

## Details of Freight Policy Measures

To promote economic activities in the country during covid pandemic, Indian Railways has taken a number of freight policy measures. More relaxations have been provided to the customers by slew of incentives announced by Indian Railways. These incentives are expected to boost the economy of the country. Details of the initiatives duly referring circular/policy letter are given below. For details of the initiatives, customers may visit the Traffic Commercial Directorate of at Indian Railways website ([www.indianrailways.gov.in](http://www.indianrailways.gov.in)). Customers may get in touch with Sr. Divisional Commercial Manager at division level or Chief Commercial Manager(FM) at zonal railway level for any freight traffic related query. Customers may also visit the website of FOIS ([www.fois.indianrail.gov.in](http://www.fois.indianrail.gov.in)) to know more about freight traffic and policies.

### **A. FREIGHT INCENTIVE SCHEMES:**

- i) **Automatic Freight Rebate Scheme for traffic loaded in Traditional Empty Flow Directions (TEFD)** under which discounted freight is charged at Class LR1/Class 100/Class 110 for train load/wagon load respectively), if traffic is booked in notified empty flow directions. Discount is granted through system. Terms & conditions as per the circular apply  
  
*(Rates Circular No. 8 of 2020 and its corrigendum No.1 dt.30.06.2020)*
- ii) **Long Term Traffic Contract (LTTC)** is a policy which provides freight stability to its customer in the current year of the agreement alongwith the rebate in freight based on incremental growth in Gross Freight Revenue GFR). Rebate is also available for retention of GFR in each year of the agreement period.  
  
*(Rates Circular No.14 of 2017)*
- iii) **Busy Season Charge** which was levied during busy season @15% on all goods traffic has been withdrawn from 01.10.2019 for all traffic; except Iron Ore and POL traffic.  
  
*(Corrigendum No.1 dt.12.09.2019 to Rates Master Circular/Dynamic Pricing Policy/2015/0)*
- iv) **Round Trip Tariff (RTT)** policy has been implemented from 01.07.2020. Discount is granted to traffic if booked in the return direction, by way of charging the return traffic at lower of the two classes.  
  
*(Rates Circular No.11 of 2020)*
- v) **Incentive to fly ash:** 40% discount in freight is granted to fly ash traffic booked in bagged condition or in bulk/loose condition when loaded in Open Stock. If it is loaded in bagged condition, then flat wagons are also granted 40% concession; and Covered wagons are charged at Class LR1.  
  
*(Rates Circular No.09 of 2020 and its corrigendum No.1 dt.03.08.2020)*

vi) **Short lead concession** has been re-introduced from 01.07.2020 under which discount in freight at the rate of 50%, 25% and 10% is granted to the traffic booked upto 0-50KM, 51-75KM and 76-90 KM respectively except Coal & Coke and Iron ore traffic. **Further, Zonal Railways have been empowered to get into long term contracts with customers for short lead traffic.**

*(Rates Circular No.16 of 2020 and its corrigendum No.1 dt.05.08.2020)*

vii) **Concession on long lead traffic** has been introduced from 01.07.2020 for Coal & Coke, Iron ore and Iron & Steel traffic under which discount in freight is granted; 20% to Coal & Coke for distance >1400KM, 20% to Iron & Steel for distance >1600KM; and 15% for distance >700KM and 20% for distance >1500 Km for Iron ore.

*(Rates Circular No.15 of 2020)*

viii) **Free time relaxation for covered wagons:** Zonal Railways are empowered to relax the free time upto double of normal free time and/or non levy of demurrage/wharfage in case of covered stock during lean season i.e. upto 30.09.2020.

*(Board's letter No.TC-I/2019/201/6 dt.27.07.2020)*

ix) **Permission to accept road weighbridge weighment** to certain goods sheds of SCR for loading of Granite- all documents and data to be captured in TMS.

*(Board's letter No.TC-I/2020/109/SCR/Granite dt.30.07.2020)*

x) **Terminal Access Charge Concession @50%** has been granted on container traffic handled at Group-III CRTs.

*(Corrigendum No.37 dt.14.07.2020 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

xi) **5% concession on loaded containers** has been permitted with effect from 04.08.2020 to 30.04.2021

*(Corrigendum No.7 dt.03.08.2020 of Rates Circular No.20 of 2018)*

xii) **Stabling charges for container traffic** are not being levied from 18.05.2020 to 31.10.2020.

