

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

No. 2013/TC(FM)/10/02.

Rail Bhavan, New Delhi - 110 001, dated 15.04.2014

General Manager,

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

**Sub: Modified policy guidelines on 'Comprehensive Parcel Leasing Policy'.
Ref: Freight Marketing Circular No. 12 of 2006 and it's amendments issued from
time-to-time.**

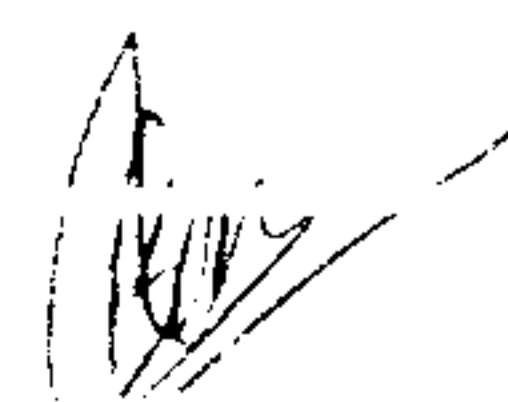
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1.0 The 'Comprehensive Parcel Leasing Policy' i.e. policy guidelines for leasing out of parcel space of the Assistant Guard's Cabin (AGC), Brakevans (SLRs) and Parcel Vans (VPHs/VPs/VPUs) was issued under Freight Marketing Circular No. 12 of 2006 vide Board's letter No. 2006/TC(FM)/10/1 dated 28.03.2006. Since then, a number of amendments have been issued in the various provisions of policy from time-to-time.

2.0 With a view to enable the zonal railways to apply the rules of 'Comprehensive Parcel Leasing Policy' correctly without any confusion, the 'Comprehensive Parcel Leasing Policy' has been reviewed/ modified by amalgamating all the amendments issued so far under the scheme. A copy of the modified 'Comprehensive Parcel Leasing Policy' is enclosed herewith. The modified 'Comprehensive Parcel Leasing Policy' shall be in supersession of all previous instructions issued on the subject.

3.0 These instructions will come into force with immediate effect and shall be made applicable to all future tenders to be invited for leasing out of parcel space of the Assistant Guard's Cabin (AGC), Brakevans (SLRs) and Parcel Vans (VPHs/VPs/VPUs etc.). Accordingly, it's applicability shall be as under -

- (i) The cases, where tenders have been finalized and 'Letter of Allotment (LoA)' has been issued to the party by the Railway Administration prior to 1st May 2014, the leaseholder shall be allowed to operate the leasing contract as per policy guidelines prevailing at that time.
- (ii) The cases, where 'Letter of Allotment (LoA)' for award of leasing contract, has not been issued to the party before 1st May 2014, the Zonal Railways will cancel all such tenders and return the earnest money to the tenderers. Fresh tenders should be called for as per the revised reserve price as stipulated in para 42.1 of this circular.



4.0 The zonal railways are requested to go through the policy guidelines carefully and follow the policy guidelines contained therein strictly.

5.0 The zonal railways, before executing agreements for parcel leasing contracts, must ensure that necessary changes have been made in the agreement in accordance with the modified policy.

6.0 These instructions will come into force with immediate effect.

7.0 Please acknowledge receipt.

DA: As above.



(Rita Raj)

Director Freight Marketing

No. 2013/TC(FM)/10/2.

New Delhi, dated 15.04.2014

Copy forwarded to:

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




for Financial Commissioner/Railways

No. 2013/TC(FM)/10/2.

New Delhi, dated 15.04.2014

Copy forwarded for information and necessary action to:

1. The Chief Commercial Manager, All Indian Railways.
2. The Chief Operation Manager, All Indian Railways.
3. The Chief Passenger Traffic Manager, All Indian Railways.
4. The Chief Commercial Manager (FM), All Indian Railways.
5. MD/CCM, Konkan Railway Corporation Ltd., Belapur Bhavan, Plot No.6, Sector 11, CBD Belapur, Navi Mumbai-400014.
6. Managing Director, Centre for Railway Information System (CRIS), Chanakyapuri, Near National Rail Museum, New Delhi.
7. CAO(PTS), Northern Railway, IRCA Building, New Delhi.
8. Director General, Railway Staff College, Vadodara.
9. Director, Indian Railways Institute of Transport Management (IRITM), Manak Nagar, Lucknow.
10. MT, FC, AM(Traffic), AM(C), AM(Mech), Adv.(F), Adv.(Vig), EDF(C), EDME(Chg.), EDTC(R), ED(Chg.), EDPM, ED(PG), EDV(T), DF(C), Dir.(Punct.)/Railway Board for information please.



(Rita Raj)

Director Freight Marketing

I. General guidelines for leasing of parcel space

1.0 Applicability of the scheme

1.1 Under the scheme, parcel space of the Assistant Guard's Cabin (AGCs), compartments of Brakevans (SLRs), and Parcel Vans (VPHs/VPs/VPU/ VPRs etc) will be leased out by the divisions/ zonal railways to the private parties (registered leaseholders) for the transportation of parcel traffic.

