of mode of execution, i.e. whether work shall be executed by the Applicant or by Railway or by a combination of both modes. In case it is decided that the applicant has to take up work on Railway land to complete connectivity and other necessary infrastructure work including station or yard modification, if any, then the approval of the DPR shall be construed as approval to the Applicant to take up the work for which the Railway will pay the applicant as per the approved terms and conditions of DPR.

E. Approval of the milestones and the timelines for the execution of the work in the DPR up to the Commercial Notification of the PFT, which should not normally exceed 18 months after approval of DPR.

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Note 1: Before Final approval of DPR, ESP should be approved.

Note 2: Any structural change demanded by the Railways after Final approval of DPR, shall require personal approval of GM.

F. The levy of Departmental and General charges on the cost of the project, especially with reference to the land owned by the PFT applicant, shall be based upon the provisions of the Engineering Code.

1.4.1.3 The Division shall send the Applicant's DPR proposal to the Zonal Headquarters, where the CTPM shall be the coordinating officer for approval of DPR at HQ level.

1.4.1.4 The process of examination of the DPR at the Divisional Level and communicating the same to the HQ should be completed **within 30 days from the receipt of DPR from the applicant.**

1.4.2 **Stage 2 - At the Zonal Level:**

1.4.2.1 The CTPM shall be the coordinating officer at the Headquarters for approval of DPR at HQ level. The Headquarter shall approve the DPR **within 30 days** from the date of receipt of same from division.

1.4.2.2 The Zonal Committee, under the Chairpersonship of the PCOM, shall approve the DPR; which shall include the final Engineering Site Plan (ESP) duly approved by the concerned department as per extant instructions; all within 30 days. Any subsequent changes in the DPR (except any revision in the ESP (Engineering Scale Plan) or LOP (Layout Plan) or SIP (Signal & Interlocking Plan), etc. not affecting the DPR estimates) at any stage would require the approval of GM on the recommendations of the Zonal Committee.

1.4.2.3 CTPM shall communicate approval of the DPR to the DRM of the Division as well as all the concerned departments in the HQ.

1.4.2.4 The Division shall communicate the approval of the DPR to the Applicant and direct him to deposit all statutory and codal charges and start the work.

1.4.2.5 The whole process leading to the communication of the approval of the DPR to the applicant should be completed **within 70 days** from the date of submission of the DPR by the applicant to the division. This timeline shall stand suitably enhanced in the event of any revision required by the Railway Administration in DPR or ESP, but in no case exceeding 15 days beyond 70 days.

1.4.3 **Stage 3 At the Divisional Level:**

1.4.3.1 On receiving the approval of DPR, Divisional Committee should regularly monitor and ensure the following:

A. Preparation of SIP, which will have to be subsequently sent to the HQ for final approval by CSTE or his nominated official;

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B. Submission of drawing for OHE & PSI installations such as sectioning diagram, LOP, SED, Power supply diagram, wiring diagram, etc. by PFT Owner. Sectioning diagram, power supply diagram will subsequently be sent to HQ for final approval of PCEE or officer nominated by him

C. Land Licensing; if any

D. Other approvals needed such as Panel Face Diagram, Station Working Rule Diagram, Station Working Rules, Track bonding Plan, Cable Core Plan, Cable Route Plan, Selection tables/ Interlocking tables, Wiring Diagrams, Relay Rack Positioning, CSD (Cross Sectioning Diagram), Traction Sub-station modification Diagram if required, etc.

1.4.3.2 All these activities (A-D) and the requisite approvals from the HQ should be completed **within 45 days** of receipt of approval of DPR from HQ.

1.4.3.3 In case of PFT, the TMC shall also submit a 'Security Deposit' of ₹10 Lakh within one month from the date of commencement of DPR approval failing which the approval may be withdrawn by RA.

1.4.3.4 The Applicant shall:

A. Commence work **within 90 days** of receipt of the DPR approval; and

B. Complete the work within the timelines laid down in the approved DPR which should **not normally exceed 18 months**.

1.4.3.5 The Divisional Level Committee shall ensure that the necessary permissions are given to the applicant for timely completion of the work.

1.4.3.6 The Divisional Level Committee shall facilitate the PFT in obtaining requisite statutory clearances with the intent of commissioning the PFT **within 30 days** of the intimation of completion of the work by the Applicant.

1.5 Construction and monitoring of progress

1.5.1 To ensure adherence to the timelines, there should be a system of monthly reporting to the GM, on the status of the progress on the approval and construction of the PFT by the DRM at the Division level and the CTPM at the HQ level.

1.5.2 A similar system of reporting should be introduced in the MCDO of the Zone to the Railway Board.

1.5.3 The convenor of respective committees shall ensure timely online updation of status/ position in regard to various stages of approvals and construction of Private Freight Terminals on Indian railway website https://ircep.gov.in/PVTSDG so as to enable online tracking of status of application/ approval with SMS alert on registered mobile number of applicant.

2.0 Standardization of essential facilities related to grant of approval to a new freight terminal including its layout:

Essential facilities to be provided can be seen in two categories – infrastructure inside the terminal and the infrastructure required at the serving stations.

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2.1 Inside the PFT:

2.1.1 The number of handling lines required in PFT should be assessed by the PFT owner. To avoid detention of rakes, Zonal Railways may use the norms prescribed in Railway Board's letter No. 2007/PL/25/1 dated 05.06.2007, as modified from time to time, as indicative guidelines.

2.1.2 Apart from the handling lines, there should be a Brake Van (BV) Siding. (This BV siding could be in either loop line template or a BV siding taking off as a spur from one of the handling lines. The spur template eliminates requirement of more land, length wise. In case of spur template, the BV siding could be increased in length to 100 metres to create a combined siding for reversal and holding of BVs as well as any sick wagon arising at the PFT).

2.1.3 In case the PFT plans to handle containers, steel or any other kind of crane consignment for which full OHE wiring would not be necessary then the same should not be insisted upon. However, the PFT should have top-wiring facility.

2.1.4 Interlocking of yard inside PFT can be as per the requirement of the TMC. However, if the maintenance is to be done by Signal Dept., then the interlocking should be as per extant rules and directives. The work of PFT is to be done as per the approved ESP/SIP and requirements spelt out by the User Department. The cost is to be kept as per the standard provisions and last accepted rates and would be open to the scrutiny by PFT owner before undertaking the work.

2.1.5 TMC will be required to provide rest room facilities for crew and guard at the PFT at its cost. TMC will also 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.

2.2 Infrastructure at the Serving Station

2.2.1 In case major infrastructural modifications such as additional loop lines, new panel for RRI or SSI, shifting of stations building, etc., are required at the serving station, completion of such work should not be linked to the commissioning of the PFT.

3.0 Provision of approved consultant for Civil, S&T and OHE works.

3.1 Appointment of consultants by the TMC operating the PFT.

3.1.1 TMC shall be permitted to appoint a Consultant for the work as laid down under paragraph 1828 of Indian Railways Engineering Code.

3.1.2 For this purpose the Engineering, S&T and Electrical (Distribution) and Operating Departments of the Zonal Railways shall maintain a list of Approved Consultants / approved contractors and TMC shall have the liberty to engage any consultant from the list.

3.1.3 On completion of the Civil, S&T and OHE works in the PFT, the Zonal Railways may accept necessary certification given by any recognized certification agency.

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