*(Board's letter No.TC-I/2019/201/6 dt.03.08.2020)*

xiii) **25% concession on empty containers and wagons** has been given till 30.04.2021.

*(Corrigendum No.6 dt.01.05.2020 to Rates Circular No.20 of 2018)*

- xiv) **Non-levy of Terminal charges at unloading point** for the traffic booked to and from notified alternate goods shed instead of busy goods shed. Terminal charge is otherwise levied at Rs.20 per tonne for goods sheds and PFTs.

*(Rates Circular No.14 of 2020)*

- xv) **Permissible Carrying Capacity** for loading of Pet Coke in Open wagons have been reduced, thereby, reducing the chargeable tonnage per wagon.

*(Corrigendum No.2 dt.25.06.2020 and Corrigendum No.4 dt.03.08.2020 to Rates Master Circular/PCC/CC+8 etc/2020/0)*

- xvi) **Inventive Scheme for loading of Bagged consignment in open and flat wagons** – Rebate of 20% on cement, china clay, chemical manure, food grain etc.; and rebate of 30% on fly ash, urea. Besides large size bags upto 2.5 tons have been permitted on open wagons.

*(Rates Circular No.27 of 2016 and its corrigendum No.3 dt.03.10.2019)*

## **B. TRANSPORTATION PRODUCT**

Indian Railway has encouraged full rake load traffic so as to promote efficiency of operations and economy of scale. Standard composition of various type of wagons is laid down in RMC/2020 for block rake/mini rake/two point rake etc. However, certain transportation products have been designed for use of less than full train load traffic, which largely permit booking of piecemeal traffic at trainload rates subject to certain terms and conditions. Details of which are also laid down in aforementioned circular.

Recent relaxations granted in conditions governing these transportation products are as below:

- i) **Minimum number of wagons for availing trainload benefit** for BCNHL has been reduced from 58 wagons to 42 wagons w.e.f. 16.04.2020 till 30.09.2020.

*(Corrigendum No.30 dt.15.04.2020 and Corrigendum No.31 dt.19.05.2020 to Rates Master Circular/2016 on block rakes/mini rakes/two point combination etc.)*

- ii) **Supplementary charge** which was levied @5% on Mini Rake and Two point rake has been withdrawn from 01.10.2019.

*(Corrigendum No.22 dt.12.09.2019 and Corrigendum No.24 dt.20.09.2019 to Rates Master Circular/2016 dated 14.07.2016 on block rakes/mini rakes/two point combination etc.)*

- iii) **Distance for operation of Mini Rake (20 wagons)** has been increased to 1500 KM.

*(Corrigendum No.30 dt.15.04.2020 to Rates Master Circular/2016 dated 14.07.2016 on block rakes/mini rakes/two point combination etc.)*

- iv) **The distance between two point/multi point rake operation** has been increased to 500 KM.

*(Corrigendum No.30 dt.15.04.2020 to Rates Master Circular/2016 dated 14.07.2016 on block rakes/mini rakes/two point combination etc.)*

- (v) **Two-point booking of automobile traffic** has been permitted in NMG, BCCNR and BCABM wagons.

*(Rates Circular No.19 of 2020)*

### **C. EASE OF DOING BUSINESS**

- i) **Registration of demand for wagons electronically (e-RD)** has been implemented to provide electronic demand note facility through FOIS website wherein, customer can register their demand for wagons electronically. This facility has been extended to Container traffic, Freight Forwarders, Iron & Steel, Iron Ore, Salt and Granite traffic.

*(Rates Master Circular/e-RD/2019/0 and its addendum dt.03.04.2020)*

- ii) **Electronic Transmission of Railway Receipt (eT-RR)** has been launched to provide paperless transaction system where Railway Receipt is generated and transmitted electronically to customer through FOIS, and even delivery of goods is given through e-surrender of eT-RR. This facility has been extended to container traffic, Freight Forwarders, Iron & Steel, Iron Ore, Salt and Granite traffic.

