COMPENDIUM

"System of Charging Freight in case of Sidings"

As prescribed vide

Rates Master Circular/Freight on Through Distance Basis/2014/0
Para 1807 of Indian Railway code for Traffic (Commercial) Department
Rates Circular No.57 of 2009
Rates Circular No.14 of 2009

(Note: This is a compendium of extant guidelines on the subject matter. Reference to subsequent Board's circulars/letters have been given with regard to amendments/clarifications and the same be referred to)

SYSTEM OF CHARGING FREIGHT IN CASE OF SIDING

1.0 There are two systems of charging freight with respect to the traffic pertaining to siding, as given below-

(Board's letter No.2007/TC-I/302/1 Pt. E dt.23.06.2010)

(i) Freight upto the serving station and levying Siding Charge beyond serving station and vice-versa

(ii) Freight on Through Distance Basis

2.0 FREIGHT UPTO THE SERVING STATION AND LEVYING SIDING CHARGE BEYOND SERVING STATION AND VICE VERSA

(Para 1807 of Indian Railway code for Traffic (Commercial) Department
Rates Circular No.57 of 2009
Board's letter No.2007/TC-I/302/1PT.E dt.23.06.2010
Board's letter No.TC-I/99/214/11 Pt.I dt.25.01.2012)

2.1 Under this system, Freight is charged upto the serving station and Siding Charge is levied for haulage of wagons between the serving station and the siding.

2.2 Siding Charge is fixed 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 for placement and/or removal of wagons whether loaded or empty. The charges per trip should be arrived at by multiplying the average time taken for the trip by the cost of engine hour, as per the formula given below-

Siding Charge = Average trip time in minutes x (Engine Hour Cost/60)

The resultant of the above formula will be rounded off to the next higher value to arrive at the net Siding Charge. In case 'average trip time' is less than one hour, the Siding Charge will be levied for a minimum of one hour.

2.3 Siding Charge for originating station so fixed should be included in the Invoice alongwith freight instead of being separately collected from the siding holder.

2.4 Guidelines for arriving at the Trip Time

(Board's letter No.TC-I/1089/69/Placement Timings dt.17/19.01.1977)

a) The trip time should be arrived at on the basis of placement trials in respect of each siding.

b) Railway should lay down a starting point for the operation of placement of wagons in the sidings. This should normally be the middle of the goods shed concerned or the middle of the station or a nominated point from where the engine starts to make the round trip to the siding and back.

c) The whole operation is a round trip from the starting point to the termination of the operation at the same point.

d) For purpose of Siding Charge, various functions performed after the engine leaves the centre of the goods shed/station or nominated point constitutes the basis for arriving at the trip time. Any marshalling or sorting out that may be done prior to this, even if it related to the traffic of the customer, should not be legitimately included in the calculation of the trip time.

e) Any unforeseen or extra-ordinary factor that may cause delay as a part of the normal working conditions must be allowed for as a part of the trip time in shunting operations provided it takes place within the round trip from the centre of the goods shed/station/nominated point and back to the same.

f) However, the time occupied on locomotive duties like watering of engine, refueling of engine, change of crew or creation of vacuum should not be included in the trip time. If any mechanical defects have to be repaired, this time should not also be taken into account. (The presumption is that the customer should be given the services of a railway engine in fit condition to do the work of placement and removal i.e. it should be given properly fuelled, watered and in fit condition to work).

g) GDR check is an operational requirement of Railways.
(Board's letter No.TC-I/2021/214/efile (3344078) dt.08.01.2025)

2.5 All India Engine Hour Cost (AIEHC)

AIEHC is notified every year by Railway Board for the recovery of Siding and Shunting Charge. The prevailing cost is mentioned in Rates Circular No.14 of 2024.

3.0 FREIGHT ON THROUGH DISTANCE BASIS

(Rates Master Circular/Freight on Through Distance Basis/2014/0)

3.1 Applicability:

3.1.1 The system of charging freight on through distance basis shall be extended to all block rakes going into the siding directly or indirectly with the engine pulling or pushing, provided (a) there is no detention to engines except for change of ends and (b) no separate shunting staff is required exclusively for this purpose.