2.0 Categorization of service:

2.1 Categorization of train/ service will be notified separately for Up and Down directions of the train by the zonal railway concerned on which the Up or Down train originates.

3.0 Eligibility

3.1 The participant must be a registered lease holder at the concerned division or zonal railway head quarter where tender is floated. Only registered lease holders shall be eligible to participate in parcel leasing tenders.

3.2 Any person or cargo operator or transporter having Indian citizenship, or any agency or company registered in India or manufacturer company of Joint Venture company registered under Company's Act, is eligible to get him/them registered under the scheme.

The annual turnover of the business of the applicant/firm/company, who applies for registration for leaseholder under the scheme, shall have the business to the following extent –

| Category | For participation in tenders of | Annual turnover |
|----------|----------------------------------|-----------------|
| 'A' | Asstt. Guard cabins, SLRs & VPs. | Rs. 02 crores |
| 'B' | Asstt. Guard cabins & SLRs. | Rs. 50 lakhs |
| 'C' | Asstt. Guard cabins. | Rs. 10 lakhs |

He shall be required to furnish the Audited Balance Sheet of the last Financial year (at the time of opening of tender) in support of above.

3.3 City Booking Agency and out agency shall not be eligible to participate under these contracts.

4.0 Registration of Lease Holders

4.1 Each division/zonal railway after scrutinizing credentials of each applicant, shall maintain an approved list of registered leaseholders with a view to avoid counterfeit participants and fly-by-night operators.

4.2 Prospective lease holders will be required to get themselves registered with concerned division/zonal railway head quarter in order to participate in leasing tenders. For the purpose of getting themselves registered they will be required to submit documents listed in Annexure – 1.

4.3 Registration will be done division-wise/ zone-wise. In case a lease holder wishes to participate in tenders floated by different divisions then he must get himself registered separately in each division.

In case a lease holder wishes to participate in tenders floated by zonal railway head

quarter, then he must get himself registered separately at zonal hdqrts.

For participation in the tenders floated for leasing of Parcel Vans (VPs) on round trip basis, the registered leaseholders of any division/ zonal railways (i.e. originating or destination station) can participate in the tenders. There will be no need to get him/them registered at the other-end.

- 4.4 Registration Fee will have to be deposited separately in each division. However a lease holder may get himself registered in separate categories on different divisions depending upon his requirement.
- 4.5 For Registration, the applicant/ lease holder will submit his documents (as listed at Annexure – 1) to the division/zonal railway concerned. The division/zonal railway will duly verify the correctness of all details given in the relevant documents by deputing commercial inspectors to the business premises mentioned in the documents. Only after all documents have been verified for their authenticity, division/zonal railway will accept the applicant as a registered lease holder.
- 4.6 Normally a division/zonal railway should verify all relevant documents submitted by the lease holder within a period of one month on submission of application.
- 4.7 In case of incomplete information or non – submission of documents mentioned at Annexure – 1 or in case details provided by him are found to be incorrect, then the applicant will not be eligible for being registered as a lease holder.
- 4.8 After his documents have been verified, the lease holder will be asked to deposit the registration fee for the category in which he seeks registration as detailed under para 4.10 below.
- 4.9 On payment of registration fee, the lease holder will be registered by the division/ zonal railway concerned and a certificate to that effect will be issued by the Sr. DCM/DCM/Dy. CCM. Format of Certificate of Registration is given at Annexure – 2.
- 4.10 Along with the Certificate of Registration, leaseholder will also be provided with a Photo Identity Card duly signed by the ACM.
- 4.11 There will be three categories of Registration, namely 'A', 'B', and 'C'. Details are as follows :

| Category | Registration Fee | Parcel space permissible |
|----------|------------------|----------------------------------|
| 'A' | Rs. 1,00,000/- | Asstt. Guard cabins, SLRs & VPs. |
| 'B' | Rs. 50,000/- | Asstt. Guard cabins & SLRs. |
| 'C' | Rs. 25,000/- | Asstt. Guard cabins. |

The Registration fee shall be in the form of Demand Draft or Banker's Cheque. Railway Administration will not pay any interest on this amount.

- 4.12 It is for the lease holder to decide under which category he wishes to get himself registered depending on the type of lease he wishes to participate in.
- 4.13 Registered lease holders will be eligible to participate in tenders on a particular division for the category he is registered in. (For example a lease holder registered in category 'C' can only participate in leasing tenders for the Asstt. Guard cabins).
- 4.14 Lease holders registered in category 'A' will be eligible to participate in all leasing tenders.
- 4.15 If the registration of a lease holder is cancelled as a punitive measure, either for reasons of repeated over loading or for repeated failure to start loading after award of contract, or for attempt to deliberately defraud railways or for repeated violation of any of the existing stipulations where cancellation of registration has been legislated as the penalty, then the entire registration fee would be forfeited.




In case of cancellation of registration and thereby forfeiture of registration fee, all his existing leasing contracts being operated from that division/ zone would also be terminated/cancelled by forfeiting the 'Security/ Performance Deposit'.