*(Rates Master Circular/eT-RR/2019/0 and its addendum dt.03.04.2020)*

- iii) **Terminal Management System (TMS)** provides system based preparation of Railway Receipt for freight traffic. Two new features have been added to promote digital working (a) Preparation and submission of online goods balance sheet and (b) System generated Money Receipt for ancillary charges e.g. Demurrage, Wharfage etc.

*(Board's letters No.TC-I/2016/201/5 Pt. dt.29.11.2019 & dt.31.01.2020)*

- iv) **Online interface to Freight Customers** through Freight Operation Information system(FOIS) to provide all requisite information e.g. freight class and rate; position of indent/demand for each station; outstanding indents, shortest/popular routes, terminal handling facilities; freight calculator; facility to track and trace rakes

- v) **E-Drishti updation for goods sheds-** Zonal Railways have been directed that details of facilities at all goods sheds and recent photographs (including night photographs for lighting levels) be uploaded on E-Drishti portal.

*(Board's letter No.TC-I/2019/304/7 dt.20.03.2020)*

- vi) **Electronic payment system** enables collection of freight charges directly from customer's bank account. In recent past, Automobile Freight Train Operators (AFTOs) have been allowed single agreement e-payment facility with base terminal Railway.

*(Rates Master Circular/E-Payment/2019/0)*

- vii) **Freight Advance Scheme** offers Tariff certainty in lieu of freight advance. Under this scheme, Railway shall accord priority in allocation of rakes within same class to freight customers who have signed agreement. The scheme is open to customers who are e-payment customers for freight payment and have given minimum annual freight revenue of ₹ 500 crore as freight payee in previous calendar year.

*(Rates Circular No.1 of 2020)*

#### **D. CUSTOMER-FRIENDLY RATIONALIZATION OF WEIGHMENT POLICY**

Following policy measures have been taken to lower operational time and improve fluidity-

- a) In case of variation between two weighment results of a rake, the **weight of second weighment will be the chargeable weight and not the higher of the two.**

*(Para 2.2 of Rates Master Circular/Weighment/2019/0)*

- b) On detection of overloading in a rake, if load adjustment is not feasible at originating point, then it may be permitted at nearby location and transit time from weighment point to load adjustment point for levy of **Detention Charge has been capped to maximum of two hours** plus actual duration of load adjustment.

*(Para 4.3(iii) of Rates Master Circular/Weighment/2019/0)*

- c) **DRMs vested with full powers** to permit loading if a weighbridge gets out of order for three months.

*(Para 2.8 of Rates Master Circular/Provision of Weighbridge/2019/0)*

- d) Zonal Railways empowered to permit installation of **Preweighbin or Weightometer** for weighment of goods traffic in private sidings.

*(Para 5.0 of Rates Master Circular/Provision of Weighbridge/2019/0)*

- e) **Exemption from mandatory weighment** in case of loading of Standard Bags of uniform size in container, Low density commodities like Pet Coke, Met Coke, Chuni and De-oiled cake.

*(Para 3.0 of Rates Master Circular/Weighment/2019/0)*

- f) **Exemption from mandatory weighment** in case of import containerized traffic to eight container operators (CONCOR, GRFL, DLI, Adani, ICT&IPL, HTPL, IILPL and PMLPPL) on

the basis of transmission of SMTP details from Custom server to FOIS via EDI. Further, Nepal bound containerized import traffic has also been exempted from mandatory weighment from 02.09.2019 on the basis of Custom document submitted by CONCOR.

*(Para 3.3 of Rates Master Circular/Weighment/2019/0 and its addendum dt.02.09.2019)*

- g) **Permission to accept road weighbridge weighment** to certain goods sheds of SCR for loading of Granite- all documents and data to be captured in TMS.

*(Board's letter No.TC-I/2020/109/SCR/Granite dt.30.07.2020)*

- h) GMs given the target for **integration of all weighbridges** with FOIS by 22.08.2020.

*(Board's letter No.TC-I/2019/108/1 dt.27.07.2020)*

## **E. ENCOURAGING CONTAINER TRAFFIC**

### RELAXATION IN HAULAGE CHARGE

- i. To promote containerizations following measures have been taken, ninety additional commodities have been de-notified and brought under Haulage Charge per TEU rates. Out of 641 commodities notified in goods tariff, 507 commodities are allowed to move in containers at FAK and 38 commodities at Container Class Rate (by applying 15% concession on applicable class rate).

