भारत सरकार Government Of India
रेल मंत्रालय Ministry Of Railways
(रेलवे बोर्ड) (Railway Board)

No. 2012/CE-I/SP/1 New Delhi, 15th January, 2015

The General Managers,
All Indian Railways.

Sub : Clarification to Para 4.4(iii) of F.M. Policy Circular No. 01 of 2012 on Siding Matters – Liberalizatiion of Siding Rules : One-time charges for 10 years.

Ref : (i) Northern Railway's letter no. 15-W/944/PLAN, dated 04.12.2014.
(ii) Railway Board's letter no. 2012/CE-I/SP/1, dated 12.03.2012.

1. In terms of instructions contained in Para 4.4(iii) of FM Policy Circular no. 1 of 2012, the siding owner will pay a lumpsum amount equal to recurring cost towards maintenance & staff and employment for a period of 10 years on the basis of initial deployment of staff at the station. Such payment shall be made before commissioning of the project.

2. It has been brought to the knowledge of Railway Board that some Zonal Railways are charging 10% annual escalation even while working out lumpsum maintenance and staff cost for 10 years' period being paid in advance by the party. The matter was examined earlier also and a clarification to this effect was issued vide Board's letter under reference (ii) above.

3. The matter has further been examined in Board and in continuation to above letters, it is clarified that no annual escalation @ 10% shall be taken into account when the lumpsum charges are being taken in advance for 10 years' period and it shall apply to maintenance cost and also for the cost of staff deployed at new stations, level crossings etc., as applicable to the private siding project.

Railways may take necessary action accordingly.

This issues with the concurrence of Finance Directorates of Railway Board.

N. Madhusudan Rao
15/1/15
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15/01/15
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