

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

No.TCR/2211/2014/06

New Delhi, dated 21.11.2014

Chief Commercial Manager
Northern Railway
New Delhi.

Sub: Freight Incentive Scheme for incremental traffic – clarifications
Ref: Board's letter No.TCR/1078/2009/13 dated 11.10.2009 and
TCR/1078/2014/02 dated 13.06.2014

Reference is invited to Northern Railway's letter No.36-RD/835/Incentive/Pt.III dated 31.10.2014 on the above mentioned subject. The issues raised have been examined in the light of extant policy guidelines contained in Rates Master Circular on FIS of 2014 (earlier guidelines contained in Rates Circular No.62 of 2009 and corrigendum thereto). As per extant instructions, following clarifications are issued on the subject issue:

- (i) Goods clerk should first satisfy himself whether Trainload class or wagonload class rate is applicable in terms of Para 5 of Rates Master Circular on FIS dated 13.06.2014 or Rates Circular No.62 of 2009 and corrigendum thereto. Among others, the originating and destination terminals should be full or half rake terminal, indents be placed for a prescribed composition etc. are some conditions for granting trainload rate benefit. If a wagon contains more than two commodities, the entire rake will be charged at wagonload class rate.
- (ii) Then for each wagon, Goods clerk will calculate the applicable class for charging for commodities contained in a wagon. In case more than one commodity is loaded in a wagon, freight will be charged at the higher class rate of the goods which the wagon contains. After ascertaining the applicable class for charging, the concession under the scheme will be calculated and the freight arrived after granting all applicable concession will be compared with the NTR of LR1 class for ascertaining the minimum chargeable freight.
- (iii) Obviously, commodities under Class LR1 to LR4 will not get any concession under the scheme as the floor rate under the scheme is NTR of LR1.
- (iv) Under the scheme, the freight of LR1 rate will not be charged for commodities under Class LR2, LR3 and LR4 except in those cases where more than one commodity of these classes including LR1 commodities is loaded in a wagon. For example, if a wagon contains LR1 and LR3 commodities, both the commodities will be charged at higher of the Class i.e. LR1. Similarly, if commodities in a wagon are of Class LR3 and Class LR4, the chargeable class for that wagon will be Class LR3.
- (v) NTKM of all the traffic except those of restricted commodities will be taken for calculation of benchmark NTKM under the scheme.

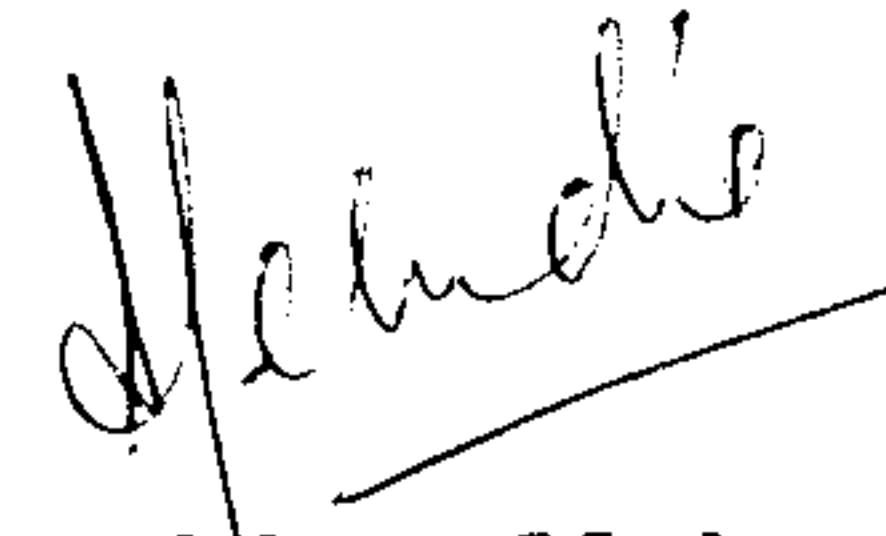
Md. Anwar

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Therefore, NTKMs of all LR commodities i.e. of Class LR1, LR2, LR3, LR4 etc. will also be taken for calculation of benchmark NTKM. However, the NTKM for lead less than 100 km will not be included in the benchmark NTKM.

Accordingly, Northern Railway may take appropriate action on the basis of records available with them.

This issues with the concurrence of Finance Directorate in the Ministry of Railways.



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Director, Traffic Commercial (Rates)
Railway Board

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FA & CAO, Northern Railway, New Delhi
Dy. Comptroller and Auditor General (Railways), New Delhi.



for Financial Commissioner(Railways)