3.1.2 The system of charging freight on through distance basis is also permitted in case a rake originate from or terminate in the exchange/peripheral yard provided by the siding holder, subject to fulfillment of criteria (a) & (b) of Para 1.1 above. Railway will notify such sidings/yards as 'independent booking points 'based on the afore-mentioned criteria.

3.1.3 'Block Rake', used herein, is a generic term implying a rake which moves as a train from an originating station to the destination station without any re-marshalling of wagons during the journey except for detaching sick wagons. Block rake will also include a rake loaded from one originating station/point to a combination of two or three destination

points or a rake loaded from a combination of two originating points to a single destination.

3.1.4 So long as a rake originates/terminates from/to an independent booking point, freight charges may be levied on through distance basis irrespective of whether reception/dispatch is done on signals or without signals.

3.1.5 In cases where one or more wagons originally forming a part of a rake charged on through distance basis to independent booking point, get detached and are received at the destination separately in the siding/yard as piecemeal, Siding Charge should not be levied for such wagons.

3.1.6 System of charging freight on through distance is also allowed in following situations:

(a) When empties which are brought to the serving station are dropped at the serving station and the power is used for other work and the empties are subsequently sent into the siding by some other power.
(b) Loads cleared from the siding be one power upto the serving station are stabled at the serving station and the power is used for clearance of some other loads and thereafter another engine comes and clears the stock (brought from the siding) towards destination station.

3.2 Non-applicability:

The system of charging freight on through distance basis is not allowed in following situations:

(a) When inward rake coming on electric power upto the serving station are subsequently taken by diesel power into the siding.
(b) When outward rake moved by diesel power upto the serving station from the siding are subsequently moved by electric power.
(c) In case of piecemeal traffic, which are other than block rakes.

3.3 Calculation of Freight

3.3.1 Freight for a block rake shall be calculated on through distance basis at either trainload or wagonload class rate, as the case may be. Trainload class rate is granted if trainload class rate is notified for the commodity and the governing conditions are fulfilled.

3.3.2 In case of piecemeal traffic to siding notified as independent booking point, the chargeable freight is the freight for distance from/to the serving station plus Siding Charge computed on the basis of average trip time and All India Shunting/Train Engine Hour Cost.

3.4 Methodology for calculation of distance

3.4.1 The distance will be notified without reference to the serving station. However, while calculating the distance, the distance upto the buffer end/farthest point of the siding/exchange yard/peripheral yard should be taken into account.

3.4.2 Where identifiable buffer end is not available, freight charges are to be levied upto the farthest point of the yard/siding.

3.4.3 Chargeable distance would be calculated in terms of Rule 125 of Goods Tariff. However, calculation of chargeable distance from the siding to the take off point or vice versa should be on the basis of actual pattern of movement and not with reference to the serving station concept (refer Illustrations given below). The chargeable distance based on this methodology for such sidings may be notified in the Rates Branch System (RBS) for correct charging of freight. (refer Illustrations at Annexure-A)

3.4.4 In case of Bulb type siding, PCCM in consultation with PCOM, and with concurrence of associate Finance, will decide the point to be treated as 'specified loading/unloading point' duly keeping in view the working pattern of the bulb type siding. These guidelines will be applicable for both EOL and non EOL bulb type sidings, which fulfill the criteria of through distance basis.

(Board's letter No.TC-I/2020/214/efile/1 (3323427) dt.05.04.2022)

3.5 **Accountal of traffic**

Once a siding has been declared as an independent booking point, accountal of both trainload traffic and piecemeal traffic can be done there.

4.0 SHUNTING CHARGE

(Rates Circular No.14 of 2009)

4.1 Shunting Charge is leviable for the utilization of Railway's locomotive to perform shunting operation at a siding, irrespective of the fact whether the siding is notified for charging freight on through distance basis or otherwise.

