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

रेल भवन, नई दिल्ली – 110 001, तिथि
Rail Bhavan, New Delhi - 110 001, dated 31.03.2005

No. 99/TC(FM)/26/1

The General Manager,

1. Central Railway, Mumbai.
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 Railway, Maligaon.
9. North Western Railway, Jaipur.
10. Southern Railway, Chennai.
11. South Central Railway, Secunderabad.
12. South Eastern Railway, Kolkata.
13. South East Central Railway, Bilaspur.
14. South Western Railway, Hubli.
15. Western Railway, Mumbai.
16. West Central Railway, Jabalpur.

Sub. : Liberalization of Siding Rules.

The various rules/procedures relating to setting up and functioning of sidings were last revised by Board vide letter No.99/TC(FM)/26/1 dated 29.9.2000. Pursuant to Hon'ble Minister for Railways' Budget pronouncement 2005-06, it has been decided to further liberalize the siding rules. In this context, in supercession of Board's letter of even no. dated 29.9.2000, revised guidelines with modifications in some of the existing provisions are given below :

2.1 Nodal Agency : In order to provide a 'Single Window' service to customers, Board has decided that Chief Traffic Planning Manager (CTPM) at the zonal level should be nominated as the Nodal Officer for all siding matters throughout the construction stage and signing of the agreement. As soon as the siding is notified for commissioning, CCM(FM) will take over as the nodal officer. In the absence of post of CTPM and CCM(FM), Dy. COM(Plg.) and Dy. CCM(FM) will be nominated as the nodal officer.

In Board's office, EDCE(G) will be the nodal officer during construction stage. Executive Director (Freight Marketing) would be the nodal officer both prior to construction and also after the siding is notified for commercial operation.

2.2 Time Frame : Complaints have been received from users that the whole process of survey, approval of plan and final inspection etc. takes a lot of time. It has been decided that Railways should observe a time frame for processing proposals as follows:

(i) Six months to one year depending on the size of the project, where survey is done by the Railway and work is executed under Railway's supervision.

(ii) When survey is done by empanelled consultants and work is supervised by them, conceptual Plan should be approved within two months and final approval within four months of submission of detailed project report.

2.3 Reduction in Overhead Charges : there have been representations from users that various fees and charges payable by a party wanting to set up a siding are quite high and may be reduced. Based on a critical review of these charges by ED's Committee, following charges has been agreed to:

	Execution Agency	Item	Existing charges
1.	Railway	Gen. Charges	10%
	Party	Gen. Charges	5%
2.	Railway	Deptt. Charges	5%
	Party	Deptt. Charges	2.5%
3.	Railway	Contingency	1%
	Party	Contingency	1%
4.	Railway	Supervision of OHE and S&T	5%

3. Capital Cost :

3.1 The siding owner shall bear the capital cost of the siding from the take-off point at the serving station including OHE.

3.2 The capital cost of all traffic facilities such as 'Y' connection, additional lines at the serving station, crossing stations, patch doubling of the section etc. shall be fully borne by the railways. The distance for charging of tariff, for each 'Y' connection shall, however be inflated/increased by 5 (five) kilometers. However, the capital cost for augmenting the facilities, within the premises of siding owner shall be borne by the siding owner.

3.3 Cost of Gauge Conversion : Siding owners have been representing that gauge conversion is railways operational requirement and, therefore, its cost should be borne by the Railways. The matter has been considered and it has been decided that this cost should be shared with the party in terms of paras 1822-1826 of the Engineering Code, provided the investment made by the Railways is financially

viable with a minimum ROR of 14% vis-à-vis traffic offered by the siding in the last 24 months. Where it is not financially justified, the siding owners will bear the full cost or the siding will be closed.