In addition to cancellation, such a lease holder/firm would be debarred from fresh registration for a period of five (5) years. All the zonal railway should be informed the name of firm who has been debarred. Fresh registration will not be done by any of the zonal railways/divisions by the name of such firm/or leaseholder for a period of five years.

- 4.16 Appeal against 'cancellation of registration' or termination of lease contract(s) of the leaseholder will lie to Chief Commercial Manager of the zonal railways, who will decide the case at his own discretion on merits of the case.

Appeal should be filed by the leaseholder within 30 days from the date of termination of lease contract or cancellation of registration of the leaseholder, failing which fresh tenders will be called for.

After considering appeal of the leaseholder, if the competent authority decides to reinstate his registration, consequent upon the same, all his contracts (which were terminated as a punitive measure) will be restored. In such cases, 'Registration fee' as well as 'Security/ Performance Deposit', deposited earlier, shall continue.

- 4.17 Once a lease holder has registered himself, his registration will be valid for 5 years, unless his registration is cancelled by the railway administration as mentioned in Para 4.15 above.
- 4.18 Before expiry of his registration on completion of 5 years, a lease holder may renew his registration by submitting fresh documents as listed at Annexure – 1, without payment of any additional registration fee. The registration fee deposited earlier will be carried forward. However, the leaseholder shall be required to deposit the difference in old and new registration fee, if any, at the time of renewal of registration.
- 4.19 The scheme for registration of lease holders will be a continuous process and open throughout the year. Any new entrant can get himself registered on a particular division at any time by submitting an application with relevant documents for verification, and thereafter paying the registration fee.
- 4.20 If a lease holder wishes to withdraw his registration from the scheme during validity period of his registration or applies for refund after expiry of his registration on completion of 5 years period, registration fee will be refunded in full, subject to (i) clearance of all Railway's dues; and (ii) no contract should be in operation of that applicant (leaseholder).
- 4.21 If Registration Certificate is lost, duplicate Registration Certificate can be issued by the same competent authority, who had issued earlier Registration Certificate after verification of claimant. For issuance of duplicate Registration Certificate, the claimant shall be required to pay 10% of the amount (Non-refundable) of registration fee alongwith application and has to enclose affidavit of the leaseholder.
- 4.22 If expiry of registration falls within the contractual period of any contract, the leaseholder shall be required to renew the registration well before expiry of registration.
- 4.23 After registration of leaseholder, whenever there is change in the name of firm or change in address or change in the premises of firm or change in ownership of firm, the leaseholder shall be required to inform the same immediately to the Railway Administration by providing necessary documents. If information is not provided to the Railway Administration by the leaseholder within one month period, his registration will be cancelled and registration fee will be forfeited.



4.24 The applicant, while submitting his tender/bid, shall be required to give declaration that his registration has not been cancelled earlier by any zonal railway/division on punitive measure and he/ his firm has not been debarred from entering into any new tender. The declaration shall be as under-

- (i) Whether the tenderer is already registered leaseholder in any Zonal Railway/ Divisions, if so, details thereof.
- (ii) Whether their Registration has been cancelled by any Zonal Railway/division, If so details thereof.
- (iii) Whether they have been debarred for fresh registration by any Division/ Zonal Railway, If so, details thereof.
- (iv) Whether any punitive action has been taken by any of the zonal railway/ division, if so the details thereof.
- (v) Whether any Railway's dues are pending against them at any Zonal Railway/Division.

4.25 If any information/declaration made by the leaseholder is found false at any stage before or after award of contract or deliberately defraud with the railways, his registration will be cancelled and registration fee will be forfeited. In addition to forfeiture of registration fee, all his existing leasing contracts being operated from that division would also be cancelled.

5.0 Earnest Money

5.1 With a view to ensure that there is no loss of earnings in case of failure of highest bidder to start loading within the stipulated period on account of over bidding or failure of the leaseholder during the contractual period, each participant while submitting his tender shall be required to deposit "Earnest Money". The 'Earnest money' for different types of leasing contracts shall be as under:-

| | Parcel Space to be leased out | Earnest Money | Mode of deposit of Earnest Money |
|-------|------------------------------------|----------------|-----------------------------------|
| (i) | Asstt. Guard Cabin (AGC) | Rs. 20,000/- | Banker Cheque or Bank Draft |
| (ii) | One compartment of Brakevans (SLR) | Rs. 1,00,000/- | |
| (iii) | Parcel Vans (VP) | Rs. 4 lakh | |

5.2 After finalization of tender, earnest money of all unsuccessful bidders would be refunded. No interest shall be payable on earnest money.

5.3 Earnest money of the successful bidder would be converted into Security deposit, if the bidder so requests.

6.0 'Security Deposit/Performance Guarantee'

6.1 The 'Security Deposit/Performance Guarantee' specified for operating different types of parcel leasing contracts is as given below.

| | Parcel Space to be leased out | Security Deposit/ Performance Guarantee | Minimum Amount | Mode of Security deposit |
|-------|------------------------------------|---|----------------|--------------------------|
| (i) | Asstt. Guard Cabin (AGC) | Amount equivalent to 10 (ten) days lump sum leased freight (accepted rates) of the leased parcel space | Rs. 20,000/- | Bank Guarantee OR |
| (ii) | One compartment of Brakevans (SLR) | | Rs. 1 lakh | |
| (iii) | Parcel Vans (VP) | Amount equivalent to 5 (five) days lump sum leased freight (accepted rates) of the leased parcel space | Rs. 4 lakh. | FDR |

Railway Administration will not pay any interest on this amount.

