

# **Indian Railways (Permission for Operators to Move Container Trains on Indian Railways) Rules, 2006**

UNION OF INDIA

India

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### **Rule**

### **INDIAN-RAILWAYS-PERMISSION-FOR-OPERATORS-TO-MOVE-CONT. of 2006**

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Indian Railways (Permission for Operators to Move Container Trains on Indian Railways) Rules, 2006  
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**1417.**

G.S.R. 593(E) - In exercise of the power conferred by Section 198 of the Railways Act, 1989 (24 of 1989), the Central Government hereby makes the following rules, namely

### **1. Short title and commencement**

:(1) These rules may be called the Indian Railways (Permission for Operators to Move Container Trains on Indian Railways) Rules, 2006.(2)They shall come into force on the date of their publication in the Official Gazette.

### **2. Definitions.**

- In these rules, unless the context otherwise requires -(a)"Act" means the Railways Act, 1989 (24 of 1989);(b)"Operator" means a person who has taken permission to run container trains on Indian Railways.(c)All other words and expressions used in these rules and not defined in the Act shall have the meanings respectively assigned to them in the Act.

### **3. Eligibility.**

- Any person individual or a joint venture or a company registered under the Companies Act, 1956 shall be eligible to obtain the permission to operate container trains under these rules.

### **4. Export-Import Traffic.**

- For export-import traffic the operator shall(a)have a suitable access to a rail linked Inland Container Depot with adequate handling capacity in the hinterland or inland location for handling of container trains; or(b)enter into an agreement with an existing rail Inland Container Depot operator or rail terminal operator for using his facility for container train operations, within six months of obtaining in principle approval from Ministry of Railways; or(c)give an undertaking that he shall develop his own Inland Container Depot with rail facility within a period of three years from the date of obtaining in principle approval to operate container trains.

### **5. Domestic Traffic.**

- For Domestic traffic the operator shall(a)have a suitable access to two rail linked Inland Container Depots with adequate handling capacity in two hinterland or inland locations for handling of container trains; or(b)enter into an agreement with an existing rail Inland Container Depot operator or rail terminal operator for using his facility at two locations for container train operations, withing six months of obtaining in principle approval from Ministry of Railways, or(c)give an undertaking that he shall develop his own Inland Container Depot with rail facility at two locations within a period of three years from the date of obtaining in principle approval to operate container trains.

### **6. The applicant shall have experience in any of the following activities namely**

:- (i)Transport; (ii)Trade and Commerce; (iii)Infrastructure, (iv)Handling of Goods/Cargo; (v)Port/Land Terminal operations; (vi)Logistics; (vii)Warehousing (viii)Manufacturing; (IX)Leasing

### **7. Regulation of Rail Container Operations**

- In order to regulate the entry of rail container operators on Indian Railway network, various routes have been grouped into four categories largely based on the existing as well as anticipated traffic volumes on different rail corridors serving gateway ports and these categories are as follows:- (1)Category I - includes all existing or future Inland Container Depots serving J.N. Port or Mumbai Port in National Capital Region like Tughlakabad, Dadri, Gurgaon and shall also include all destinations reached via National Capital Region like Dhandari Kalan, Moradabad alongwith all domestic traffic. (2)Category II - includes all existing or future Inland Container Depots serving J.N. Port or Mumbai Port at locations other than those covered in Category I along with all domestic traffic except on traffic routes mentioned in Category-I. (3)Category III - includes all existing or

future Inland Container Depots serving the ports of Pipava, Mundera, Chennai, Ennore, Vizag and Kochi and their hinterlands along with all domestic traffic except on traffic routes mentioned in Category-I.(4)Category IV - includes the ports like Kandla, New Mangalore, Tuticorin, Haldia, Kolkata, Paradip and Mormugao and their hinterland along with all domestic traffic except on traffic routes mentioned in Category-I.

## **8. Financial capability.**

(1)The applicant shall have the financial capability of an annual turnover or the net worth of not less than rupees one hundred crores.(2)In case a number of companies form a consortium for the purpose of operating container trains, each constituent member shall have either annual turnover or net worth of not less than rupees fifty crores.(3)Any company which has been declared sick under Sick Industrial Companies (Special Provision Act, 1985) shall not be eligible to apply under these rules to operate container trains either individually or in association with other companies.

## **9. Approval Process.**

(1)If the proposed operator has to develop Inland Container Depot then for rail linking an Inland Container Depot, he shall obtain the requisite permissions from the Inter-Ministerial Committee of the Government of India within six months for developing and operating Inland Container Depot.(2)He shall submit his application to Ministry of Railways indicating therein his legal identity, intended scope of operations for atleast next five years, proof of complying with various eligibility criteria and his willingness to abide by the terms and conditions laid down in these rules and as amended from time to time.(3)Based on the documents furnished and clarification, if any Railways shall grant an 'in principle' approval and in case the prospective operator fails to indicate his readiness to operate his container trains to the satisfaction of Railway within three years of grant of 'in principle approval', it shall be deemed to have lapsed unless prior extension is given by Railways,(4)Before commencing operations, the operator shall enter into an agreement with the Railways containing the detailed operating and accounting procedure, including the ownership of the new lines or assets and other relevant details and the agreement shall have provisions for suitable arbitration procedure for resolving any dispute between Railways and the operators.(5)[ The permission shall be open for entire year] [Substituted by Notification No. G.S.R. 429(E) Dated 14.6.2007. ](6)[ The operations shall be moved by the respective Railway Administration in accordance with the provisions of the agreement.(7)The agreement shall be signed by the General Manager, Northern Railway, but shall be deemed to have been signed by and application to the respective Railway Administrations where a container train is to be moved. Provided that for the purpose of agreement, the General Manager, Northern Railways, shall be the Railway Administration.] [Sub rule (6) and (7) added by Notification No. G.S.R. 429(E) Dated 14.6.2007 ]

## **10. Registration fee.**

(1)At the time of submission of application to run container trains, every applicant shall be required to deposit a non-refundable registration fee of rupees fifty crores for applying for all categories of routes including Category-I and rupees ten crores for each individual category of routes except

Category-I and the application only for routes mentioned in Category-I shall not be accepted.(2)The registration fee of applicants, who are not found eligible shall be refunded without any interest.

