

## Part IV-Sidings

1. The Railways Act, 1989 (No.24 of 1989) defines railway as under:-

“Railway” means a railway or any portion of a railway for the public carriage of passengers for goods and includes –

- (a) \_\_\_\_\_
- (b) all lines of rails, sidings or yards or branches used for purpose of or in connection with railway.
- (c) \_\_\_\_\_
- (d) \_\_\_\_\_ etc.

The Railways act, 1989, thus includes a siding within the definition of the term “Railway”. An assisted/private siding is a siding constructed to serve a Government Department, a factory. Mill or other industrial premises other than the colliery or mining area under a special arrangement. This is the definition given in para 2501 of Indian Railway Commercial Manual. A siding may be used not only for reception, dispatch, stabling, loading, unloading etc. of the wagons but also as a running line, though distinct from main line when the industry/installation being served by a siding is situated away from the main line and the railway track has to be taken from the main line right upto the installation.

### Advantages of a Siding

2. A siding enables an industry, a mine a colliery, a power house etc. to have railways brought to a point within its premises. If both the dispatching and receiving points are connected by siding, a uni-modal door to door service becomes available, e.g. in the case of a coal wagon loaded from a colliery siding and unloaded in a siding provided in a power house or industry. Such a door to door service not only results in avoidance of repeated handling involved in multi-modal transport and consequent cost but also results in avoidance of breakage, theft, pilferage, etc. involved in repeated loading, unloading operations when goods are brought to the dispatching point by road and again taken to the receiving point by road from the nearest rail head. In fact, for any major industry having considerable volume of traffic, provision of siding facilities is essential not only from economic view point but also from the practical view points as large scale handling of traffic by road or road cum rails is not a feasible proposition.

3. A siding holder also enjoys certain incidental benefits. For example, if a siding handles two rakes per day and the railway locomotive visits the siding according to a fixed schedule twice a day under the pilot to pilot system of working the siding holder gets almost 12 hours’ free time for loading and unloading of wagons as against the normal free time of 5 hours for 4 wheeled wagons and slightly higher free time for 8 wheeled wagons. A siding holder can also

avoid handling of cash for payment of railway freight by getting from the railway facility of making payment of railway dues by credit note cum cheque or under weight only system details of which can be obtained from the Railways. Even for demurrage, billing is done by the Railways on a periodical or monthly basis thus providing certain credit to the siding holder for its payment.

4. In the case of large undertaking such as mines, power houses etc. mechanical aids for loading/unloading can be integrated with the layout of the siding, e.g., coal handling plants for loading coal into wagons at colliery sidings and wagon tippers for unloading bulk commodities like coal by power house.

#### **Assisted/Private siding**

5. Sidings provided by the Railways are of two types, Assisted and Private. In the case of private sidings, the entire cost of private siding is borne by the siding owner. In the case of assisted siding, however, a part of the cost of the siding is borne by the Railway Administration. Broadly, the principles governing the sharing of cost of assisted siding between the Railways and the siding owner as prescribed in para 1826 of the Indian Railways Code for Engineering department is that the entire cost of siding within the party's premises is borne by the siding owner. Outside the party's premises, the party has to bear the cost of all works which would have to be abandoned in the event of the siding being closed as, for example earthwork, bridges (exclusive of girders), culverts, ballasts, buildings etc. The cost of those works which can be removed by the Railway Administration in the event of the siding being closed such as sleepers, rails, rail fastenings, points and crossing, girders of bridges, fencing, signaling and interlocking appliances and machinery etc. is borne by the Railways.

#### **Application to be made for Getting Siding Facilities.**

6. In order to provide a 'single Window Service' to the customers, Railway 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. Any party desiring to have Railway siding facilities in his premises may thus apply to the CTPM of the Zonal Railway Administration for the same along with a deposit to cover the cost of survey and preparation of the necessary plans and estimates for providing the siding. Parties can also make use of the services provided by empanelled consultants such as Rail India Technical and Economic Service Limited for carrying out the survey and preparation of plans and estimate for the sidings but such plans and estimates have ultimately to be approved by Railway administration.

7. Time Frame: Complaints were received from the users that the whole process of survey, approval of Plan and final inspection etc. takes a lot of time. It has been decided by the Railway Board that the Railway should observe a time frame for processing the proposals as follow :

- (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.

### **Take-off Point**

**8.** The take off point of private siding is normally the crossing station nearest to the party's premises. There are, however, cases where the nearest crossing station is at a considerable distance from the party's premises. In such cases, it may be desirable to provide a new crossing station at a convenient location.

When a siding takes off from an existing station and the siding is equipped for direct reception and dispatch of trains, normally, there is no need to provide any additional facilities at the take off point. However, in case, certain minimum additional facilities are needed at the station to start with or subsequently to cope with increased traffic arising in the region, these have to be provided.

