

Government of India
Ministry of Railways
(Railway Board)

No.2007/TC-I/302/1 Pt.E

New Delhi, dt.23.06.2010

Chief Comml. Managers
All Zonal Railways

Sub: System of charging Freight and levying Siding Charge & Shunting Charge

M/s Association of Container Train Operators(ATCOs) has mentioned that at ICDs which are notified for charging freight on through distance basis, neither Siding Charge nor Shunting Charge is being levied whereas at ICDs which are not notified so, Shunting Charge and Siding Charge both are being levied for normal placement and withdrawal of container rakes. They have requested for issue of clarification to Zonal Railways in this regard.

2.0 The matter has been examined and the clarifications are as under:

2.1 System of charging freight

With respect to the traffic pertaining to a siding, there are two system of charging stated as under:-

2.1.1 Charging freight upto the serving station and levying Siding Charge beyond serving station and vice versa

Under this system, freight is charged upto the serving station and Siding Charge is levied from serving station to the siding on the basis of cost for Engine Hour and the average time for a round trip from the serving station to the siding and back. This system is applicable in the case of a siding which is not notified for charging freight on through distance basis. (*reference Para 1805 of Indian Railway Code for Traffic(Comml.) Department*)

2.1.2 Charging freight on through distance basis

Under this system, freight is charged upto the buffer end of the siding. This system is applied to a siding which is notified for charging freight on through distance basis based on the criteria listed below. (*reference Railway Board's letter No.TC-I/87/214/14 dt.21.10.1993*)

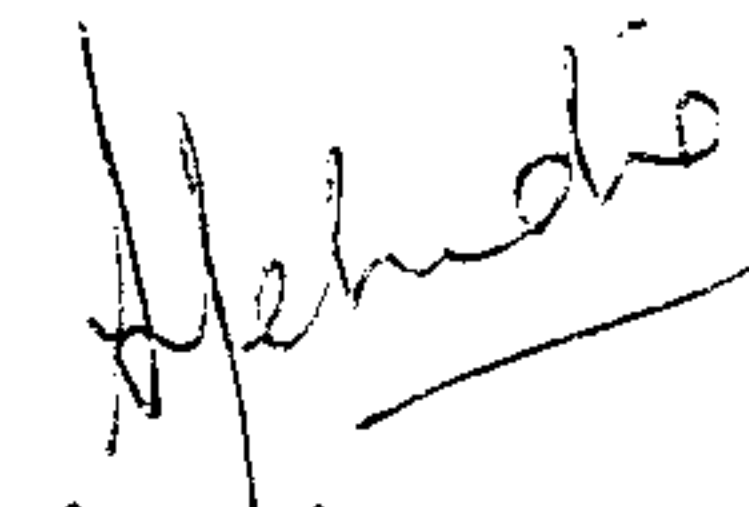
- (i) the traffic should be trainload,
- (ii) traffic should go into the siding directly or indirectly with the engine pulling or pushing,

- (iii) there should be no detention to engines except for change of ends
- (iv) no separate shunting staff is required exclusively for this purpose.

2.2 System of levy of Shunting Charge

- 2.2.1 Shunting Charge is levied for the utilization of Railway locomotive to perform shunting operation at a siding, whether it is notified for charging freight on through distance basis or otherwise. (reference Railway Board's letter No.TC-I/2008/214/1 dt.06.02.2009)
- 2.2.2 Shunting Charge is collected locally and accounted for under distinct head namely 'Shunting Charge'. (reference Para 2512 of Indian Railway Commercial Manual)
- 2.2.3 In the case of siding which is not notified for charging freight on through distance basis and where Siding Charge is collected, if Railway Administration has agreed to shunt wagons/vehicles into and out of the siding premises, Siding Charge will take into account the cost of such shunting operation and no Shunting Charge is leviable separately. (reference Para 2512 of Indian Railway Commercial Manual)
- 2.2.4 As regards levy of Shunting Charge for shunting of brake van is concerned, it is to mention that no Shunting Charge is leviable for shunting of brake van as it is an operational requirement.

3.0 This issues in consultation with Traffic Transportation Directorate and concurrence of Finance Directorate of Ministry of Railways.



(Aashima Mehrotra)

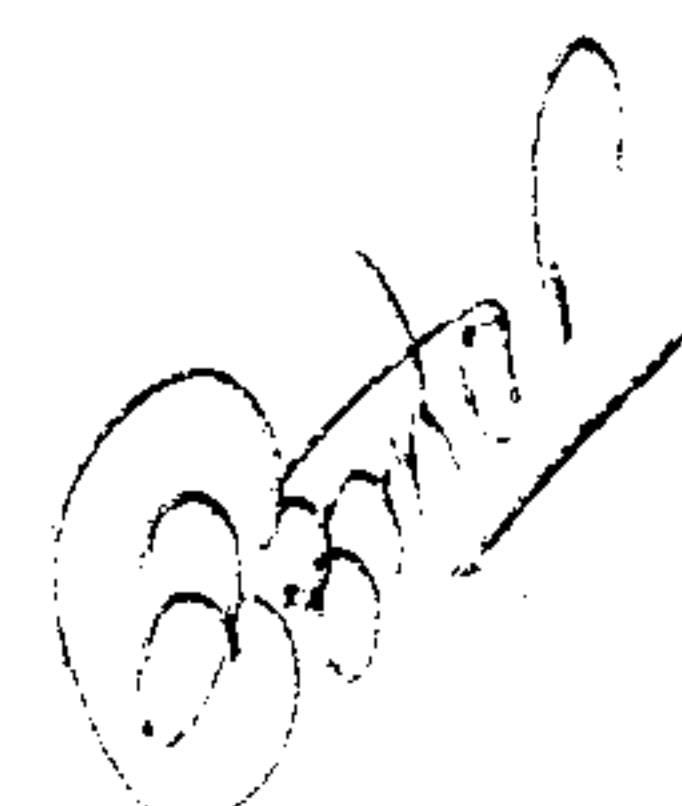
Jt. Director, Traffic Comml.(Rates)
Railway Board

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for Financial Commissioner, Railways