Important Initiatives for Freight Customers

(Indicating Initiatives taken during April-May 2025)

Ministry of Railways has taken a number of freight policy measures to promote movement of goods traffic through railways. List of initiatives duly referring policy circular are given below. For full details of the initiatives, customers may visit the webpage of <u>Traffic Commercial</u> <u>Directorate</u> on <u>Indian Railway's website</u>.

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 (<u>www.fois.indianrail.gov.in</u>) to know more about freight traffic and policies. They can get all requisite information e.g. freight class and rate for all commodities; position of indent/demand for each station; outstanding indents, shortest/popular routes, terminal handling facilities and freight calculator. Customers can track and trace their rakes while logging their accounts in FOIS.

TARIFF MEASURES

1.0 EDELCHT INCENTIVE SCHEME

1.0	FREIGHT INCENTIVE SCHEME
	With a view to offer a competitive Freight Rates to customers and, thereby, attracting
	more traffic to rail, a number of Freight Incentive Schemes have been launched by
	Indian Railways namely Liberalized Automatic Freight Rebate Scheme for traffic loaded
	in Traditional Empty Flow direction (TEFD), Merry Go Round (MGR), Concession on
	short lead traffic, Station to Station (STS) rates, etc.
	short fead traffic, Station to Station (STS) faces, etc.
	TEFD provides automatic rebate from the computerized FOIS system shall become available to customers offering traffic in inter-zonal/intra-zonal traditional empty flow direction subject to fulfillment of certain terms and conditions stipulated in this policy (<i>refer <u>Rates Circular No.9 of 2024</u> and amendments thereto</i>). Under MGR, concession is granted on movement of coal traffic in closed circuit (<i>Rates Circular No.7 of 2016 and amendments thereto</i>). Under Short lead concession, graded concession is granted on movement of traffic upto 100 Kms (<i>Rates Circular No.20 of 2016 and amendments thereto</i>). Under STS, concession is granted on incremental traffic over benchmark NTKM(<i>Rates Circular No.15 of 2022 and amendments thereto</i>)
	Link of the Policy Circulars:
	Freight Incentive Schemes
	Initiatives taken during April, 2025
	Guidelines regarding Operation of Merry Go Round(MGR) system have been extended
	for a period of one year i.e. upto 30.04.2025
	(Rates Circular No.07 of 2025)
	Initiatives taken during May, 2025
	Certain traditional empty flow streams originating from Western Railway for Flat &

Mixed steel rakes have been included for availing the benefit of Liberalized Automatic Freight Rebate Scheme.

(Corrigendum No.04 to Rates Circular No.09 of 2024)

2.0 TRANSPORTATION PRODUCT

Full rake movement is beneficial for Railways as well as Customers. Trainload Rate Benefit is offered to customer for full rake movement. This rate is more or less 10% lower than the rate applicable to piecemeal/less than full rake movement. Guidelines have been prescribed for different transportation products such as Block Rake, Mini Rake, Two Point/Multi Point combinations, Cargo Aggregator Transportation Product.

Block Rake is train carrying notified number of wagons for a single destination. Mini Rake is a short rake composed of lesser number of wagons than specified for a block rake. Two/Multi-point rakes are trains carrying wagons destined to two or more than two destinations respectively. Cargo Transportation Product facilitates cargo aggregation and expands the commodity basked of IR.

Link of the Policy Circulars:

Policy Guidelines-Transportation Products:Block Rakes/Mini Rakes/Two Point Combinations etc. Rates Circular No.3 of 2024

3.0 CLASSIFICATION OF COMMODITY

Classification of commodity for the purpose of charging freight is one of important characteristics of freight policy. Though cost of transportation of a commodity by rail is more or less same, but IR is charging different commodities differently based on transportation characteristics of different commodities like loadability, value of commodity, whether raw or finished, essential commodities, etc. 'What the commodity can bear' is one of the most important criteria for fixation of freight rates for traffic. Based on these factors, different commodities have been classified differently for the charging purpose. Presently, commodities have been classified in 19 different classes.

Link of the Policy Circulars:

<u>Goods Tariff No.49 Part I (Vol.II) & Part-II</u> <u>Freight Rate Circulars</u>

4.0	PERMISSIBLE CARRYING CAPACITY OF WAGONS
	All wagons in which goods are transported have been designed for specific carrying
	capacity. For optimum utilization of the earning capacity of wagons, the chargeable
	weight of wagons has been fixed as Permissible Carrying Capacity (PCC) of wagons.
	The PCC has been fixed for different routes based on permissible axle load for these
	routes and wagons both. For certain commodities like light weight commodities, PCC of
	specific wagons have been fixed lower than the normal PCC based on loadability trial.
	Link of the Policy Circulars :
	Permissible Carrying Capacity.

