

Rates Circular No. 35 of 2008

**GOVERNMENT OF INDIA (BHARAT SARKAR)  
MINISTRY OF RAILWAYS (RAIL MANTRALAYA)  
RAILWAY BOARD**

No.TCR/1078/2008/6

New Delhi, dated: 11. 07.2008

General Managers,  
All Zonal Railways.

**Sub: Policy Guidelines- Special Freight Incentive Scheme for  
Iron Ore**

Several Freight Incentive Schemes were issued vide Rates Circular No. 25 of 2008. Sanction of the Central Government is accorded for introduction of following Freight Incentive Scheme only for Iron ore booked at Class 200X.

**Objective**

This Scheme enables General Managers to grant concessions in freight to Iron ore traffic. Such concessions should be granted primarily to divert traffic from competing modes to rail.

**Incentive**

Discount of up to 15% (fifteen percent) in the freight rate (NTR) may be granted at the time of issue of Railway receipt itself. Such concessions should be granted for a period not exceeding three months.

**Floor Rate**

Not Applicable

**Benchmark**

Not Applicable.

**Permitted Terminals**

All

**Permitted Commodities**

Applicable only for Iron ore traffic in Class 200X

**Lead Restriction**

Freight concessions under this Scheme can be granted only to Iron ore traffic with leads of 1000 KM or higher.

**Permitted Wagons**

All types of wagons

**Seasonal Restriction**

No restriction

**Concurrent Freight Concessions**

Nil.

**Conditions**

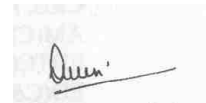
1. Main objective of this Freight Incentive Scheme is to generate additional traffic volumes and additional revenues. Grant of freight concessions should, therefore, serve this very objective. A close watch needs to be kept to ensure that this objective is being served.
2. The concession should not be granted in a routine manner. Before granting concession, a comprehensive analysis should be done to evaluate the justification for grant of such concession. General Manager should personally satisfy that there is justification and desirability for giving such concession.
3. Concession up to 15% will be granted on Normal Tariff Rate (NTR). 15% concession is the upper limit. Only such percentage of concession should be granted which, in General Manager's view is sufficient to attract the traffic.
4. Concession granted under this policy will always be with prospective effect after issue of notification.

### **Processing Procedure**

- 1 Proposals under the scheme should be submitted to DRM concerned.
- 2 After scrutiny of DEC, the proposals should be forwarded to CCM of the concerned Zonal Railway.
- 3 CCM would examine the proposal personally in consultation with COM for personal vetting of FA&CAO and personal approval of General Manager, subject to the conditions of the scheme.

These instructions will come into force with effect from 17. 07.2008 and shall remain valid up to three months i.e. 16.10.2008.

This issues with the concurrence of the Finance Directorate of the Ministry of Railways.



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

No.TCR/1078/2008/6

New Delhi, dated 11.07.2008

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)**

No.TCR/1078/2008/6  
11.07.2008

New Delhi, dated

- 1 Chief Commercial Managers, All Indian Railways
- 2 Chief Operating Managers, All Indian Railways
- 3 Managing Director, CRIS, Chanakya Puri, New Delhi-23
- 4 The Chief Administrative Officer, FOIS, Northern Railway, Camp: CRIS, Chanakya Puri, New Delhi-23
- 5 Managing Director, Konkan Railway Corporation, Belapur Bhavan, Sector- 11, CBD Belapur, New Mumbai-400614
- 6 Director General, Railway Staff College, Vadodara
- 7 Director, Institute of Rail Transport Management (IRTEM), Manaknagar, Lucknow
- 8 GS/IRCA, New Delhi: for necessary action.



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

Copy to: -

CRB, FC, MT, ME, MS, ML, MM

AM (C), AM (T), AM (C&IS), AM (T&C), Adv(R), Adv (F), Adv (Vig.), Adv (Infra)

EDTT (M), EDTT (S), EDTT (F), EDFM, EDPM, EDPG, EDFC, ED(C&IS), EDV (T), EDP, EDPP, EDPPP, ED (T&C), ED (S&E), ED (LRDSS), DF(C), DTC (G), DPM, Dir (T&C), DFM, DTTG, DTT (POL), DDTC(R)

TC (CR), TC-I, TC-II, TC-III, TC-IV, TC (FM), TT-I, TT-II, TT-III, TT-IV, TT-V, FC, Stat-II, Stat (CA), Stat-V, Stat (Econ.), Economic Cell and Budget branches of Railway Board.