S. No. 15

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.96/TT(I)/10/ACC/NR/36 New Delhi, dt. 23-10.97

1. TheGMs(Works),
2. The GMs (Commercial),

All Indian Railways.

3. The CSD/East Coast Railway, Bhubaneshwar.
4. The OSD/North Central Railway, Allahabad.
5. The OSD/East Central Railway, Hajipur.
6. The OSD/North Western Railway, Jaipur.
7. The OSD/South Western Railway, Bangalore.
8. The OSD/West Central Railway, Jabalpur.

Sub: Policy regarding develppment of goods sheds/sidings by private investment in railway premises.

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As a market strategy aimed at retaining and enhancing Railway's business interest, Board have decided that railusers may be allowed to invest in the development of goods shed/siding facilities subject to the following conditions:-

(1) Railway will allow investment by private parties in development of goods shed/sidings. Railway would, however, reserve the right to close the goods shed/siding if the same becomes financially or operationally unsustainable at some stage by giving a notice of 90 days.

(2) Railway will allow investment by private parties at stations as per Railway's operational convenience. On receipt of an application from the concerned party, the decision on the development of these facilities will be personally taken/by the General Manager of the Railway in consultation with FA&CAO.

(3) Before approval of any such proposal of investment is conveyed, the Railway may ensure that there is little or no likelihood of the area/land being required for any project/requirement of the Railways.

Contd...2/-

(4) The facilities so created would be used not only by the parties who have financed them but also by others, and assets so created would belong to the Indian Railways and would be maintained and used as any other Railway assets with absolute authority. The investor(s) would not be eligible for any return/ concession in lieu of such use of these assets by the Railways or other railusers. The investor(s) will also not qualify for any preferential treatment in the matter of utilisation of these assets.

(5) Land may be licensed as per extant rules for construction of temporary storage sheds to investing parties subject to the stipulation that land would be licensed only when goods are to be transported by rail.*

(6) The facility(goods shed/siding) and all its equipments and appurtenances will become the property of the Railway Administration and the investor(s) will have no claim to these assets. Investment in such assets will not entitle the investor(s) to any rights what-so-ever with regards to the Railway land on which they are created.

(7) All developments for the proposed facility will be as per approved Railway designs, and constructed to approved Railway standards and specifications. Estimates for construction and development of the facilities to these specifications will be prepared, and will include all departmental and other charges as per Codal provisions. The investor(s) will be required to deposit the full cost of construction so calculated with the Railway Administration in advance before commencement of the work.

(8) For maintenance and operation of these assets, creation of additional staff shall be need-based.

(9) The proposed goods/shed/siding should not in any way hamper or obstruct the existing users of rail facilites at the concerned station.

(10) Freight charges, demurrage charges and placement/siding charges will be leviable as per the extant rules.

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

(V.K. Bahmani)
Exec.Director,Civil Engg.(G)
Railway Board.

*In the event of the land being utilised for any purpose other than that for which it was licensed, the said license may be cancelled/revoked at the absolute discretion of the Railway Administration.

o.96/TT(I)/10/ACC/NR/36 New Delhi, dt. 23.10.97

Copy to: (1) ADAI(Rlys), N. Delhi (with 40 spares).
(2) The Director of Audit, All Indian Rlys.
(3) The FA&CAO, All Indian Rlys.

(V.Y. Bahmani)
Exec.Director,Civil Engg.(G)
Railway Board.

Copy to: 1.A/cs(III)/F(X)I/F(X)II, Vig. (I) with 5 spares.
2.EDV(R)/ED(W)/EDLM/EDRE/ED(Track)/M, EDCE(B&S)/ED(Track).
3.AM(CE), AM(W), AM(S&T)/ AM(Comml)/AM(Stores)/AM(MS)/
AM(B)/AM(Elec)/AM(MTP/AM(mech) - Railway Board.

4. PSs to CRB, FC, ME, MT, MS, M.L., Secy. - Rly Board.