

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 3839
TO BE ANSWERED ON 11.12.2019**

FREIGHT CLASSIFICATION

3839. DR. A. CHALLAKUMAR:

Will the Minister of RAILWAYS be pleased to state:

- (a) the norms/criteria laid down for freight classification under the goods transport system;**
- (b) whether the Railways has recently made further changes in the categorisation of different commodities for determining the applicable rates;**
- (c) if so, the details thereof; and**
- (d) the manner in which Railways ensure transparency in the decision making process in this regard?**

ANSWER

**MINISTER OF RAILWAYS AND COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

- (a) The freight classification under the goods transport system is done in accordance with Section 31 of Railways Act, 1989. The various norms/criteria taken into account for classifying a commodity inter-alia are: cost of service, physical/chemical properties, loadability, value of the commodity, what the commodity can bear, usage as raw or finished goods, comparisons with other modes of transportation, type of wagon required for loading, packing condition, and any other detail specifically linked with the transportation of the commodity.**

- (b) Review of classification of a commodity is an ongoing process and is done from time to time. Indian Railways has not changed the category of any commodity in the current financial year.**
- (c) Does not arise.**
- (d) The change of classification of a commodity is a pricing/rating exercise and usually forms a part of tariff rationalization of Indian Railways. Tariff rationalization decisions are highly sensitive and cannot be made public before implementation, so as to ensure that no undue or unfair advantage is taken by anyone. The notifications regarding the same are uploaded on Railway Board's official website in real time.**
