

Government of India  
Ministry of Railways  
(Railway Board)

No.TC-I/2004/201/9

New Delhi, dt. 15.10.2009

FA&CAO (T)  
East Coast Railway  
Bhubaneswar.

**Sub: Rules regarding waiver of Demurrage/Wharfage Charge**

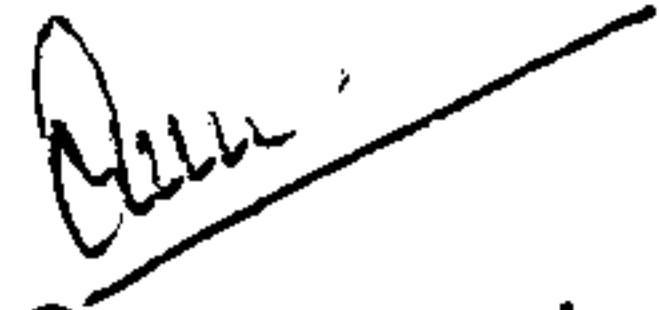
Please refer to ECoR's letter No.ECoR/TA/TF/Policy/Dem.&Wfg/10/2450 dated 15.09.09 wherein inter alia referring to Advance Correction Slip Nos.12 and 17 certain clarification as regards waiver of Demurrage/Wharfage Charge.

The matter has been examined and clarifications are as under:-

	Query	Clarification
1	Whether Para 1106(b) as revised vide ACS No.17 has any effect on Para 1102(d) of ACS No.12 which states that prior Finance concurrence will be required for waiver of Demurrage/Wharfage above Rs. 25,000/- per wagon/per consignment ?	<p>Para 1102(d) is relevant at the stage of consideration of waiver. It stipulates that prior Finance concurrence is required for waiver of Demurrage/Wharfage charges above Rs.25,000/- per wagon/per consignment respectively (ACS No.12).</p> <p>Para 1106(b) is relevant at the stage of refund. It stipulates that prior account verification is required to be done for any refund of Wharfage/Demurrage to establish that the amount to be refunded as actually been received by the Railway and no prior Finance concurrence is required at the stage of refund (ACS No.17).</p>

2	Whether refund in terms of Para 1106(b) as revised vide ACS No.17 would be allowed in such cases where the amount of Demurrage(beyond Rs. 25,000/-per wagon) have been collected at first instance without insisting for Finance concurrence?	This query is not clear. Railway may elucidate the query by means of an illustration, bring out the point clearly.
3	Whether Railway Administration can ask a customer to deposit the accrued Demurrage at first instance and to make the appeal for its waiver thereafter as is prescribed in the case of Wharfage?	In terms of Para 2.7 of Rates Circular No.39 of 2004, pre-payment of Demurrage is not compulsory if party prefers first application for waiver within the stipulated time period. However, if party applies after the expiry of stipulated time period and requests for condonation of delay, its application will be considered only if the party deposits the amount of Demurrage in full and furnish its proof.

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

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

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