

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

No.2014/TC(CR)/204/11

New Delhi, dated 26.10.2015

CCMs

CR/Mumbai
SR/Chennai
SCR/Secunderabad

Sub: Proposal for freight rebate/concessions/incentive to various traffic.

Ref: (i) CR's letter No.C659/RD/Customer care dated 05.08.2015
(ii) SR's letter No. C.493/I/FIS/Vol.VII (Part) dated 29.05.2015
(iii) SCR's letter No. C.493/FIS/TEFD/09 dated 16.06.2015

Vide letters under reference, Zonal Railways have requested Board to consider granting rebate/concession/incentive to some specific traffic with a view to attract and or retain traffic to rail as road rate is posing tough competition to rail. It is advised that Zonal Railways should use the provisions under Section 32 of the Railways Act, 1989, that empowers Railway Administration to quote Station to Station Rates/lump sum rates in respect of the carriage of any commodity and subject to such conditions as may be specified. The earlier guidelines issued by Board in respect of Station to Station Rates Scheme (STS) were superseded in terms of Rates Circular No.25 of 2006 wherein a number of Freight Incentive Schemes were introduced on Indian Railways. Those Freight Incentive Schemes, which were in operation with some modifications till 16.06.2015, were withdrawn except Incentive Scheme for Freight Forwarders. However, a revamped Automatic Freight Rebate to Traffic Loaded in Empty Flow Directions Scheme has been introduced from 25.06.2015. Since the schemes which were introduced in lieu of STS Scheme have already been withdrawn, Board is of the view that Zonal Railways may exercise the power vested with them under Section 32 of the Railways Act, 1989 to tackle the situations on hand.

Latakumari

**(Lata Kumari)
Director, Traffic Commercial (Rates)
Railway Board**