

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:2522
ANSWERED ON:08.12.2011
TRANSPORT IN PPP MODE
Dhruvanarayana Shri R.

Will the Minister of RAILWAYS be pleased to state:

- (a) Whether the Railways propose to allow private firms to use the railway network for commodity transport and also develop freight terminals in the country;
- (b) if so, the details and present status thereof; and
- (c) the action taken by the Railways in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI K. H. MUNIYAPPA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE UNSTARRED QUESTION NO. 2522 BY SHRI DHRUVA NARAYANA TO BE ANSWERED IN LOK SABHA ON 08.12.2011 REGARDING TRANSPORT IN PPP MODE.

(a)to(c) To facilitate rapid development of a network of freight terminals with private investment to provide efficient and cost effective logistics services with warehousing solution to end users, a new scheme namely Private Freight Terminal has been launched on 31.05.2010. Private Freight Terminal (PFT) can be 'green field' facilities developed by private parties on private land or brown field facilities i.e. existing private sidings/ container terminals on private land which can be permitted to be converted to private freight terminals under the provisions of the Scheme. The scheme will facilitate traffic handling at the terminals by private investors thereby increasing IR's market share. A total of 18 proposals have been received so far under the scheme, out of which, 7 proposals for Bamanhari, Nabha (Northern Railway), Rudrapur (North Eastern Railway), Wardha, Tadali, Kalamboli and Somathane (Central Railway) have been given 'In Principle' approval by the zonal railways and one Private Freight Terminal (PFT) at Timmapur (South Central Railway) has been notified. In order to increase Rail share in the commodities like fertilizers, molasses, edible oil, caustic soda, chemicals, petrochemicals, alumina, bulk cement and fly ash etc. where rail coefficient is traditionally very low, a scheme namely Special Freight Train Operator Scheme (SFTO) has been launched, to attract private investment in special purpose wagons required for transportation of these commodities. The policy has been issued on 31.05.2010. Under this policy a proposal for 3 rakes (tank wagons) for transportation of Caustic Soda and 3 rakes for transportation of Alumina has been approved by the Ministry of Railways.