Initiatives taken during April, 2025
One additional route namely Hosapete Jn Vyasa Colony Jn Swamihalli have been
included for running of 25 Tonne Axle Load wagons at 45Kmph.
(Corrigendum No.133 to Rates Master Circular/PCC/CC+8 etc./2020/0)
Addition of one route namely Bandel Jn Katwa (DN line) over ER to the list of
already identified CC+8 routes subject to prescribed speed limit.
(Corrigendum No.134 to Rates Master Circular/PCC/CC+8 etc./2020/0)
Initiatives taken during May, 2025
One additional route namely Hosapete Jn Tornagally (DN line) have been included for
running of 25 Tonne Axle Load wagons at 45Kmph.
(Corrigendum No.135 to Rates Master Circular/PCC/CC+8 etc./2020/0)

5.0 DYNAMIC PRICING POLICY

Keeping in view the demand pattern of traffic during various seasons, routes etc. and also to compensate the extra effort made by Indian Railways for smooth transportation of commodities, IR has adopted Dynamic Pricing Policy in freight segments. It is known as Demand Management Charges and varies according to season, routes, economic activities etc. Demand Management Charges include Busy Season Charge, Congestion Charge, Development charge, Supplementary Charge etc.

Link of the Policy Circulars:

Dynamic Pricing Policy - Levy of Busy Season Charge, Development Surcharge and Congestion Charge.

6.0 **ROLL ON ROLL OFF (RORO)**

RORO is a service model undertaken by IR where loaded/empty trucks similar to container/automobile traffic drive in and off the bogies for transportation of various commodities by rail allowing door to door acceptance and delivery of goods, besides reducing congestion on road. This service is allowed as to &fro service. RORO has been notified as a commodity in Goods Tariff. All ancillary charges/sub charges/cess is applicable. Free time of three hours has been permitted for loading/unloading. Customer has to ensure safety during transportation.

Link of the Policy Circulars:

<u>Rates Circular 17 of 2022</u> <u>Rates Circulars and Letters on RO RO policy</u>

7.0 DEDICATED FREIGHT CORRIDOR (DFC)

DFCCIL has been granted the status of Railway Administration. The commercial rules of Indian Railway will be applicable on DFCCIL mutatis mutandis like a Zonal Railway till Indian Railway is the sole operator. Guidelines have been issued for concession/quote special rates for Intra-DFCCIL traffic to capture new freight segment, waiver of Demurrage/Wharfage, RORO movement, etc.

Link of the Policy Circulars:

Rates Branch Policies on DFCCIL issues

8.0 CONTAINER TRAFFIC

To promote containerization, private container operators have been permitted to handle their rakes at railway owned terminals, by notifying as Container Rail Terminal(CRT), on payment of Terminal Access Charge. Guidelines are laid down for free time, stacking, Detention Charge, Ground Usage Charge and waiver thereof.

Haulage Charge is levied for transportation of containers in privately owned wagons by rail. There are two types of rates - Haulage Charge per TEU (FAK) and Container Class Rate (CCR). CCR is applicable in case of few Notified Commodities and FAK is applicable for all other commodities. Further, guidelines have also been prescribed for Haulage Charge on telescopic basis under Hub & Spoke system of movement. Several new initiatives have been taken to promote container business viz. Haulage Charge for cube containers, Haulage Charge for Double Stack Dwarf container, Round Trip based charging in case of ultra short lead, etc.

Link of the Policy Circulars:

Guide lines regarding Container Rail Terminal (CRT), Container Class Rate (CCR) and Hub & Spoke system of charging.

Compendium_CRT-Haulage Charge-Hub&Spoke_December 2024

9.0 SYSTEM OF CHARGING FREIGHT IN CASE OF SIDING

In case of sidings, there are two methods for charging freight - (i) Freight upto the serving station plus Siding Charge (for movement between serving station and siding) and (ii) Freight on through distance basis.

Siding Charge

Siding Charge is worked out on the basis of Engine Hour Cost and average trip time for movement of wagons/rake between serving station and siding. Engine Hour Cost is notified by Board on yearly basis for Diesel and Electric Locomotive.

Freight on Through Distance basis

This method is applicable in case of block rakes going into the siding directly or indirectly with the engine pulling or pushing, provided there is no detention to engines except for change of ends and no separate shunting staff is required exclusively for this purpose. Under this system, Freight is levied upto the buffer end of the siding/yard.