4.2 Shunting Charge is not calculated on the basis of trip time (Trip time method is applicable only for the levy of Siding Charge). Shunting Charge is levied on the basis of actual shunting time and prevailing 'All India Engine Hour Cost (AIEHC)' for 'Train Engine' or 'Shunting Engine' as the case may be. All India Engine Hour Cost is circulated every year by Railway Board. The prevailing cost is mentioned in Rates Circular No.14 of 2024.

4.3 Definitions of 'Shunting Engine' and 'Train Engine'

(i) Shunting Engine means a railway locomotive specially brought/send for performing shunting operation.
(ii) Train Engine means a railway locomotive attached with inward/outward rake

4.4 Methodology for calculating Shunting Charge in case of Shunting Engine

4.4.1 In case of Shunting Engine, Shunting Charge is calculated for the total time taken by the Shunting Engine from the time of its departure from the serving station to the time it returns back to the serving station after finishing the shunting work.

4.4.2 Wherever one locomotive is required for shunting purpose, then one Shunting Engine should be used and Shunting Charge should be calculated for one Shunting Engine. If

situation warrants for the use of double/multiple Shunting Engines, then double/multiple Shunting Engines will be used and Shunting Charge should be calculated for double/multiple Shunting Engines.

4.5 Methodology for calculating Shunting Charge in case of Train Engine

4.5.1 In sidings where Train Engine is used for shunting on customers' account, Shunting Charge should be calculated for the total time of availability of the Train Engine at the siding from arrival to departure, even if shunting time is less than the total time during which Train Engine is available within the siding.

4.5.2 If a rake is hauled by double/multiple locos of inward train and Train Engine is to be utilized for Shunting purpose, railway should make active use of one Train Engine only and Shunting Charge should be calculated for one Train Engine only. However, if situation warrants use of double/multiple Train Engines then double/multiple Train Engines will be utilized and shunting Charge should be calculated for double/multiple Train Engines.

4.6 For the purpose of calculation, the Shunting time would be rounded off at the end of 10-day period and bill shall be preferred accordingly.

4.7 Shunting Charge is collected locally and accounted for under distinct head namely 'Shunting Charge'.

(Board's letter No.2007/TC-I/302/1 Pt.E dt.23.06.2010)

4.8 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.

(Board's letter No.2007/TC-I/302/1 Pt.E dt.23.06.2010)
(Para 2512 of Indian Railway Commercial Manual)

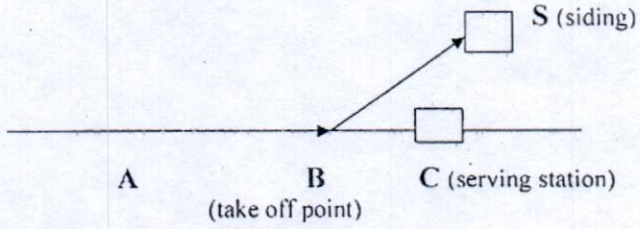
4.9 As regards levy of Shunting Charge for shunting of brake van is concerned, it is to mention that no Shunting Charge is leviable for shunting of brake van as it is an operational requirement.

(Board's letter No.2007/TC-I/302/1 Pt.E dt.23.06.2010)

4.10 As per G&SR, 'Shunting' means movement of a vehicle or vehicles with or without an engine or of any engine or any other self-propelled vehicle, for the purpose of attaching, detaching or transfer or for any other purpose. Under this ambit of this definition, use of locomotive for movement of rake under silo for loading is Shunting activity, In case of non-EOL siding, responsibility of Railway is to place the rake in the siding and withdraw the rake from the siding after it gets released. Therefore, in such siding, if Railway locomotive is being used for movement of the rake for facilitating silo loading, it may be treated as shunting activity and Shunting Charge should be realized from the siding owner.

