

EAST COAST RAILWAY

Office of the
Principal Chief Commercial Manager
Bhubaneswar

Commercial Circular No.28(G)/2019

Date.25.02.2019

Sub: Provisions of bearing Capital Cost for Common User Traffic Facilities under Private Freight Terminal (PFT) Policy.


- Ref:** i) Railway Board's circular No.Freight Marketing/ Master Circular/PFT/ 2015/0 issued vide letter No.2011/TC(FM)/14/14 dtd.02.01.2015.
{PCCM/ECOR's Commercial Circular No.04(G)/2015 dtd.06.01.2015}
- ii) Railway Board's Freight Marketing Circular No.01 of 2012 dtd.30.01.2012
{PCCM/ECOR's Commercial Circular No.14(G)/2012 dtd.03.02.2012}
- iii) Railway Board's Freight Marketing Circular No 11 of 2016 dtd.22.08.2016
{PCCM/ECOR's Commercial Circular No.125(G)/2016 dtd.06.09.2016}
- iv) Railway Board's letter No.2015/TC(FM)/14/02 dtd.09.11.2017.
{PCCM/ECOR's Commercial Circular No.176(G)/2017 dtd.20.11.2017}

Enclosed please find herewith Railway Board's Freight Marketing Circular No.06 of 2019 dtd.21.02.2019 which is self explanatory for information and necessary action.

All concerned to note and act accordingly.

Encl: As above (03 Pages)

Authority: Railway Board's letter No. 2015//TC(FM)/14/08 dtd.21.02.2019
(Freight Marketing Circular No.06 of 2019)


(P.C.Sahu)

Chief Commercial Manager(FS)

No.CCM/PFT/375/Pt-I


Dt.25.02.2019

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

Copy for information and necessary action to the:-

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

Sl NO. 28 (G) 19
4 Pages (1)


(P.C.Sahu)

Chief Commercial Manager(FS)

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

No. 2015/TC(FM)/14/08.

Rail Bhavan, New Delhi - 110 001, dated **21.02.2019**

General Managers,

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

Sub: Provision of bearing Capital Cost for Common User Traffic Facilities under Private Freight Terminal (PFT) Policy.

- Ref : (i) Freight Marketing Master Circular 2015/0 issued vide Board's letter No. 2011/TC(FM)/14/14 dated 02.01.2015.**
- (ii) Freight Marketing Circular No. 01 of 2012 dated 30.01.2012**
- (iii) Freight Marketing Circular No. 11 of 2016 dated 22.08.2015.**
- (iv) Railway Board's letter No. 2015/TC(FM)/14/08 dt. 09.11.2017**

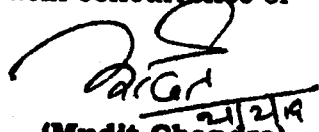
- 1.0 Attention is invited to Para 19.1 of Freight Marketing Master Circular No 2015/0 dated 02.01.2015 on Private Freight Terminals (PFTs) wherein it was mentioned that the construction of PFTs will be as per the provisions of Private Siding Policy. The Private Siding policy issued vide Freight Marketing Circular No. 01 of 2012 dated 30.01.2012, prevalent during 2015 had a provision of freight discount of 10% for siding owners bearing Capital Cost for common user traffic facilities. Subsequently, the Private Siding Policy issued vide Freight Marketing Circular No. 11 of 2016 dated 22.08.2016 also stipulated same instructions for bearing the cost of common user traffic facilities as specified in the circular.
- 2.0 Common User Facility is any facility which is not exclusively for use of the PFT and it is for use of all rail users without any discrimination. Common user facilities as defined in Para 2(iv) of Freight Marketing Circular No. 11 of 2016 are those traffic facilities which facilitate the Railway traffic operations, such as 'Y' connection, additional lines/ loop lines at the serving station, crossing station, patch doubling, shunting neck, engine escape line, modification to existing OHE or Electrification, S&T work etc.
- 3.0 In clause 5.3 (Article 5) of 'Standard Format of Agreement' for PFTs circulated vide Freight Marketing Master Circular No 08 of 2013 dated 03.04.2013, it is stipulated that "the capital cost of all traffic facilities at the

...serving station as such 'Y' connection, additional lines at the serving station, crossing stations, patch doubling of the section etc. shall be as per the Liberalized Siding Policy of Indian Railway fully borne by railway..".

However, no specific provision or modality regarding reimbursement of Capital Cost of Common User Traffic Facilities has been indicated in the PFT circulars/ instructions in cases where the PFT owner bears the Capital Cost of the Common User Traffic Facilities.