Shunting Charge

When railway locomotive is utilized to perform shunting operation in a siding, Shunting Charge is levied, irrespective of the fact whether siding is notified on through distance basis or otherwise. This charge is levied on the basis of actual shunting time and Engine Hour Cost.

Link of the Policy Circulars:

Freight on through distance basis; Siding Charge; Shunting Charge

<u>Compendium_System of Charging Freight in case of Sidings_Jan 2025</u>

 10.0
 PORT CHARGES

 Rates for Haulage Charge and Siding Charge have been revised for different types of ports.

 Rates Circular No.20 of 2019

Rates Circular No.20 of 2019 Rates Circular No.18 of 2024

NON TARIFF MEASURES

11.0 REGISTRATION OF INDENT FOR WAGONS, WAGON REGISTRATION FEE, PREMIUM INDENT SCHEME

Customer can register demand for wagons on payment of Wagon Registration Fee (WRF). Certain traffic are exempted from WRF e.g. Premier Customer (viz. Platinum, Gold, Silver card holders) Container Traffic, Military Traffic. Zonal Railways, after due notice, can make temporary local variations in any of the rules as they consider fit, to meet any exceptional circumstances or to prevent misuse. Premium Indent Scheme provides the facility of supply of wagons on indicated date by the customer on collection of Premium Charge.

Link of the Policy Circulars:

<u>Chapter-II of Goods Tariff , Part-I, Vol-I</u> <u>Premium Indent Scheme</u> <u>Registration of Demand for wagons electronically (e-RD) through FOIS web portal;</u> <u>Premium Indent Scheme.</u>

Initiatives taken during May, 2025

Guidelines regarding registration of indent, allotment and supply of wagons have been issued wherein Zonal Railways have been advised to take measures to restrict the number of indents.

(Board's letter No.TC-I/2025/101/efile/1 (3484782) dt.16.05.2025)

12.0 PROVISION OF WEIGHBRIDGE

All loading points are to be covered with weighbridges. Zonal Railways notify associate weighbridge and alternate associate weighbridge for each loading points. Weighbridges are linked with FOIS for transmission of weighment details from weighbridge to FOIS. Guidelines are also prescribed for installation of weighbridges by private parties and for provision of Pre-weighbin/Weightometer and Static Weighbridge with silo system at private sidings.

Link of the Policy Circulars:

Guidelines regarding provision, installation and functioning of weighbridges.

Compendium_Provision of Weighbridge_December 2024

13.0	WEIGHMENT OF WAGONS & PUNITIVE CHARGE FOR OVERLOADING
	Weighment is done for levy of Freight and also to check overloading in wagons. Few
	commodities (namely Standard Bags, HR/CR coil/sheet; low density commodities e.g.
	Pet Coke, Met Coke, Nut coke, Chuni, de-oiled cake; containerized import traffic, empty
	container traffic, Nepal bound traffic, Automobile wagons carrying motor vehicles) are
	exempted from mandatory weighment on fulfillment of prescribed conditions. In case of
	overloading, guidelines are prescribed for load adjustment of overloaded wagons and
	levy of Punitive Charge.
	Link of the Policy Circulars:
	Weighment of wagons/rake, exemption from weighment, procedure to deal with
	overloaded wagon(s) and levy of Detention Charge etc.
	Compandium Weichmant BunitiveChange December 2024
	<u>Compendium_Weighment_PunitiveCharge_December 2024</u>
	Initiatives taken during April, 2025
	Guidelines for dispensation from weighment in case of container rake loaded with empty
	containers have been extended for a period of one year i.e. upto 14.04.2026
	containers have been extended for a period of one year her apto 1 1.01.2020

(Corrigendum No.14 of Rates Master Circular/Weighment/2019/0)

14.0	FREE TIME, DEMURRAGE, STABLING, WHARFAGE, STACKING AND
	WAIVER
	For loading/unloading wagons, IR has laid down permissible free time for
	loading/unloading for different types of railway wagons (viz. Open, Hopper, Flat,
	Covered, Tank wagons) at different types of terminals (viz. Goods Sheds, Sidings, Steel
	plants and Engine-on-Load terminals). Free times are prescribed for removal of
	consignment from railway premises and also for stacking of consignment at railway
	premises. Guidelines are laid down for levy of Demurrage (for detention of railway

wagons); Wharfage (for detention of consignment at railway premises) and Stabling Charge (for detention of privately owned wagons). To facilitate freight customers, guidelines are also stipulated for waiver of Demurrage, Wharfage, Stacking&Stabling Charges.

Link of the Policy Circulars:

Free time, Demurrage, Stabling, Wharfage, Stacking, Waiver and Write-off.