4. Guidelines for cost sharing for new as well as old sidings: Some other decisions taken by the Board are indicated below separately for new as well as existing sidings:-

4.1 Electrification cost :

New Sidings:	Existing Sidings:
For a new siding in the electrified territory or the territory approved for electrification, the capital cost of OHE should be borne by the siding owner. This will also apply to the Military sidings.	It has also been decided to electrify diesel sidings located on electrified sections at Railways' cost, where heavy detentions occur and a prescribed number of rakes are handled per month. Detailed guidelines in this regard are being formulated and will be issued separately.

4.2 Maintenance cost (Civil Engg.) :

New sidings	Existing Sidings
Maintenance shall be got done by the party at his own cost. However, it has been decided that railways would not charge "Inspection charges"	The existing practice of siding owners getting the maintenance done at their own cost shall continue. However, it has been decided that railways would not charge "Inspection charges". Wherever track maintenance is being done by railways at the cost of siding owner, the party will continue to bear this cost.

4.3 Maintenance of OHE(Both new & existing siding) :

It has been decided that OHE maintenance cost for existing as well as new sidings will be borne by the Railways. Necessary amendment in the existing instructions as well as correction to para 1826-E will be issued separately.

4.4 C&W Examination :

New Sidings	Existing Sidings
Normally no C&W facility should be developed inside the plant/yard. However, in exceptional cases, if on operational ground it becomes necessary to develop the facility inside the siding then capital cost on one time basis may be borne by the party. Running repairs and staff cost in all cases should, however, be borne by the Railway. Only in case of POL and other hazardous materials, some facilities exclusive to those commodities such as permanent catwalks, steam cleaning and flame proof lighting may be developed at party's cost in the Railway yard.	As per existing instructions regular facilities for C&W examination should be planned only if the level of loading/ unloading is expected to be 2 or more rakes per day. The apportionment of the cost should be done as per Board's letter No. 84/WI/SP/24 dated 28.1.85 except for sidings dealing in POL and other hazardous goods. In case of sidings other than POL, C&W cost is to be borne by the Railways as per above-mentioned letter. (Copy enclosed)

4.5 Cost of Railway Staff :
In all private sidings other than Engine on Load only, barring the cost of one commercial staff per shift, Railways will bear the cost of all other Railway staff. The cost of all staff at engine on Load (EOL) sidings will be borne by the Railways.

5. Engine on load (EOL) Policy :
Instructions regarding EOL system have been issued vide Board's letter No. TC-I/94/ 214/9/Vol.-II. Dated 18.3.2005.

6. Revival of Assisted Sidings :

(A) It has been decided to revive the concept of Assisted Sidings. Under this concept Railways shall share the cost of a new railway siding if the industry comes up with a long-term commitment of traffic for 10 years or more, commensurate with the investment of Railways. Detailed instructions in this regard are being issued separately.

(i) Under this arrangement, Siding owners will be required to bear the cost of the land, earthwork, sub structure of the track, ballast, buildings outside the premises of the siding owner.

(ii) The cost of the removable super structure including track, sleepers, fastenings girders of bridges, points & crossings, fencing, signaling and interlocking appliances, machineries of any kind and the overhead electric equipment shall be borne by the railways, outside the premises of the siding owner.

(iii) Entire cost of the siding within the applicant's (siding owner) premises shall be borne by the siding owner.

(B) However, in all other cases (where commitment of traffic for 10 years or more is not forthcoming), the siding owner shall bear the capital cost of the siding from the take off point at the serving station including OHE, in terms of para 3.1 and 4.1 (New Sidings).

7. The Standard Siding Agreement is being modified accordingly and will be issued separately.

8. These instructions issue with the concurrence of, Mechanical, Civil Engineering, Electrical and Finance Directorates of this Ministry.

Please acknowledge receipt.

(Ms. S. R. Sett)
Joint Director/Freight Mktg.

New Delhi, dated 31.3.2005

No. 2005/TC(FM)/26/1

Copy forwarded to :

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

(Dhruv Singh)
for Financial Commissioner/Railways