

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
STARRED QUESTION NO. 100
TO BE ANSWERED ON 02.03.2016**

PRIVATE FREIGHT TERMINALS

†* 100. SHRI KAPIL MORESHWAR PATIL:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways proposes to build private freight terminals under the public private partnership model and provide licence to private sector for running trains for transportation of some special items and if so, the details thereof;**
- (b) the details of the companies which have shown interest in this regard and the terms and conditions laid down for providing the said licences; and**
- (c) the revenue likely to be generated by the Railways annually therefrom?**

ANSWER

**MINISTER OF RAILWAYS
(SHRI SURESH PRABHAKAR PRABHU)**

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF STARRED QUESTION NO. 100 BY SHRI KAPIL MORESHWAR PATIL TO BE ANSWERED IN LOK SABHA ON 02.03.2016 REGARDING PRIVATE FREIGHT TERMINALS

(a) to (c): With a view to develop private freight terminals under the public private partnership model and to provide licence to private sector for running trains for transportation of some special commodities, the following policies have been issued by Ministry of Railways -

I. Private Freight Terminal (PFT): To facilitate development of a network of freight terminals with private investments to provide efficient and cost effective logistics services with warehousing solutions and users, a scheme was launched during the year 2010, which was further modified in 2012 and 2015. As per the policy, PFTs are to be developed in private land by private investment.

(i) The eligibility criteria for setting up a Private Freight Terminal (PFT) are as under :

- A registered company in India as per Companies Act 1956**
- A public sector entity (PSUs or organizations created under an act of Parliament), or**
- An entity registered as a Cooperative Society under the Cooperative Societies Act 1912, or**
- An entity owning an existing Private sidings or an assisted siding, or**
- A subsidiary of an entity, or**
- A joint venture company, or**
- A consortium**

An applicant has to deposit application fee of ` 10 lakh.

(ii) The following 48 companies have shown interest towards the scheme for development of 'Private Freight Terminal (PFT) and proposals for 76 such terminals have been received so far -

1	Aaryan Ispat & Power Pvt. Ltd.	25	Laxminarasimha warehousing and PFT Pvt Ltd.
2	Adhunik Alloys & Power Ltd.	26	Laxmi Venkateswara Warehouse
3	Ahir Salt and Allied Products Ltd	27	Maheshwari Coal Benification
4	Anaparthi Warehousing Complex Pvt Ltd.	28	Navkar Terminals Ltd.
5	Arshiya	29	NDR Infrastructure Pvt. Ltd
6	Boxtrans Logistics (India) Services Pvt. Ltd	30	Palogix Infra Logistics Pvt. Ltd.
7	Central Warehousing Corporation (CWC)	31	Paradip International Cargo Terminal Pvt. Ltd
8	Consortium Sreejan/NTM	32	Pristine logistics & Infra Projects Pvt. Ltd.
9	Container Corporation of India Ltd.(CONCOR)	33	Pristine Logistics and Infra projects Pvt. Ltd (PLIPL)
10	Continental Multimodal Terminals Ltd. Siding	34	Punjab Logistics Infrastructure Limited (PLIL)
11	Continental Warehouse Corporation Nava Sheva	35	Raipur Handling & Infrastr. Pvt. Ltd.
12	Distribution Logistics Infrastructure Pvt. Ltd	36	Rajasthan Spinning & Weaving Mills
13	Fastrail	37	Reliance Haryana Sez Pvt Ltd
14	Gateway Rail Freight Ltd.	38	S.V. Multi Logitech Pvt Ltd.
15	Gokul Refoils & Solvent Ltd	39	Sai Balaji Warehousing and Logistics Pvt. Ltd.
16	Hasti Petrochemicals	40	Sanjvik Terminals Pvt. Ltd.
17	Hind Terminals	41	SFA Logistics Pvt. Ltd
18	Indermani Minerals (India) Pvt. Ltd	42	Shiv Carriers Roadways Pvt. Ltd.
19	Indus Udyog & Infrasturcture Pvt. Ltd.	43	Shri Mahavir Ferroalloy Pvt. Ltd.
20	IOTL	44	Sociedadede Fomento Industrial Pvt. Ltd.
21	Kashipur Infra Freight Terminal Pvt. Ltd.	45	Tata Iron & Steel
22	Kesar Multimodal Logistic Ltd.	46	TBEA India Ltd
23	KRIBHCO	47	Three Seasons Logistics Pv t Ltd.
24	Lakshmi Narsimhaswamy Infra. Pvt. Ltd	48	Uttam Value Steels Ltd.

(iii) These 48 companies have altogether applied for 76 Private Freight Terminals (PFT) out of which 33 PFTs have already been commissioned/ functioning with an investment of approximately ₹575 Crores.

II. Policy on Container Train Operators (CTOs) - With a view to provide total logistics support to the end-user, Railways have unveiled a policy for running of container trains by private container operators in the year 2006 for transportation of containerized cargo.