Compendium_Demurrage Wharfage Waiver_December 2024

Initiatives taken during May, 2025
Rate of Stabling Charge has been revised from ₹650/- to ₹700/- per wagon per day or
part of a day in case of all privately owned wagons, for a period of one year valid from
01.05.2025.
(Corrigendum No.57 of Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0)

15.0	GOODS SHED
	Alternate Goods Shed
	To incentivize utilization of alternate goods shed in the vicinity of busy goods shed, guidelines have been laid down for non levy of Terminal Charge for handling traffic at alternate goods sheds. Zonal Railways are empowered to notify alternate goods sheds.
	Link of the Policy Circulars:
	Rates Circular No.14 of 2020
	Instructions regarding Goods Sheds
	Facilities to labour working at Goods Shed
	Railways provide the facility of drinking water, toilets and resting facilities at goods sheds. In addition to this, raised taps for bathing purpose are considered for provision by Zonal Railways on case to case basis depending on local requirements as a gesture of general welfare.
	The work of loading/unloading of wagons at Goods Sheds is organized by the consignor(s)/consignee(s) and not by the Railway. As labour is engaged by the freight customer, therefore, Railway is not accountable for their service condition and other measures e.g. I-card, medical facility, railway pass, minimum wages etc. Indian Railway does not recognize any union in this regard.
	Link of the Policy Circulars:
	Instructions regarding Goods Sheds

16.0 CONVEYANCE OF DANGEROUS GOODS

Rules for transportation of dangerous/explosive/hazardous commodities by rail are prescribed vide Railway Red Tariff and subsequent amendments. Rules are amended from time to time to accommodate the safety protocols of any new commodity allowed for transportation through Rail. Recent amendments include permitting movement of Gasoline, for which packing condition has been prescribed vide Amendment dated 24th March 2023. Keeping in view, International Maritime Dangerous Goods(IMDG) norms, guidelines have been laid down for transportation of dangerous/hazardous goods in containers in July 2024 & September 2024.

Link of the Policy Circulars:

Rules for conveyance of explosives and other dangerous goods by rail (Red Tariff)

DIGITAL ENABLEMENT

17.0 TERMINAL MANAGEMENT SYSTEM

Terminal Management System is available at all goods booking points. It facilitates preparation of system based calculation of freight charges; System based reckoning of free time & accountal of Demurrage/Wharfage; Preparation of Money Receipt through TMS; e-CR Note - Generation of Cash Remittance Notes through TMS & its transmission to TAMS; Online Goods Balance Sheet - preparation of Balance Sheet through TMS and transmission to TAMS; System based classification of Goods Sheds/Station.

Link of the Policy Circulars:

Online Goods Balance Sheet; Money Receipt through TMS etc.

18.0 ELECTRONIC REGISTRATION OF DEMAND FOR WAGONS (eRD)

Registration of demand for wagons electronically (e-RD) is *in vogue* since 2014. eRD module of FOIS provides facility for placing demand for wagons electronically. Consignor, after registration in the module, can place demand by login into the module. System saves the demand, generates Reference ID & OTP and transmits to consignor via SMS/mail for confirmation. After confirmation and payment of Wagon Registration Fee (via Digital Mode), Demand Number and e-Forwarding Note are generated & transmitted to consignor via SMS/mail. Requisite documents mandated for placing demand - Transit Permit for Iron Ore, Quality Certificate for Salt, Allotment Letter for Granite; Letter of Credit for Bangladesh Traffic; Permission Letter for Silica Sand; Bill of Entry for Imported Coal are to be uploaded while placing demand. Consignor may show e-Forwarding Note, on mobile/laptop/tablet, for preparation of eT-RR.

Link of the Policy Circulars:

Registration of Demand for wagons electronically (e-RD) through FOIS web portal; <u>Premium Indent Scheme.</u>

Compendium_eRD_December 2024

Railway Material Consignment:

Guidelines have been issued for registration of indent, generation of Credit Note and Railway Receipt for movement of Railway Material Consignment. Nominated staff will register himself on eRD module. He can submit online indent. Module enables generation of eRMC Credit Note and eT-RR & its transmission to consignor, consignee, destination point, Accounts Office and Railway department.

Board's letter No.TC-I/2023/104/efile/1(3449966) Dt.07.02.2025

Military Traffic:

Guidelines have been issued for capturing indent and generation of Railway Receipt in the case of Military Special Trains. Provides new screen in eRD module to capture Demand, calculation of Freight through Military Freight Calculator, collection of payment via Military Credit Note, generation of eT-RR & its transmission to Defence authority. The Indenting Module for booking of Military Traffic has been made accessible through Intranet (FOIS Net) only.