- 6.2 The Bank Guarantee/ FDR shall be valid for the period of contract + three months. Similarly, security deposit collected in cash shall be refunded only after three months after expiry of contract period.
- 6.3 It is the responsibility of destination station and intermediate station(s) to submit the report regarding outstanding due, if any, against the leaseholder, within a maximum period of 60 days, after completion of contractual period. If no report is received from the intermediate station(s) within 60 days after expiry of contract, it will be assumed that there is no amount outstanding against the leaseholder and the security deposit will be refunded by the concerned division/ zonal railway of originating station subject to observing other rules.
- 6.4 In case of failure of the highest bidder/allottee of the contract to start loading within the stipulated period on account of over bidding or failure of the leaseholder to continue the loading during the contractual period without giving notice to railway administration, the "Security Deposit/ Performance Guarantee" shall be forfeited.
- 6.5 In all cases where an existing contract is terminated by Railway administration as a punitive measure, the "Security Deposit/ Performance Guarantee" shall be forfeited.
- 6.6 "Security Deposit/Performance Guarantee" will be refunded by the Railway Administration in following circumstance –
- (i) after successful completion of contractual period; or
 - (ii) termination of contract by the leaseholder by giving 2 months advance notice; or
 - (iii) termination of contract by the railway administration on operational grounds.

In all such cases, refund of "Security Deposit/Performance Guarantee" shall be subject to clearance of all railway dues.

7.0 Duration & Mode of leasing for contracts:

- 7.1 **SLR/AGC** - For leasing of parcel space of the compartment of Brakevans (SLRs)/ Assistant Guard's Cabin (AGCs), there will be four types of lease, depending on the duration of the leasing contract. These are classified as follows:

| | Type of lease | Period of lease | Mode of lease |
|-------|----------------------|---------------------------|----------------------|
| (i) | Long term lease | 3 years | Open tenders |
| (ii) | Short term lease | 1 year | Open tenders |
| (iii) | Temporary lease | 30 days at a time | Quotation basis |
| (iv) | Day to day lease | Maximum 10 days at a time | Quotation basis |

The details guidelines are annexed as Part II (Para 39 to para 47) of this circular.

- 7.2 **Parcel Vans** - Parcel Vans (VPHs/VPs/VPU/VPRs etc.) shall be leased out on round trip basis, only on long term contracts through open tenders. Leasing of Parcel Vans is not permitted on short term, temporary or day-to-day basis. The details guidelines are annexed as Part III (Para 48 to para 52) of this circular.

8.0 Extension of Leasing contract -

- 8.1 No extension will be allowed to any of the parcel leasing contract. However, in case of expiry of contract period and non-finalization of new contract due to administrative delays, temporary extension can be granted by the CCM in case of only 'long term & short term contracts' till finalization of new tender or for a period of 3 months, whichever is earlier.
- 8.2 Divisions/zonal railways should take timely action to call for fresh tenders at least three months before the expiry of existing contracts.

9.0 Reserve price for leasing of AGC, SLR & VPs

- 9.1 Reserve price should be fixed by the zonal railways/ divisions concerned as per the guidelines stipulated (annexed) for each type of lease/service viz. AGC/SLR/VP.
- 9.2 Reserve Price shall be fixed by the Commercial department with vetting from associate Finance, based on guidelines for various types of lease.

10.0 Escalation in lumpsum leased freight during contractual period

- 10.1 Revision in lumpsum leased freight during contractual period - Budgetary or any other increase in the tariff rates shall be made applicable in case of leased traffic during the currency of contractual period. The lumpsum leased freight shall be increased/decreased accordingly, on prorata basis.
- 10.2 Revision of leased rates in case of tenders under process/finalization stage - Whenever tariff rates are increased/ decreased, the lumpsum leased freight will be increased/ decreased on prorata basis even in case of parcel leasing tenders, which are in process or under finalization stage. The zonal railway shall be required to make a provision in the tender notification to this effect.
- 10.3 However, revision of categorization of service/train, consequent upon up-gradation of train in higher scale or vice-versa, shall not be made applicable to lease contracts during the currency of contractual period.

11.0 Levy of surcharges under the scheme

- 11.1 The leaseholder will have to pay 'Development charge' or any other charges levied by the Railway Administration on the freight over and above the Lumpsum leased freight.
- 11.2 The leaseholder shall be liable to pay 'Service Tax' as imposed by the Central Government from time-to-time for transportation of goods/parcels.
- 11.3 The surcharge leviable for bulky articles will not be applicable under the scheme as handling/ loading/ unloading is done by the leaseholder.

