

Rates Circular No. 44 of 2006
(Corrigendum to Rates Circular No.25 of 2006)

Government of India (Bharat Sarkar)
Ministry of Railways (Rail Mantralaya)
Railway Board

No.TCR/1078/2006/4

New Delhi, dated 19 .05.2006

The General Managers,
All Indian Railways.

CORRIGENDUM

Sub: Freight Incentive Schemes : Policy guidelines.

Ref: Board's letter of even number dated 28.03.2006
(Rates Circular No.25 of 2006)

Ministry of Railways has decided that the ' Long Term Special Incentive Scheme' contained in Freight Incentive Scheme circulated vide Board's letter No TCR/1078/2006/4 dt 28.03.2006 (Rate Circular No 25 of 2006 at page No.9) be replaced with the following:

4. Long Term Special Incentive Schemes:

In special cases, concession by way of discount or rebate may be granted for periods up to 3 years in accordance with the following:

Applicability: All Customers.

Exclusion: Coal (except from NF Railway in Covered wagons), Raw Material to Steel Plants and iron ore.

Eligible Lead: No restrictions.

Eligible Wagons: No restrictions.

Availability: Available throughout the year.

Concurrency: All Investment Reimbursement Discounts and All Consignment Volume Based Schemes.

Procedure:

1. Proposals under the scheme would be scrutinized by DEC and the same may be forwarded to CCM of concerned Zonal Railway.
2. CCM would examine the proposal in consultation with COM for vetting of FA&CAO and personal approval of General Manager subject to the conditions of the scheme.
3. Proposals for concessions beyond the permitted limits and/or for durations longer than the permitted period should be forwarded to Railway Board alongwith concurrence of FA&CAO and personal approval of General Manager.

Conditions: These concessions would be granted if circumstances so warrant with the objective of sustaining as well as increasing the rail share in the total traffic of a customer.

Benefit: **(i) For customer who has given freight earning of more than Rs.50 crore in the previous financial year.**

On BG systems, discount in freight rates may be granted up to 10% in the Busy Season and up to 20% in Lean Season for durations up to 3 years. These concessions would be subject to the condition that the discounted freight rates would not be lower than Class LR1 in Lean Season and Class 100 in the Busy Season.

Freight concessions permitted under Traditional Empty Flow Scheme may also be granted under this Scheme for durations up to 3 years with the personal approval of General Managers

On MG systems, a discount up to 15% may be granted in both Seasons for Cement traffic only for one year.

(ii) All other customers including new customers

On BG systems, discount in freight rates may be granted up to 5% in the Busy Season and up to 10% in Lean Season for durations up to 3 years. These concessions would be subject to the condition that the discounted freight rates would not be lower than Class LR1 in Lean Season and Class 100 in the Busy Season.

This instruction will come into force w.e.f. 01.06.2006.

This issues with the approval of TT Directorate and with the concurrence of Finance Directorate of Railway Board.

(N.K.Parsuramka)
Director, Traffic Comml. (Rates)
Railway Board.

No.TCR/1078/2006/4

New Delhi, dated .05.2006

Copy for information: -

1. FA & CAOs, All Indian Railways

2. Deputy Comptroller and Auditor General of India (Railways), New Delhi with 6 spares.

for Financial Commissioner(Railways)