

भारत सरकार (GOVERNMENT OF INDIA)
रेल मंत्रालय (MINISTRY OF RAILWAYS)
रेलवे बोर्ड (RAILWAY BOARD)

No. TCR/1618/2016/02

New Delhi, dated: 21.12.2016

The General Managers
All Indian Railways

Sub: Guidelines for implementing "Station To Station" Rates (STS)

Ref: Board's Rates Circular No. 26 of 2016

1. Please refer to Board's Rates Circular under reference on the above cited subject whereby guidelines for implementing Station to Station Rate (STS) have been issued.
2. The above policy has been reviewed based upon the feedback received from the Zonal Railways and following clarifications are issued:
 - 2.1. Six percent (6%) concession for Northeast Region States shall be given concurrently in addition to the STS concession subject to the condition that the final concessional freight should not be less than the NTR of Class-100.
 - 2.2. In case data is not available for corresponding period of the previous year for fixing of benchmark, then benchmark shall be fixed as illustrated below:

Illustration: A proposal is processed for STS concession between DLI to ALD in Nov'16 and the period for which STS rates are to be given is from Jan' 17 to Dec'17. In this case, loading data for Nov'16 and Dec'16 will not be available when file is being processed for grant of STS rates. In such a situation, monthly benchmark shall be fixed for the 10 months from Jan'17 to Oct'17 based upon the methodology mentioned in the circular. For the remaining 2 months of Nov'17 and Dec'17 the concerned Division may be advised to fix the benchmarks as soon as data is available for Nov'16 and Dec'16 duly following the same procedure that was followed for fixing the benchmark for the previous 10 months.

- 2.3. As regard Para 3.1, 3.2, 6.5, etc. of the circular regarding duration of the STS agreement, it is clarified that the duration of the agreement for the STS rates shall be at least one year. However, the STS concession can be given monthly or quarterly or half yearly or yearly.

Illustration: In the above stated illustration, the period of agreement shall be from Jan'17 to Dec'17. The customer can be given monthly STS concession by fixing monthly benchmarks, which means that there shall be 12 monthly benchmarks. In each month, when the benchmark is crossed the customer shall be eligible for STS concession. Further, in this





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illustration the customer can be given monthly STS rates in Jan'17, Feb'17 and March'17 and for the remaining 9 months he can avail 3 quarterly (April-June'17; July-Sep'17; Oct-Dec'17) STS rates or one half yearly (April-Sep'17) and one quarterly STS rates (Oct-Dec'17), if the customer so desires. The idea is that the scheme should be made flexible and attractive to get traffic diverted from road to rail.

- 2.4. Regarding grant of STS rates for retention of traffic as envisaged in Para No.3.4 of Rates Circular No.26 of 2016 it is clarified that for extending STS rate concession for traffic streams that may not cross the benchmark (as defined in this circular), Zonal Railways may frame their own guidelines with the recommendation of COM, CCM, and FA&CAO and approval of General Manager. The usage of Rail Coefficient to assess whether a particular stream be considered for STS concession or not is given only as an illustration in the Para.
3. The term "Normal Freight Rate" used in the illustration of Para-6.6 may be read as "Base Freight Rate".
4. All other details of the Rates Circular under reference will continue to apply unchanged.
5. This issues with the concurrence of Finance Directorate in the Ministry of Railways.



(Mahender Singh)
Deputy Director, Traffic Commercial (Rates)
Railway Board

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Copy for information to:-

FA&CAO's, All Indian Railways.
Dy.C&AG (Rlys.), Room No.222, Rail Bhavan, New Delhi.



For Financial Commissioner (Railways)

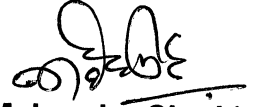
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1. The Chief Commercial Managers, All Indian Railways.
2. The Chief Operations Managers, All Indian Railways.
3. Managing Director, Konkan Railway Corporation, Belapur Bhavan, Sector-11, CBD Belapur, New Mumbai-400614
4. Managing Director, CRIS, Chanakyapuri, New Delhi-23.
5. The Chief Administrative Officer, FOIS, CRIS, Chanakyapuri, New Delhi-23

6. Director General, National Academy of Indian Railways, Vadodara.
7. Director, IRITM, Lucknow
8. GS, IRCA, New Delhi
9. Secretary, RRT, 5, P.V.Cherien Road, Crescent Road, Egmore, Chennai-600105



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