12.0 Payment of 'lumpsum leased freight'

- 12.1 Pre-payment of lumpsum leased freight is compulsory under the scheme irrespective of partial/non-utilization of leased parcel space by the leaseholder, except in case of leave or exemption as mentioned under Para 20 & 21 of this circular.
- Payment of lumpsum-leased freight shall be one day in advance from the nominated day of loading. Accordingly, leaseholder shall be required to deposit lumpsum-leased freight one day in advance from the nominated day of loading, within 'business hours' of the parcel office.
- 12.2 If the leaseholder fails to deposit the freight one day in advance from the nominated day of loading, 5% surcharge on lumpsum leased freight will be levied.
- 12.3 Lumpsum leased freight charges will be calculated as per the lumpsum rate fixed from lease originating to lease terminating station for full parcel space leased out irrespective of its actual utilization.
- 12.4 For parcel space leased out on round trip basis, 50% of the agreed upon lumpsum leased freight charges would be deposited at each end.



13.0 Issuance of 'Money Receipt'

- 13.1 No Railway Receipt will be issued by railway for consignments being transported in leased parcel space.
- 13.2 In lieu of deposition of 'lumpsum leased freight' in advance, 'Money Receipt' will be issued to the leaseholder(s) for entire capacity of leased parcel space from lease originating to lease terminating station. Details of collection of advance 'lumpsum leased freight' should be given in the Money Receipt itself indicating the following:

| | | |
|-------|--|--|
| (i) | Date of collection of 'lumpsum leased freight' | |
| (ii) | Name of lease holder. | |
| (iii) | Train No. | |
| (iv) | Type of lease (AGC/SLR/VP etc.) | |
| (v) | Capacity of parcel space leased out | |
| (vi) | Date of loading of leased parcel space | |
| (vii) | Amount of Lump sum leased freight | |

- 13.3 Parcel Way Bill will not be issued in case of leased parcel traffic. Only 'Money Receipt' will be issued to leaseholders for the amount of advance lumpsum leased freight deposited for entire parcel leased capacity from lease originating to lease terminating station indicating full particulars as per Para 13.2 above.

14.0 Schedule of Powers for dealing parcel leasing contracts

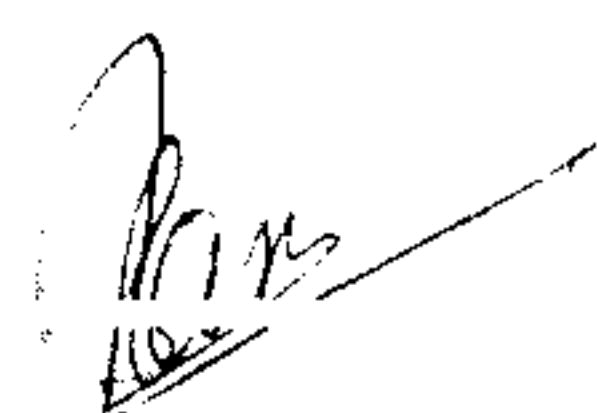
- 14.1 Tender Committee for dealing with parcel leasing tenders would be constituted as per the 'Schedule of Powers (SOP)' given below.

| Value of contract | Level of Tender Committee | Accepting Authority |
|--------------------|---------------------------|---|
| Up to Rs. 5 Crore | Senior Scale. | Sr. DCM |
| Up to Rs. 10 Crore | JAG Tender Committee. | ADRM |
| Up to Rs. 15 Crore | JAG Tender Committee. | DRM |
| Above Rs. 15 Crore | SAG Tender Committee | CCM (PHOD) or AGM in the absence of CCM in PHOD |

- 14.2 Tenders for leasing of parcel space will be dealt as per above SOP. However, the above 'Schedule of Powers (SOP)' will be made applicable only to parcel leasing tenders/ contracts and will not be made applicable to other earning contracts.

15.0 Formation of Tender Committee

- 15.1 Tender Committee for dealing with parcel leasing tenders will be comprised of 3 members, one of whom will be from Commercial and the other from Accounts department. The 3rd member of the Tender Committee will be nominated by the accepting authority.
- 15.2 There will be a Standing Tender Committee for dealing parcel leasing contracts, and no fresh nomination of the Tender Committee will be required in each case unless the accepting authority changes one of the existing members by a specific order.
- 15.3 Briefing note for Tender Committee and comparative statements should be prepared and vetted by finance to facilitate the Tender Committee.

