

EAST COAST RAILWAY

Commercial Circular No.37(G)/2012

Office of the
Chief Commercial Manager
Bhubaneswar
Dt. 25.04.2012.

Sub: Revised Private Freight Terminal (PFT) Scheme.

The policy guidelines on "Private Freight Terminal (PFT)" were issued by the Ministry of Railways vide Freight Marketing Circular No. 14 of 2010 under letter No. 2008/TC(FM)/14/2 dated 31.05.2010 [Circulated vide CCM/ECOR's Commercial Circular No. 87(G)/2010 dtd 01.06.2010]. Ministry of Railways has reviewed the existing policy guidelines on "Private Freight Terminal (PFT)". A copy of revised "Private Freight Terminal (PFT)" is enclosed herewith. The revised policy will be in supersession of existing "Private Freight Terminal (PFT)" circulated vide Freight Marketing Circular No 14 of 2010 under letter No.2008/TC(FM)/14/2 dated 31.05.2010 [Circulated vide CCM/ECOR's Commercial Circular No. 87(G)/2010 dtd 01.06.2010] along with its amendments vide Freight Marketing Circular No. 6 of 2011 dated 21.06.2011 [Circulated vide CCM/ECOR's Commercial Circular No.67(G)2011 dtd. 22.06.2011].

The revised scheme will come into force with effect from 23.04.2012.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

All concerned to note and act accordingly.

Authority: Railway Board's letter No. 2011/TC(FM)/14/14 dtd. 23.04.2012 (Freight Marketing Circular No. 05 of 2012)


(S. Mahapatra)

Dy. Chief Commercial Manager (FS)

No.CCM/PFT/375/Pt.I

Date: 25.04.2012

Copy forwarded to:

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

Copy for information and necessary action to the:-

COM: ECoR, **SDGM/ECOR/BBS, Chairman/RCT/BBS, Dy.CVO(T)/ECOR/BBS, PO/RCT/BBS**
Dy.COM(FOIS)/ECOR/BBS, Audit officer/BBS. Rates Section/CCM/ECOR/BBS -10sets,
DRM: KUR,WAT,SBP/ECOR, **Sr.DOM-KUR,WAT,SBP/ECOR, Sr.DCM:** KUR,WAT/SBP/ECOR.
Dy.CCO/E.Co.Rly. FA &CAO:E.Co.Rly, **FA&CAO(T)/ECOR/BBS, Traffic Manager:** VZP, Paradeep PortTrust / Paradeep.


(S. Mahapatra)

Dy. Chief Commercial Manager (FS)

SL NO. 37 (G) / 12

Thirteen pages ①

B

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

No. 2011/TC(FM)/14/14.

New Delhi Dt. 23.04.2012

General Managers,
All Indian Railways.

Sub: Revised Private Freight Terminal (PFT) Scheme.

The policy guidelines on "Private Freight Terminal (PFT)" were issued by the Ministry of Railways vide Freight Marketing Circular No. 14 of 2010 under letter No. 2008/TC(FM)/14/2 dated 31.05.2011. Ministry of Railways has reviewed the existing policy guidelines on "Private Freight Terminal (PFT)". A copy of revised "Private Freight Terminal (PFT)" is enclosed herewith. The revised policy will be in supersession of existing "Private Freight Terminal (PFT)" circulated vide Freight Marketing Circular No. 14 of 2010 under letter No. 2008/TC(FM)/14/2 dated 31.05.2012 alongwith its amendments vide Freight Marketing Circular No. 6 of 2011 dated 21.06.2011.

The revised scheme will come into force with immediate effect.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

The receipt of this letter may please be acknowledged.

DA : As Above


(Rita Raj)
Director Freight Marketing

No. 2011/TC(FM)/14/14.

New Delhi Dt. 23.04.2012

Copy to :

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


for Financial Commissioner/Railways.

No. 2011/TC(FM)/14/14.

New Delhi Dt. 23.04.2012

Copy forwarded for information and necessary action to:

1. Chief Operations Managers, All Indian Railways
2. Chief Commercial Managers, All Indian Railways
3. Chief Mechanical Engineers, All Indian Railways
4. Director General, RDSO, Manak Nagar, Lucknow.

\$LNO: 37(CA)/12

Page 1 of 12

thirteen pages (2)

5. Director General, Railway Staff College, Vadodara.
6. Director, Indian Railways Institute of Transport Management (IRITM), Manak Nagar, Lucknow.
7. Managing Director, Konkan Railway Corporation, Belapur Bhavan, Plot No. 6, Sector-I I, CBD Belapur, Navi Mumbai - 400014.
8. Managing Director, DFCCIL, Pragiti Maidan, New Delhi.


(Rita Raj)

Director Freight Marketing

New Delhi Dt. 23.04.2012

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

SL NO. 37(G)/12
Thirteen pages (3)

Sub: Policy Guidelines – Private Freight Terminals (PFT)

Policy guidelines for development of Private Freight Terminal (PFT) were issued by Ministry of Railways under Freight Marketing Circular No. 14 of 2010 vide letter No. 2008/TC(FM)/14/2 dated 31.05.2010 and Freight Marketing Circular No.06 of 2011 issued vide letter No. 2008/TC(FM)/14/2 dated 21.06.2011. The policy guidelines have been reviewed by Board and accordingly, in supersession to the policy guidelines issued vide above referred circulars, revised policy guidelines have been approved by Board as under in the form of Policy Circular:

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.

P201
SL NO. 87(C)/12
Thirteen pages (4)

- 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/I 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.

12/201

SLNO. 37(6)/12
thirteen pages (5)

- 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

7701 -
SCNO. 37(G)/12
Further pages 6

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.

P 261



SL NO. 37(61)/12
Thirteen pages (7)

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.

1.5.1
 SL NO. 37(9)/12
 Thirteen pages (8)

[Handwritten signature]

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 programmed coal, programmed coke and iron ore. Outward loading of only non-programmed coal and coke is allowed. For booking and loading of non-programmed coal and coke, conditions as laid down in Board's letter No. 2005/TT-V/25/CIL dated 07.12.2005 as amended from time to time should be followed strictly.
- 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 fulfil 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.

1-22
 S/NO. 37(9)/12
 Thirteen pages (9)

- 15.3 TMC will be responsible for payment of all taxes etc related to working of the PFT.
- 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.

[Handwritten signature]
SL NO. 37(G)/12
Thirteen pages (10)

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 at 50% of the prevailing per ton rate of terminal charge leviable at the railway Goods Sheds or ₹ 20/- per ton whichever is higher. The sharing of terminal charges will be for the tonnage mentioned in the 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 be 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.

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.

23.2 No wharfage charges would be payable at a PFT.

SLNO. 37 (G)/12
Thirteen pages (11)

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 as per extant rules of Railways 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 PFT also prescribed in Para 25.1 above. However, if it is not feasible to install a weighbridge within the PFT on technical reasons (like grade, layouts etc), such a weighbridge may be provided at the serving station or any other operationally convenient location at the cost of the TMC.

25.3 In the exceptional cases in which it is not feasible to install a weighbridge within a Greenfield PFT on technical reasons, such a weighbridge may be provided at the serving station or any other operationally convenient location at the cost of the TMC.

25.4 Exception as provided in terms of Para 25.2 and 25.3 will be granted only with the approval of the COM of the concerned Railway.

25.5 Whenever a weighbridge is provided at a location outside the PFT, all expenses towards its installation will be paid by the TMC. The maintenance of the weighbridge will be done by the Railways.

25.6 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.