### **Capital Cost**

**9.** Capital Cost of new siding : The siding owner shall bear the capital cost of the siding from the take-off point at the serving station including OHE.

**10.** Capital Cost of facilities to be developed at serving station for a new siding. The linking of the siding to the station shall be done at the cost of the siding owner.

**11.** 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.

**12.** 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.

**11.** Capital cost of a crossing station necessitated by a siding: The capital cost of the crossing station should be borne by the siding owner. If the capacity utilization of the section is 80% and above, the staff may be posted at the crossing station at Railway's cost, otherwise it should be at party's cost. A review in this regard should be carried out every three years and whenever the utilization reaches 80 % and above, Railways should take over the staff cost.

**12.** Capital cost for augmenting siding facilities to cater to increased production : The capital cost for augmenting the facilities within the siding should be borne by the siding owner. The facilities at serving station necessitated by such expansion should be borne by Railway provided ROR on such investment is 14% or above vis-à-vis traffic projected. The cost of 'Y' connection provided on sections having capacity utilization of 80% or above and planned only when

inescapable, will be borne by party and staff in the cabins will be at Railways cost.

## **14 Electrification Cost**

### **New Sidings**

For a new siding in the electrified territory approved for electrification, the capital cost of OHE should be borne by the siding owner. This will also apply to the military sidings.

### **Existing Sidings**

It has been decided that railways will bear the cost of electrification of existing siding provided the ROR on investment on the traffic handled in the siding in the previous 24 months is 14% or above. In cases where the project is not financially justified, the siding owner will bear the full cost or arrange a diesel loco to work the loads to his premises. However electrification of sidings owned by PSU's will be done at Railway's cost. A traffic guarantee is also to be obtained from the siding owner in case it is electrified at Railway's cost.

## **15. OHE Maintenance (Both new & existing)**

It has been decided that OHE maintenance cost for existing as well as new sidings will be borne by the Railways.

## **16. Siding Charges**

The user of the siding has to pay to the Railways siding charge to be fixed by the Railway Administration from time to time for every wagon whether loaded or empty hauled over the siding in each direction by the Railways. If a siding has been provided with complete facilities of direct receipt and dispatch of trains and such trains do not require to be dealt with at the station from which the siding takes off/serving station but run through to or from the siding with railway locomotive or originate from or terminate in the exchange/peripheral yard provided by the siding holder, the Railway administration shall have the powers of levying freight charges on through distance basis up-to the buffer end of the siding or the farthest point of the Exchange Yard, instead of levying freight charges up-to the serving station and siding charges for haulage of wagon over the sidings.

The siding charges may be revised by the Railway Administration on giving not less than one month's notice to the user of the siding.

## **17. Basis for Fixation of Siding Charges**

Where freight is levied from and to the serving station and separate siding charges are levied for haulage of wagons between the serving station and the siding, siding charges are normally fixed on the basis of cost per engine hour and the average time for a round trip from the serving station to the siding and back for placement and/ or removal of wagons whether loaded or empty. The charges per trip are arrived at by multiplying average time taken per trip by the cost of engine hour as notified by the Railway Board from time to time. The siding charge can also be quoted as a rate per 4 wheeled wagon to be arrived at by dividing the total costs of all the trips performed for working the siding in a year by the total number of loaded wagons, inward, dealt

with at the siding during the same period. Where the siding charges are so fixed on a per loaded wagon basis, they can be included in the railway receipt along with the freight charges instead of being separately collected from the siding holder. In the case of outward traffic booked from a siding where the siding holder wants to pass on the charges to the consignee as part of the total Railway freight, this system is useful.

### **18. 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. The staff cost of a new crossing station will be borne by Railways in case the line capacity utilisation is more than 80%.

### **19. Interest Charges**

In respect of Assisted Siding provided by the Railways, siding holder is required to pay to the Railway administration interest on that portion of the cost of the siding which is borne by the Railway administration at rates as may be fixed from time to time.

### **20. Maintenance and Charges for the same**

Maintenance of siding inside the premises of the siding holder has to be undertaken by the siding holder himself. Railway, however, have to ensure that such maintenance conforms to the requisite standard prescribed by the Railway. For this purpose, the Railways undertake periodical inspections and the cost of such periodical inspection shall not be paid for by the siding holder. If in any case, the Railways undertake to maintain the siding inside the party's premise, siding holder has to pay to the railway maintenance charges as may be fixed by them.

### **21. Engine on load (EOL) Policy**

It has been decided that as far as possible all new sidings should be on EOL system which means that loading and unloading in the siding takes place with the engine attached to the train and the same engine places and draws out a rake.