16.0 Invitation of tenders

- 16.1 Tenders for leasing out of parcel space by passenger carrying trains will be awarded by inviting bids/ offers through open tenders by the Divisions/ zonal railways head quarter as per Schedule of Powers (SOP) mentioned in para 14.1 above.
- 16.2 In case of inviting tenders for leasing of Parcel Vans on round trip basis, the guidelines contained in Para 48 to 52 must be followed. In all cases of leasing of Parcel Van, prior consent and operational clearance (NOC) of the concerned zonal railway(s) must be obtained from the concerned zonal railway before calling for fresh tender.
- 16.3 In case of leasing of parcel space from a joint station, which is served by two or more divisions/zonal railways, the division/zonal railway over which the train is to run, will lease out parcel space. (For example, parcel space in a train, which originates from Nagpur and runs over SECR, will be leased out by South East Central Railway. Similarly, parcel space in a train, which originates from Nagpur and runs over CR, will be leased out by C.Rly.).
- 16.4 Divisions/zonal railways should take timely action to call for fresh tenders at least two three months before the expiry of existing contracts so that there will be no need to extend the existing contract(s) beyond its expiry date.
- 16.5 To the extent possible, divisions/zonal railways should call for tenders at the same time for all the available parcel space for leasing on a particular train i.e. both compartments of front SLR, one compartment of rear SLR and Asstt. Guard's cabin.
- 16.6 Efforts should be made to ensure that the work of inviting of leasing tenders is uniformly spread out throughout the year so that there is no bunching of large number of tenders at any one particular time, resulting in delay in finalization.
- 16.7 Divisions/zonal railways will issue notification calling for tenders for leasing of parcel space in SLRs/Parcel Vans in reputed national/regional newspapers in Hindi/English/Regional Language.
All the Tenders should also be up-loaded on the relevant web-site of the concerned division/ zonal railway.
- 16.8 Tender Notification should be for a period of 21 working days from the date of publication of Notification.
- 16.9 Cost of Tender Form for leasing out parcel space shall be as follows :

| | Type of lease | Cost of Tender Form |
|-------|------------------------|----------------------------|
| (i) | Asstt. Guard cabin. | Rs. 500/- |
| (ii) | One compartment of SLR | Rs. 1,000/- |
| (iii) | Parcel Van. | Rs. 2,000/- |

- 16.10 The last date and time of submission of Tender and the date and time of opening of tender should be specifically mentioned in the tender notification and must not be changed unless the day has been declared a holiday. In that case the tender would be opened on the next working day at the same time and at the same place.
- 16.11 While issuing notification calling for bids for leasing out parcel space in AGC/SLRs/Parcel Vans, reserve price of the parcel space must invariably be mentioned in the advertisement to avoid receipt of unworkable offer/bids.
- 16.12 While issuing tender notification, alongwith the originating – destination station, the name of intermediate stations where loading/ unloading facility is restricted, may also be mentioned to avoid unworkable offers. (Ref: Para 23.1 & 23.2).



- 16.13 Each tenderer, while submitting his tender bid, shall be required to produce proof of his registration as a lease holder with the division/ zonal railway Headquarter concerned by attaching a photocopy of his Registration Certificate.
- 16.14 Divisions/zonal railways on receipt of tenders (i.e. last date of the submission of tenders) will finalize the contract/tender expeditiously. After finalization of tenders, 'Acceptance Letter' to the successful bidder will be issued within a maximum period of 30 days. This should strictly be followed by all divisions/ zonal railways in order to avoid loss of revenue.
- 16.15 Tender offers will have to be kept valid by the tenderers for a maximum period of 90 days.

17.0 Declaration (details) to be furnished by the tenderers in Tender Form

- 17.1 In case of tenders for leasing of parcel space on Short Terms or Long Term basis, the tenderer, while submitting his tender form, shall be required to furnish the following declaration in the tender form, failing which his tender will not be considered-

- (i) **Number of days lease (loading) required** – In cases, where the leaseholder does not want to operate the lease contract on all the days of service available, then he shall be required to mention the specific day of week (say- Monday, Tuesday, Wednesday, Saturday etc.), on which he wants to operate the lease contract.
- (ii) **Number of days leave required** – The tenderer shall mention leave required during a year. The maximum leave during a year should not exceed (@ one leave after 30 lease operations i.e. maximum 12 leave during a year in case of daily train).
- (iii) **Intermediate loading/ unloading facility** – The tenderer shall be required to mention the name of intermediate station(s) where he wants to carry out loading/unloading operation.

The condition for loading/unloading of parcels at intermediate station(s) from the leased SLR/ VP, can only be accepted, if it is found operationally feasible and the intermediate station(s) mentioned by the leaseholder in the tender form have not been restricted by the concerned zonal railway/ division for handling of leased parcel traffic.

- 17.2 The tenderer, while submitting his tender form, shall also be required to give declaration in the tender form, as mentioned in Para 4.24 of this circular.

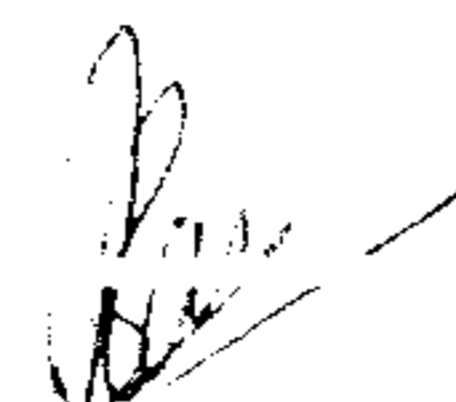
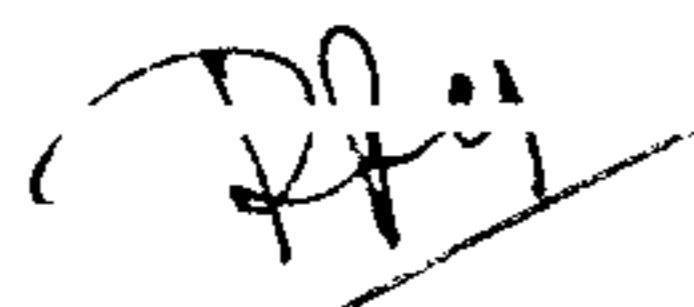
18.0 Procedure to grant leave/ exempt loading

