

Sub: Engagement of Consultancy Services for Logistics Market study and identification of feasible Freight Terminals/other facilities for increasing Rail coefficient over East Central Railway.

Railway Board while forwarding the Report of the Committee **on Mission 3000 Million tons by 2027** has advised zonal railways to plan for additional facilities to be created to meet this target. Further, it is being felt necessary to hire an external Consultancy Services Contract for Logistics market survey for setting up of new cargo terminals and warehouses and marketing initiatives and suggestion for increasing rail share.

Objectives of the Work

The main objective of the assignment is to develop a long term Rail Freight Transportation strategy including setting up of strategic Logistic facilities to achieve higher modal share of Transportation business by East Central Railway. This is to be based on a detailed market study including mapping of Industrial/Agro-industrial/Trade/Dry Port based clusters, potential freight customers, requirement of infrastructure facilities including freight terminals, Logistics parks, storage and cargo handling facilities taking into account of the potential traffic in the catchment areas of East Central Railway region comprising of ECR Jurisdiction.

The objectives are listed as below:

To identify potential Freight Terminals and requirement of facilities based on existing freight traffic and future growth of business and freight traffic in the region.

Feasibility of Rail connectivity to the identified freight terminals duly taking into account the availability of Land (Railway land or non-Railway land which need to be acquired)

1. Potential Investors for each identified terminal with commodities.
2. Business plan for each identified terminal.
3. Requirement of Infrastructural facilities such as Warehouse, Road connectivity, Number of Railway lines, Stacking area, etc.
4. Estimate of Traffic volume and the Rail coefficient
5. Possible diversion of traffic from other modes to Rail.
6. O-D Analysis for the region including all divisions
7. Comprehensive Business plan for each division considering the existing infrastructure and proposed infrastructure.

Scope of the work by consultant agency:-

General Assessment

1. Mapping of existing industrial clusters and Economic assessment of the region to give a clear picture on the current logistics scenario.
2. Identification of strategic locations based on the functional activities at various production and consumption centers to assess the existing logistics pattern.
3. Assessment of Modal share of cargo getting transported in the identified clusters.
4. Assessment of constraints and challenges faced by the industries with respect to the existing logistics services.
5. Expectation of Logistics requirements and change in policy by the industries for removing the constraints.
6. Assessment of share of total transportation of traffic of ECR in comparison to traffic of IR.
7. Assessment of both outgoing & incoming freight traffic including parcel traffic.
8. Bottleneck in movement of traffic and suitable action to remove constraints.
9. Assessment of new freight traffic including parcel traffic in addition to traditional rail traffic.

Traffic Study

1. Type and volume of traffic produced/handled in the industrial clusters.
2. Collection and Compilation of information on industrial activities in each of these clusters and assessment of volume of cargo (raw material and finished good requirement)
3. O-D analysis of cargo movement.
4. Profile of customers and suppliers of firms located in the cluster.
5. Logistics cost and transit time analysis for movement of traffic.
6. Assessment of volume of traffic moving by road which can be shifted to rail
7. Estimating demand for various logistics facilities for each cluster.
8. Information about the production viz. number of plants in the Railway zone, production capacity, annual production trend, plans for expansion of production.
9. Information on the present modes of transport, methods of first mile/last mile connectivity.
10. Data on types of traffic moved (loose, piecemeal, bulk, packaged, containerized, etc.)

Future trends in traffic and Logistics requirement

1. Assessment of growth potential of traffic movement in the identified clusters.
2. Opportunities to open in global, national and regional level for investment in Logistics infrastructure.
3. Changes required in pricing of future logistic service.
4. Expected diversion of traffic from Road and other mode of traffic to Rail.

Identification of Location and Commercial viability

Based on the above the Consultant shall identify potential locations over the divisions of East Central Railway where Freight Terminals/other facilities can be setup and submit a detailed report for each identified location.

The report shall include:

1. Assessment of land required.
2. Availability of land (Railway land or non-Railway land which can be acquired)
3. Feasibility of rail connectivity.
4. Whether the location is in Railway land, if so, extension of land to be required along with land for providing connectivity, present activities taking place in the land and alternate location to shift the same.
5. If the location is in wholly or partly private land, extent of land to be acquired from private party (including land required for connectivity to rail head), present market value of the land, probable complications in acquisition (if any), estimated time line for acquisition, cost involved, etc.
6. Is the location identified is connected by present IR network. If so, the nearest connecting station with distance and developments required.
7. If the location is not connected to IR network, distance to nearest rail head and its connectivity cost.
8. Present traffic potential and forecast of potential for the next 50 years.
9. Traffic profile of the location.
10. Facilities to be provided based on the traffic profile i.e. handling, storage, mechanized operations and other value added services.
11. Business plan for each proposed freight terminal
12. Traffic profile of the location.
13. Present traffic potential and forecast for the next 50 years.
14. Details of Capital cost to be invested with break-up for land, infrastructure, mechanization, etc.
15. Calculation of Expected Rate of return, Breakeven Point, Net Present Value (NPV) and Internal Rate of Return (IRR)
16. Identification of potential developers for each location and their profile.
17. O-D pairs, Commodity and volume of traffic.
18. Quantified benefits to Railways viz, increase in tonnage, revenue, returns to the investment, increase in modal share, etc.

Comprehensive Business plan for each Division of East Central Railway

Based on the assessment of traffic volume, future growth of Logistics market, existing infrastructure and the proposed infrastructure development, a comprehensive business plan shall be made for each Railway division in the East Central Railway.

The expected impact of the proposed freight terminals and other Logistics facilities on the overall scenario shall be analyzed in terms of growth in traffic volume, Revenue and Rail coefficient.

As the above work requires expertise in Commercial, Technical and Financial areas, there is a need to consult concerned agencies to provide budgetary quote for professional fees for the above consultancy work. In order to find out potential consultant available in the market and Expression of Interest (EOI) is also required to be called for.

In terms of Railway Board letter No.2017/Trans/01/Policy dated 27.11.2017 on Process Reforms - Engagement of Consultants, Nature of consultancy has been classified as Low Cost Simple Consultancies and other Consultancies. As stated earlier, since the exercise requires expertise in Commercial, Technical and Financial areas, it is proposed to engage consultancy under the Other consultancy category duly following the procedures advised vide Para 4.7 Procedure for Other Consultancies, as defined in Para 4.5 (b).

Applications from interested consultants may also be submitted in the prescribed format with supporting documents in offline mode to the address given as under-

Principal Chief Commercial Manager
East Central Railway/Headquarter
Rail Niketan, B-Block,
Dighi Kalan, Hajipur-844101

Principal Chief Commercial Manager
East Central Railway/Headquarter
Rail Niketan, B-Block,
Dighi Kalan, Hajipur-844101

APPLICATION FORM FOR ENGAGEMENT OF CONSULTANCY SERVICES

1. Name of the Consultant :
2. Qualification/Experience :
3. Status of the company :
(Individual/Partnership)
4. Financial Status :
5. Registration Number :
6. Time taken for completion of work:
7. Amount to be charged :
8. PAN No. /GSTIN :
9. Contact No. :
10. Email ID :
11. Extra Experience, if any :