(i) Eligibility criteria - The license are provided to companies which fulfill the criteria laid down in Indian Railways (Permission for operators to move container trains on Indian Railways) Rules, 2006 which broadly includes the following:

- The Applicant shall be an Indian Registered Company.**
- The Applicant should deposit a Registration fees of ₹10 crores (or) ₹50 crores, as the case may be, based on the category of license applied for.**
- Must have experience in the Logistics related field.**
- The applicant company should not have been declared “Sick” under Sick Industrial Companies (Special Provision) Act, 1985 and should have an annual turnover or net worth of not less than Rupees One hundred crores.**
- Should have their own terminals or shall take permission from any of the existing terminal operators for handling of their**

trains. Wagons & containers shall be procured by the Applicant.

(ii) Based on the policy issued by Railways, licence have been issued to the 17 companies including Container Corporation of India for running of Container Trains. The details are as under –

- 1. Adani Logistics Ltd.**
- 2. International Cargo Terminals and Rail Infrastructure Pvt. Ltd.**
- 3. Container Corporation of India Ltd.**
- 4. Central Warehousing Corporation Ltd.**
- 5. Container Rail Road Services Pvt. Ltd.**
- 6. Gateway Rail Freight Ltd.**
- 7. Hind Terminals Pvt. Ltd.**
- 8. Innovative B2B Logistics Solutions Pvt. Ltd.**
- 9. India Infrastructure and Logistics Pvt. Ltd.**
- 10. Pipavav Rail Corporation Ltd.**
- 11. Reliance Infrastructure Engineers Pvt. Ltd.**
- 12. Sical Multimodal and Rail Transport Ltd.**
- 13. Darcl Logistics Ltd.**
- 14. Distribution Logistics Infrastructure Pvt. Ltd.**
- 15. Kribhco Infrastructure Ltd.**
- 16. Arshiya Rail Infrastructure Ltd.**
- 17. Fourcee Infrastructure Equipments Pvt. Ltd.**

(iii) During the current financial year 2015-16, a target of revenue of ₹ 5000 Crores (approximately) has been fixed from the Container Traffic.

III. Special Freight Terminal Operator (SFTO): To increase rail share of the non-traditional commodities like molasses, fly ash, edible oil,

caustic soda, chemical, petrochemicals, alumina & bulk cement, Special Freight Train Operator (SFTO) Scheme has been launched in 2010 and modified in 2013 and 2014.

(i) The eligibility criteria for the applicant becoming an SFTO are as under:

- **A registered company in India as per Companies Act 1956**
- **A subsidiary company.**
- **A Joint venture company or partnership**
- **A public sector entity in the business of logistics.**
- **The applicant should have minimum one year experience in any one of the following fields.(i) transport and logistics (ii) port and land terminal operations (iii) warehousing (iv) container train operations (v) manufacturers (vi) wagon leasing company**
- **Any company which has been declared sick under Sick Industrial Companies (Special Provision) Act 1985 shall not be eligible to apply under these rules and operate trains either individually or in association with other companies.**
- **The company should have a net worth of minimum `50 crore or an annual turnover of minimum `75 crore as on 31st March of the last financial year.**
- **In case the applicant is a subsidiary company, experience and net worth of the holding company, owning more than 50% equity in the subsidiary company, may be reckoned for the purpose. However, in such cases, the applicant company must have more than 25% of the prescribed net worth.**
- **The applicant has to apply for a minimum of 3 rakes under this scheme.**

- **The SFTO selected by the Ministry of Railways shall have to deposit registration fee for different categories.**

(ii) M/s Jindal Steel and Power Limited (JSPL) has been registered under Special Freight Train Operator (SFTO) Scheme and three rakes have been inducted by JSPL in November 2015 and the projected freight for the year 2015-16 is `3.24 crore.

IV. Automobile Freight Terminal Operator (AFTO): To increase Indian Railway's market share in transportation of automobile sector by inviting private investment for procurement of wagons, a scheme namely Automobile Freight Train Operator (AFTO) Scheme was introduced in 2010, which was further revised in 2013 & 2014.

(i) The eligibility criteria for applicant for becoming an AFTO as under

- **A registered company in India as per Companies Act 1956**
- **A subsidiary company.**
- **A Joint venture company or partnership**
- **A public sector entity in the business of logistics.**
- **The applicant should have minimum one year experience in any one of the following fields.(i) transport and logistics (ii)port and land terminal operations(iii)warehousing (iv)container train operations(v) manufacturers (vi) wagon leasing company**
- **The company has to deposit an upfront registration fee of `5 crore.**

- **The company should have a net worth of minimum `20 crores or an annual turnover of minimum `30 crores as on 31st March of the previous financial year.**
- **Any company which has been declared sick under Sick Industrial Companies (Special Provision) Act 1985 shall not be eligible to apply under these rules and operate trains either individually or in association with other companies.**
- **In case the applicant is a subsidiary company, experience and net worth of the holding company, owning more than 50% equity in the subsidiary company, may be reckoned for the purpose. However, in such cases, the applicant company must have more than 25% of the prescribed net worth.**
- **The applicant has to apply for a minimum of 3 rakes under this scheme.**

(ii) Two firms viz M/s Maruti Suzuki India Limited and M/s APL Logistics Vascon Automotive Private Limited have been registered under the Automobile Freight Train Operator (AFTO) Scheme. With induction of 8 rakes, the anticipated revenue earnings in 2015-16 will be `63.24 crore.