- 18.1 Divisions/zonal railways may, accordingly, exempt the lease holder to load leased AGC/SLRs/Parcel Vans by granting a maximum leave as per declaration made by the tenderer/ leaseholder in the tender form.

If a tenderer does not mention any leave or mention 'Nil' in the column of leave, no leave will be granted.

- 18.2 If the leaseholder desires to avail leave on any day, he shall be required to give notice atleast 24 hours in advance/ before the scheduled departure of the train, to the Chief Parcel Supervisor of the originating station with copy to concerned Division/zonal railway HQ.

On such days Railway can either clear their non-leased parcels by utilizing such space of the compartment of Brakevan of train or else lease out the SLRs on day-to-day basis in case of demand.



COMPREHENSIVE PARCEL LEASING POLICY

- 18.3 This leave may be availed by the lease holder as per his choice.
- 18.4 This leave can be accumulated and be availed of at one time also.
- 18.5 In all such cases, adjustment in lumpsum leased freight may be allowed for subsequent/ future loading by the same leaseholder at the station itself, if advance payment of freight is made.
- 18.6 For the purpose of granting leave, the year should be counted from the date of commencement of contract, as mentioned in the agreement.

At the end of each year, accumulated leave would lapse, and balance leave at the start of next year would start from 'zero'.

- 18.7 In case the leaseholder exceeds the number of leave days as mentioned by him in the tender form, he shall have to pay full freight of that day.
- 18.8 With a view to prevent fraud and leakage of Railway revenue, the zonal railways must ensure that the cases where the leaseholder applies for leave at originating station and the same is granted, the originating station must convey the message to all the concerned intermediate stations through commercial controller/ telephonically. On such days, loading should not be done by leaseholder at any of the intermediate station.

If it is found to have been loaded the leased SLR/VP by the leaseholder from any of the intermediate station on the day(s) of leave/exemption/non-loading permission, his lease contract will be terminated and registration will be cancelled by forfeiting Security Deposit and Registration fee as per para 4.15 of this circular.

19.0 Method of determining highest bid

- 19.1 As stipulated in para 17, the tenderer shall be required to furnish the details in the tender form regarding number of days of operation of lease during a week, number of days of leave, he wants to avail during a year.

The Highest bid will be determined on the basis of total value of earnings offered by the prospective lease holder during the contract period on the basis of declaration/ details given by him in the tender form.

The Tender Committee shall evaluate tender on the basis of highest valuation taking into account number of loading days, number of days of leave specified by the tenderer in tender form. For example:- If a tenderer wants to operator lease contract 5 days in a week and desires to avail 9 days leave during a year. The contractual value of his tender will be worked out as per the following method:-

| | | |
|-------|---|--|
| (i) | A tenderer mentions say- Monday, Tuesday, Wednesday, Thursday & Saturday = 5 days in a week for operation of lease contract | Total days of operation during a year will be 5 x 52 week = 260 days |
| (ii) | Leave required during a year - as mentioned by the tenderer in tender form | 9 days |
| (iii) | Total number of loading days | 260 - 9 = 251 days |

Thus, the tender will be evaluated equivalent to the bid amount for 251 days.

With a view to lease out parcel space of the AGC/SLR/VP for all the number of days of service/ train running, the remaining days of service of a week may be offered by the Tender Committee to the second highest bidder in the same tender. Tender Committee may negotiate with the second highest bidder to match with the rate of highest bidder. If all the days of service are not leased out in such manner, fresh tender may be called for by railway for remaining number of days.



19.2 If more than one 4 tonnes compartment of Brakevans (SLRs) are to be leased out on the same train, the Division(s) may award the contracts through one tender for all the available compartments. Tender Committee may award contracts for more than one compartments to the highest offers received (H-1, H-2 and so on) provided the offers are above the prescribed minimum benchmark for accepting the offers for such leasing and difference between highest and lowest acceptable offer is less than 10%.

In case where two SLRs of the same train with different capacity (for example - Duranto Exp) are to be leased out through the same tender, then reserve price should be fixed separately on pro-rata basis. The offers should be compared with respective reserve price for finalizing the tenders.

19.3 Similarly, if more than one Parcel Van is to be leased out by the same train, the zonal railway may call for offers in a single tender, by the same train, at the same time, for all the Parcel Vans, which are to be leased out. Tender Committee may award the contracts for all the Parcel Vans (VPs) to the highest offers received (H-1, H-2, H-3 and so on) provided that the offers are above the reserve price and the difference between highest and lowest acceptable offer is less than 10%.