<u>Board's letter No.TC-I/2020/8/efile/1-Part(1)(3329130) Dt.07.02.2025</u> <u>(Board's letter No.TC-I/2020/8/efile/1-Part(1)(3329130 dt.26.05.2025)</u> Initiatives taken during May, 2025

Guidelines regarding registration of indent under e-RD in case of Salt Traffic have been revised while modifying the name of sponsoring authority. *(Corrigendum No.5 to Rates Master Circular/e-RD/2019/0)*

19.0 ELECTRONIC TRANSMISSION OF RAILWAY RECEIPT (eT-RR)

eT-RR is paperless transaction system - Railway Receipt is prepared and transmitted electronically. Customers (consignor and consignee) have to register in eRD module. After completion of loading, eT-RR is generated & transmitted to consignor, who can access it by login into the module. eT-RR is transmitted electronically to destination point, Accounts Office and kept as record at originating point. Consignor can transfer eT-RR to registered user of his organization or to consignee through the module. Endorsement can be done electronically. At destination point, delivery of consignment is given on e-surrender of eT-RR by consignee/endorsee. Procedure of e-surrender is also applicable in case of rebooking/diversion of consignment.

Link of the Policy Circulars:

Electronic Transmission of Railway Receipt (eT-RR) Compendium eTRR December 2024

20.0 DIGITAL PAYMENT

As a customer friendly step, digital payment for freight charges are in vogue. It provides fast, safe, efficient and transparent mode of payment for freight charges, which normally are large value transactions. There are two types of digital payment - Electronic payment (E-Payment) system and Online Payment.

(i) <u>E-payment System</u> enables collection of freight charges directly from customer's bank account. It requires execution of tripartite agreement between Freight Customer (consignor/consignee), Bank and Zonal Railway. All nationalized/public sector banks; HDFC, AXIS, ICICI and Kotak Mahindra are permitted. Further, Handling Agent of customer and private banks are also allowed through quadripartite agreement.

<u>Compendium_Epayment_December 2024</u>

(ii) <u>Online Payment</u> has been launched since June 2021. It provides the facility for payment of Freight and Ancillary Charges e.g. Premium Charge (in case of premium indent), Wagon Registration Fee, Demurrage, Wharfage, Siding Charge, Shunting Charge, Rebooking Charge, Diversion Charge, etc via SBI payment gateway through internet banking, RTGS, NEFT, Credit/Debit card, UPI. This payment system is available round the clock on all seven days of a week.

Rates Circular No.18 of 2021

Link of the Policy Circulars: <u>Guidelines for Electronic Payment System, Freight Advance Scheme etc.</u>

21.0 FREIGHT BUSINESS DEVELOPMENT(FBD)

Rail customers used to submit manual applications for various freight related activities like stacking permission, diversion, rebooking, short of destination delivery, waiver of demurrage/wharfage, Station to Station Rates etc. From December 2021, a digital facility has been provided in Freight Business Development portal of FOIS wherein freight customer can upload his signed application and the system will forward such application to the concerned railway authority for further processing. This has greatly facilitated the customer and made the business process hassle free.

Link of the Policy Circulars:

Rates Circular No.34 of 2020

22.0 RAIL GREEN POINT

Policy guidelines have been laid down in March 2022 for assigning 'carbon saving point' termed as Rail Green Point to esteemed freight customers of IR. Every customer who places demand on e-demand module will be prompted by a 'Pop up' Thanking him for choosing rail transport. Once RR is generated, the saving of carbon emission is credited to customer's account in the form of Rail Green Points with a downloadable certificate. This gives a 'Feel Good Factor' to freight customers and act motivate them to transport more by rail.

Link of the Policy Circulars:

Rail Green Point(Carbon saving while transportation by Rail)

23.0	SOCIAL OBLIGATION
	Guidelines for transportation of relief material to flood affected area, are issued from
	time to time.
	https://indianrailways.gov.in/railwayboard/uploads/directorate/traffic_comm/Rates-
	Letters/2022/Document%20128.pdf
	https://indianrailways.gov.in/railwayboard/uploads/directorate/traffic_comm/Rates- Letters/2019/karnata Kerala Maharashtra Flood 100819.pdf
	<u>https://indianrailways.gov.in/railwayboard/uploads/directorate/traffic_comm/Rates-</u> Letters/2019/TCR_LEVY_Kerala.pdf
	https://indianrailways.gov.in/railwayboard/uploads/directorate/traffic_comm/Rates-

Letters/2019/Relief Bihar Assam 200719.pdf