## **11. Modalities of granting permission.**

(1)Permission for Category-I, shall include permission to run trains between any pairs of points in the entire country and shall include permission for all other categories and in case the operator applies for a particular category (except for Category-I), he shall obtain permission to run container trains between any pairs of points in that category only for export-import traffic and for all routes in domestic traffic, except those mentioned In Category-I.(2)There shall be no limit on number of trains on any of the routes.

## **12. Terms and conditions.**

(1)The container trains of various operators shall normally be dispatched on a non-discriminating manner on 'first come first served' basis, subject to any operational exigencies and/or restrictions from time to time.(2)Inland Container Depots shall be treated like private sidings with the extant rules and procedures laid down for private sidings applying mutatis-mutandis to them.(3)Land and other related facilities required for railway operation and the track connecting the Inland Container Depot to the nearest rail head shall have to be provided by the operator at his own cost; but if railway land is available, on the application of the operator the same shall be provided on the normal terms and conditions laid down by Ministry of Railways for licensing of Railway Lands.(4)for movement of containers, the operator shall procure his own rolling stock and containers according to the approved design of the Research Design and Standard Organization and the rolling stock shall be inspected as per rules inforce.(5)Loading and unloading of containers in the ports or Inland Container Depots shall be the responsibility of the operator.(6)Maintenance of track shall be done by the operator at his own cost, with Indian Railways being paid the charges for inspection or supervision according to the prescribed prevailing rates and maintenance of rolling stock shall be done by Indian Railways, for which the prescribed charges shall be recovered from the operator.(7)The operator shall allow Indian Railways to enter into any of its premises for inspection and for scrutiny of documents pertaining to rail-related operations and shall provide necessary and reasonable facilities for doing so.(8)The operator may carry all goods subject to conditions specified in the goods tariff, red tariff, and under the provisions of the Act and any other instructions issued on the subject, by Ministry of Railways from time to time(9)The movement of containers or flats shall only be in block rakes of prescribed standard sizes for different types of wagons as notified by the Railways from time to time.(10)Freight Operation Information System of Indian Railways shall also cater to the requirements of the operator for an integrated management and operations information service and the operator shall provide all relevant data as required by Freight Operation Information System and shall be given 'read only' access to this system on payment of reasonable cost.(11)The operator shall pay to the railways haulage charges applicable uniformly to all operators, as notified or fixed by the Railways from time to time.(12)For payment of haulage charges the provisions of Commercial Manual and other guidelines issued from time to time shall be followed(13)Documentation work, including issue of Railway Receipt for haulage charges shall be done by Railway staff posted by Railways in the Inland Container Depot and the cost of such staff

shall be borne by the operator and shall be charged separately.(14)The operator shall charge his customers for rail haulage, terminal handling, ground rent on a market determined basis and railways shall not exercise any control over such pricing.(15)All operations like shunting, placement, withdrawal, formation within the Inland Container Depot shall be done on the request of the operator and he shall pay for such services, as per the agreement signed between the operator and the Railway.(16)There shall be no demurrage charges by the Railway, but the Railway shall levy stabling charges as per the rates notified from time to time in case rolling stock belonging to the operator is stabled on Indian Railways network.(17)The rail operator shall be a common carrier as defined under the Act.(18)Normal rules in respect of claims shall be applicable according to the Act.

### **13. Period of validity or permission for operating container trains.**

-(1)The validity of permission shall be for a period of twenty years from the date of operation of container trains by the operator and the permission can be extended by ten years to the same party on his application after expiry of the validity of permission subject to satisfactory performance and on payment of the fees as applicable at that time, to be decided by Railway Board.(2)An operator may be permitted to exit from the market or transfer the permission to another operator for container train operation, subject to the latter fulfilling the condition for permission mentioned under these rules and also subject to prior approval of the Ministry of Railways and the permission shall be granted only one year after rail borne container traffic has commenced its operation from his Inland Container Depot.

### **14. Cancellation of the permission and dispute settlement.**

(1)In case the operator does not follow the rules laid down by Railways for safety of goods carried or of railway property or any rules laid by the Government for movement of containers, the permission of the operator may be cancelled by giving one month's notice and he may also be liable to be penalized in accordance with the Act.(2)In case the operator wants to terminate operation of container trains before the expiry of permission period, he shall give the request in writing to the Ministry of Railways with three months notice.(3)On cancellation of the permission, no part of the registration fee shall be refunded to the party.(4)For resolving disputes on the issues pertaining to the siding for the Inland Container Depot, claims for damages, haulage charges, the operator may also seek redressal by resorting to the relevant provisions of siding agreement, Railway Claims Tribunal or Railway Rates Tribunal.