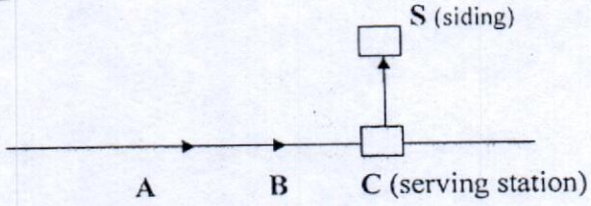
(Board's letter No.TC-I/2021/214/efile (3344078/3336694) dt.03.01.2024)

Illustration No.1



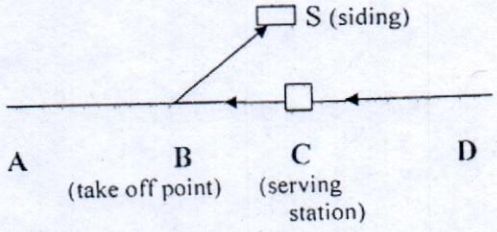
In this case traffic is coming from side A which is a local or junction station. C is the serving station and the B is the take off point lying between A and C. Traffic goes to the siding S without being dealt with at serving station C. In this case, the chargeable distance will be equal to distance upto A plus distances from A to B and from B to S. Distance upto A may be calculated from junction/local distance table and from A to B & B to S may be calculated in consultation with Civil Engineering Department.

Illustration No.2



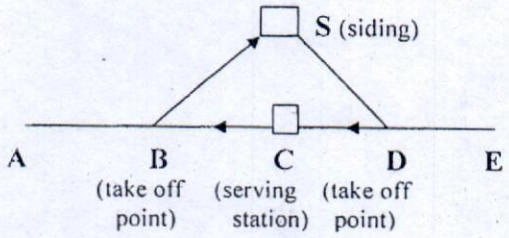
In this case, traffic coming from side A and goes to siding S via the serving station C without being dealt at C. In this case, chargeable distance will be equal to distance upto serving station plus distance from station C to siding S.

Illustration No.3



The traffic coming from side D which is a junction station passes through serving station C and goes to siding via B, the take off point. The chargeable distance will be equal to distance upto C plus distances from C to B and from B to siding S.

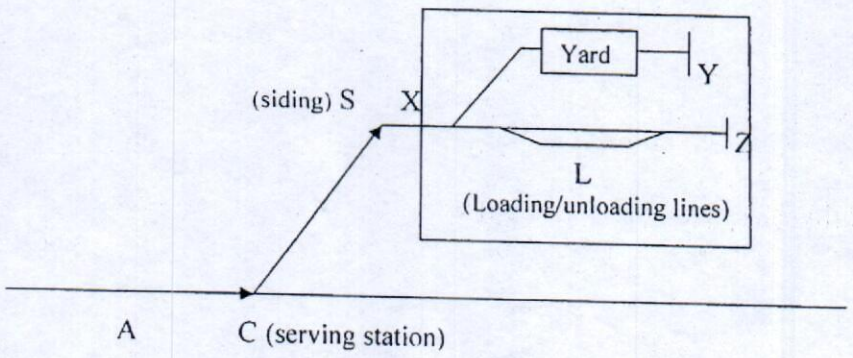
Illustration No.4



In this case, traffic is coming from station E and B & D are two take off points on both side of the serving station C. However, if due to some problem in DS route for which siding owner is responsible, the traffic goes via C and B to siding S, the chargeable distance will be equal to distance upto E plus distances from E to C, C to B and B to S. However, if the route DS is closed due to Railway's problem, the chargeable distance will be equal to distance upto E plus distances from E to D and D to siding S.

Illustration No.5

Case: If a rake cannot be placed directly on loading/unloading lines due to restrictions in movement of loco in sidings (for instance, those dealing with POL and container traffic) and the rake is moved to a yard first and then after engine reversal, the rake is pulled back for placement in the siding.



L denotes loading/unloading lines, Y is the buffer end of yard, X is common entry point for both yard & loading/unloading lines and Z is buffer end of siding.

In this case, traffic is coming from side A and goes to siding S via serving station C without being dealt with at C. As the rake cannot be placed directly on loading/unloading lines, the rake coming from serving station is taken to the yard first, then engine is reversed and pulled beyond entry point for placement on loading/unloading lines. Here, the rake had to travel extra distance from the entry point to the yard and back. Here, the chargeable distance will be equal to distance upto serving station C plus distances from C to X and X to Z plus twice the distance between X and Y.