*(Corrigendum No.24 dt.13.05.2019, Corrigendum No.25 dt.31.05.2019 & Corrigendum No.28 dt. 22.07.2019 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- ii. **Chemical Gypsum, a restricted commodity, has been allowed** to move in containers at CCR, valid upto 20.10.2020.

*(Corrigendum No.32 dt.17.04.2020 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- iii. **Charging Kota Stone and Toluene at Haulage Charge per TEU rates extended** till further advice.

*(Corrigendum No.33 dt.20.04.2020 & Corrigendum No.36 dt.13.07.2020 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- iv. Charging of **CR Coils by applying 20% concession** on applicable class rate extended till further advice.

*(Corrigendum No.34 dt.30.04.2020 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- v. **Round trip based charging** implemented to provide an economical and reliable alternative for ultra short lead (upto 50Kms) container traffic which are moving at Haulage Charge per TEU rates, valid upto 14.09.2020.

*(Corrigendum No.30 dt.06.09.2020 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- vi. New delivery model of **Double Stack Dwarf Container** to be charged by applying 17% concession on Haulage Charge per TEU rate extended upto 31.03.2021.

*(Corrigendum to Rates Circular No.22 of 2017 dt.03.03.2020)*

- vii. An innovative business decision for **movement of empty containers and empty flat wagon** for private container rakes at a **discount of 25%**, valid upto 30.04.2021.

*(Corrigendum No.6 to Rates Circular No.20 of 2018 dt.01.05.2020)*

- viii. **Discount of 5% Haulage Charge per TEU rates on loaded containers** from 04.08.2020 to 30.04.2021.

*(Corrigendum 07 to Rates Circular No.20 of 2018 03.08.2020)*

### **LIBERALIZATION IN USAGE OF RAILWAY OWNED TERMINALS**

- i. Policy for operation of container trains in railway terminals by notifying as **Container Rail Terminal (CRT) extended upto 31.03.2021.**

*(Rates Circular No.06 of 2019)*

- ii. Methodology for levying of **Terminal Access Charge from 1.5 times to one time** for double operation (i.e. unloading followed by loading) extended till further advice.

*(Corrigendum No.27 dt.08.07.2019 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- iii. Rate of **Terminal Access Charge reduced in case of Group-III CRT to be levied @ 50%** of the base rate.

*(Corrigendum No.37 dt.14.07.2020 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- iv. Benefit of **night incentive at par with goods traffic extended to container traffic** handled at CRT.

*(Corrigendum No.26 dt.26.06.2019 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- v. Railways are empowered to permit **advance Stacking permission at Group-III CRTs** for 24 hrs free of charge and, thereafter, on levy of charge @ 20% of prevailing rate of Ground Usage Charge upto five days only. These guidelines are valid from 09.03.2020 upto 08.03.2021.

*(Corrigendum No.31 dt.09.03.2020 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- vi. Liberalization in the guidelines for **permitting lift on lift off at Group-I and II CRTs** by removing the condition of seven rakes per handling line per month, valid upto 17.12.2020.

*(Corrigendum No.35 dt.17.06.2020 to Rates Master Circular/CRT-CCR-Hub&Spoke/2015/0)*

- vii. Stabling Charge on container traffic not to be levied on container traffic during 18.05.2020 to 31.10.2020.

*(Board's letter No.TC-I/2019/201/6 dt.03.08.2020)*

#### **F. MEASURES TAKEN IN VIEW OF COVID PANDEMIC**

Exemption from levy of ancillary charges namely Demurrage, Wharfage, Stacking, Stabling, Detention and Ground Usage charges since 22.03.2020 up to 17.05.2020. Post which, these charges were levied with relaxation by doubling the applicable free time for loading/unloading up to 31.05.2020. Further, Railways continue to exercise their powers for waiver of these charges as per prevailing local conditions. In order to provide the relief to customers loading goods traffic in case of covered stock, Railways are empowered to relax the free time upto double of normal free time and/or non levy of demurrage/wharfage during lean season i.e. upto 30.09.2020.

*(Board's letters No.TC-I/2019/201/2 dt.15.05.2020 and No.TC-I/2019/201/6 dt.27.07.2020)*