

1st 100% pvt-funded Gati Shakti terminal starts ops

DHRUVAKSH SAHA

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The Dedicated Freight Corridor Corporation of India (DFCC) on Thursday commenced operations on the Rewari Gati Shakti Cargo Terminal (GCT) in public-private-partnership (PPP) mode. This becomes the first operational GCT with complete investment from a private player and zero revenue-sharing on account of the Indian Railways.

The ₹8-crore GCT in Haryana, built solely for container traffic, along the edge of Line 10 of the New Rewari station on Western Dedicated Freight Corridor (DFC), will be operated by Pristine Mega Logistics Park, which got the project in a race against state-owned Container Corporation of India (Concor) and shipping major DP World, officials said.

“It’s a revolutionary departure from the existing practice in Indian Railways where a part of the terminal access charge is shared by the GCT operator to railways. This measure will ensure that the development of the terminal is achieved with no investment by railways or DFCC,” the railway-owned firm said.

PPP PUSH

■ Pristine Mega Logistics Park, Concor, and DP World made aggressive bids for the **₹8-crore** terminal

■ Railways to get **₹1.6 lakh** per container train

■ 2 trains expected at the terminal every day, boosting revenue by **₹10 crore**

■ Gati Shakti terminals on freight corridors will bring down the cost of logistics

■ Eastern Dedicated Freight Corridor to be completed by June



The terminal has been made operational within 75 days of awarding of contract. Senior officials present at the inauguration said private sector interest was evident from the fact that all three companies had made bids for zero revenue sharing, which means railways would keep all the

revenue from terminal usage fees.

Typically, only a certain part of the terminal access charge (TAC) is shared with the railways by the operator, due to a policy on land management framed last October. The proportion of sharing between the private operator and the railways is a

key bidding metric. For example, a GCT was awarded in January in Andhra Pradesh to Grasim Industries, where Indian Railways would get a 15 per cent share of the terminal access charge. “The zero revenue-sharing bid war in this tender caused a rethink within the railways. This terminal was the trendsetter in forming a new directive where prospective operators can now quote TACs payable to railways even beyond the policy-prescribed limit of ₹1.60 lakh per container rake,” a senior DFCC executive said. According to Pristine’s senior executives, the terminal presents a unique opportunity of revenue generation for the Ludhiana-based freight aggregator.

“There are multiple cities from where single-stack containers are transported to Ludhiana for double-stacking and waiting times can often delay the entire supply chain. Through this terminal, we can reduce these wait times significantly and also gain traffic volumes, which is why we did not make any claim on the terminal access charges during the bidding. We’re confident of the GCT’s profitability for us solely on traffic,” said a top executive of the firm, which

also is a private owner of railway rakes. “The terminal is expected to cater to 1-2 double-stack container trains daily. A growth of around 30 per cent in container traffic is envisaged. Single-stack container trains coming from Ludhiana, Kanpur, and other parts of the hinterland will be brought to this GCT and made into double stack on their journey to the ports,” the DFCC said.

Double stacking refers to the loading of one 20-foot equivalent unit container loaded on top of another, which results in doubling of volumes in a single journey. On most Indian Railways tracks, the low height of overhead equipment does not support double-stack container trains. However, the provision is available on both the eastern and western DFCs.

Now, the DFCC is looking at awarding 10 such Gati-Shakti terminals by the end of August, which will fetch them a monetisation value of close to ₹100 crore, said Nanduri Srinivas, director of operations and business development at DFCC.

“More such opportunities will present themselves on the eastern DFC as we will complete the corridor by June 1,” Srinivas said.