19.4 In case separate tenders have been floated for two compartments of SLR of a particular train, then the two tenders can be finalized even if the highest bids in the two cases are different.

However, the difference between the two highest bids should be less than 10%.

20.0 Failure of lease holder to start or operate lease contract

20.1 On allotment of contract, the successful bidder (leaseholder) shall be required to commence the loading within a period of 15 days, failing which the contract will be terminated and Earnest Money/ Security Deposit will be forfeited.

The accepting authority shall be empowered to condone the delay on the merits of the case on written application from leaseholder and give another 15 days (maximum period) to the leaseholder for commencement of contract.

20.2 If the Highest bidder fails to take up or to start the lease contract, he must be debarred at least two years from participating in the tender in that division/ zonal railway.

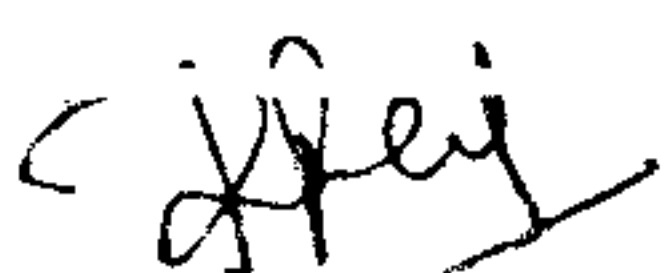
20.3 If the leaseholder, after commencement of loading, fails to load leased parcel space of SLR/VP on any specific day without any genuine reason and without prior permission of the Railway administration, the lumpsum freight of that day shall be forfeited.

20.4 If the lease holder, after commencement of loading, fails to operate the contract continuously for 10 days without giving any notice, his contract will be terminated and security deposit forfeited.

20.5 In case of three such failures (in different leasing contracts on the same division) within a period of 5 years, his registration will be cancelled along with other penalties mentioned under Para 4.15.

20.6 If it is not feasible for the leaseholder to continue the contract due to fluctuation in the market or any unforeseen reason, leaseholder can terminate the contract by giving 60 days notice to the Railway Administration "subject to completion of one year contractual period". In such cases, Security Deposit will not be forfeited.

20.7 Whenever there is change in originating or terminating station or short termination of service of a train by Railway Administration and leaseholder of existing contract is not willing to continue the contract, he may be allowed so do so. In such cases,



security Deposit of leaseholder will be refunded even not fulfilling the condition of '60 days advance notice' and 'condition of completion of one year contractual period' (subject to clearance of all railway's dues) provided a notification to that effect is issued by railway administration or CCM certifies that Railway is not in a position to run the service from/up to station as mentioned in the tender notification and agreement, after obtaining views of COM.

20.8 In case of dispute, on the part of Railway's obligations, where lease contract could not operationalized by the leaseholder or suspended by Railway in certain circumstances like change of loading or unloading point, not providing service, not providing sufficient time for loading or other operational problems, Railway Administration (CCM) shall be empowered to deal with such situation as deem fit, depending upon the merit of case as they are doing de-facto. If later on, the problem is resolved by Railway, the intervening period involved in resolving such disputes (non-operationalization of contract/non loading by the leaseholder due to disputes) will be treated as 'dies-non'.

21.0 **Adjustment in advance freight paid due to non - loading**

21.1 Railway administration shall give guarantee to provide leased parcel space of the Assistant Guard's Cabin/Brakevan/Parcel Vans as per terms and conditions of the agreement. However, in case of Railways' operational exigencies such as termination of train short of destination or cancellation of service/train due to floods/foggy weather, derailment/ accidents, breach of line, interruption of traffic or any other operational reason, Railway Administration shall not be held responsible for not providing the guaranteed service for the leased parcel space.

Railway administration shall not be held responsible in case of non-supply of leased parcel space on account of non-availability of SLR/VP due to being marked sick or due to supply of stock to the higher priority group or any other operational exigencies. In such cases 'lumpsum leased freight' of that day will be adjusted for next loading.

21.2 Adjustment of 'Lumpsum leased freight' – When the leased space is not made available by the Railways due to unavoidable circumstances including one of the following:

- (i) damage to inside walls of SLR due to theft during previous trip,
- (ii) breakage of floor of the SLR/VP,
- (iii) non-availability of SLR/ VP,
- (iv) SLR sealed through to destination by railway staff at originating station,
- (v) carriage of dead body in SLR compartment, (see para 21.6 below),
- (vi) change of platform at the last moment,
- (vii) restriction to bring parcels on platform due to security arrangements for VVIP movement, important functions etc.,
- (viii) agitation/ strike by railway staff, etc.
- (ix) when train is running on diverted route and does not pass through the station(s) where loading/ unloading facility is provided.

21.3 Adjustment of 'Lumpsum leased freight' – When the lease holder is not able to load the parcel space due to unavoidable circumstances including one of the following:

- (i) Public agitation, Bandh, etc.
- (ii) Natural calamities like earthquake, floods breach etc. or on the day of state/ nation elections.