- 4.0 Since, the Capital Cost is to be borne by Railways as detailed in para 3.0 above, it has now been decided that, henceforth on similar lines as the provisions of 'Private Siding Policy', an amount equivalent to the freight discount (10%) on traffic handled by Terminal Management Company (TMC) at his Private Freight Terminal (PFT) may be reimbursed to the TMC (PFT Owner) in lieu of bearing the capital cost for Common User traffic facilities.
- 5.0 The reimbursement of the Capital Cost shall be done by the railway to the concerned TMC after due verification from Accounts Department. An amount equivalent to the freight discount of 10% on traffic handled (inward as well as outward) shall be given to TMC for a period of ten years or till recovery of the capital cost, whichever is earlier, as per the following procedure:
- (i) An amount equivalent to 10% of the base freight on traffic handled shall be deducted from the total freight and kept aside for payment to the TMC by the originating railway.
 - (ii) This amount shall be credited to Deposit Misc. Suspense Head of the originating railway.
 - (iii) CRIS shall indicate the amount ibid in the apportionment matrix for effecting the above transactions.
 - (iv) The TMC shall raise invoice for the amount (which will be advised by FOIS through nominated Commercial authority).
 - (v) The amount equivalent to **freight discount** payable to TMC shall be debited to Deposit Misc Account of the originating railway. In case the PFT lies in a different destination railway, the destination railway shall upon receipt of claim by TMC, raise a TC for transfer of this amount from originating railway for settling the claim of TMC.
 - (vi) The amount of **GST** payable shall be debited to Misc. Advance (GST)
 - (vii) The amount (freight discount + GST) shall be paid after deduction of 2% as GST-TDS, wherever applicable.
 - (viii) The amount GST-TDS shall be booked under Deposit Misc-TDS as output liability of the Railway. The credit thereof shall be available to TMC through GST credit ledger.

- 6.0 The above instructions shall be made applicable with immediate effect.
- 7.0 This issues in supersession to Railway Board's earlier letter No. 2015/TC(FM)/14/08 dated 09.11.2017.
- 8.0 This issues in consultation with Accounts Directorate and with concurrence of the Finance Directorate of the Ministry of railways.


(Mudit Chandra)
21/2/19
Director Freight Marketing

No. 2015/TC(FM)/14/08.

Rail Bhavan, New Delhi - 110 001, dated **21.02.2019**

Copy forwarded for information to:

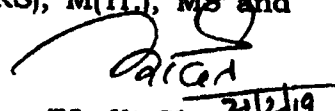
1. DAI (Railways) with 36 spares.
2. Principal Financial Advisor, All Indian Railways.
3. The Deputy C&AG of India (Railways), Room No. 224, Rail Bhawan.


21.2.19
For **Financial Commissioner/Railways**

No. 2015/TC(FM)/14/08.

Rail Bhavan, New Delhi - 110 001, dated **21.02.2019**

1. The Principal Chief Commercial Manager, All Indian Railways.
2. The Principal Chief Operations Manager, All Indian Railways
3. The Chief Passenger Traffic Manager, All Indian Railways.
4. The Chief Commercial Manager (FM), All Indian Railways.
5. CAO/PTS, Northern Railways, IRCA Building, New Delhi.
6. The MD/CCM, KRCL, Belapur Bhawan, Plot no. 6, Sector-11, CBD Belapur, Navi Mumbai - 400014.
7. The MD/CRIS Chanakyapuri, Near National Rail Museum, New Delhi.
8. Director General, NAIR, Lalbaug, Vadodara - 390004, Gujarat.
9. Director General, Indian Railways Institute of Transport Management, Hardoi By-pass Road, P.O. Manak Nagar, Lucknow - 226 011 Uttar Pradesh.
10. AM(Traffic), AM(Commercial), AM(Mech.), Adv.(F), Adv.(Vig.), Adv. (Chg), EDPM, EDPG, EDTC(R), EDV(T), ED(FC), EDME(Chg.), DF(C), Dir (Chg.), Dir (Punct.) in Railway Board for information please.
11. PSO/Sr.PPS to CRB, FC, MT, ME, M(RS), M(Tr.), MS and Secretary, Railway Board - for kind information of CRB, FC, MT, ME, M(RS), M(Tr.), MS and Secretary.


(Mudit Chandra)
21/2/19
Director Freight Marketing

SL NO. 28 (G) 19
4 page (A)