

EAST COAST RAILWAY

Office of the
Principal Chief Commercial Manager
1st Floor, Rail Sadan
C.S.Pur, Bhubaneswar-17

Commercial Circular No.171(GC)/2023

Date: 12.06.2023

Sub: Joint Procedure Order regarding waiver of Demurrage Charge/Wharfage Charge.

Ref: PCOM/ECOR's letter No.ECOR/Optg/Demurrage Policy/143 dtd. 06/07.06.2023

A copy of Joint Procedure Order regarding waiver of Demurrage Charge/ Wharfage Charge Jointly signed by PCOM/ECOR, PCCM/ECOR and PFA/ECOR is enclosed herewith for information and necessary action. The above JPO is implementable with effect from 01.10.2022.

All concerned to note and act accordingly.

Authority: PCOM/ECOR's letter No.ECOR/Optg/Demurrage Policy/143 dtd.06/07.06.2023.

Encl: As above.

(S. Pradhan)
Dy.Chief Commercial Manager(FS)

No. PCCM/95/DC/Pt.VII

Dated 12.06.2023

All Station Managers/ Goods Supervisors/Commercial Supervisors /Siding Clerks / Booking Clerk in Charges / Weigh Bridge Clerks / Clerk in Charges / City Booking Agencies / Out Agencies.

Copy for information and necessary action to the:-

COM: ECOR/SER/SECR/NR/NFR/ER/SR/SCR/WR/NER/CR/SWR/NCR/NWR/WCR/ECR/KRly **SDGM/**
ECOR/BBS, **Chairman**/RCT/BBS, **Dy.CVO**/ECOR/BBS, **Dy.COM(FOIS)**/ECOR/BBS, **PO/RCT**/BBS,
CAO(FOIS)/NDLS, **Audit officer**/BBS. Rates Section /CCM/ECOR/BBS -10 sets
DRM: KUR,WAT,SBP/ECOR, **Sr.DOM**- KUR,WAT,SBP/ECOR, **CAO(FOIS)**, CRIS/NDLS**Sr.DCM**
:KUR,WAT/SBP/ECOR. **Dy.CCM(Claims)**/E.Co.Rly, **PFA** :E.Co.Rly, **FA & CAO(T)**/ECOR/BBS **Traffic**
Manager: VZP, Paradeep Port Trust / Paraddep.

(S. Pradhan)
Dy.Chief Commercial Manager(FS)

EAST COAST RAILWAY

JOINT PROCEDURE ORDER REGARDING WAIVER OF DEMURRAGE CHARGE/WHARFAGE CHARGE

No. ECoR/Optg/Demurrage Policy/143

Dated 10.05.2023

06.06.2023

Sub: JPO, regarding waiver of demurrage charge/Wharfage Charge.

- Ref:** (i) Rates Master Circular /Demurrage, Wharfage waiver/2016/0, dt. 19.05.2016 and its amendments, issued vide Railway Board's Ir. Nos. TC-I/2019/201/6(3298964), dt. 16.07.2021 & TC-I/2022/201/e-file/2(3394909), dt. 13.09.2022 and Railway Board's letter No. TC-I/2019/201//6-part(3)(33229131), dtd. 27.09.2022.
- (ii) RB's Ir. Nos. TC-I/2022/201/e-file/2(3394909), dt. 13.10.2022, 31.10.2022, Ir. No. TC-I/2022/201/e-file/2(3346322)&Lr.No.-TC-I/2021/201/e-file/2(3346322) dt. 03.04.2023, Lr. No. TC-I/2022/201/e-file/2 (3394909), dt. 26.04.2023. RB's letter No. TC-I/2022/201/Efile/Waiver Module (3385529), dt. 10.04.2023.
- (iii) Joint procedure order, regarding waiver of demurrage charges, dated 09.01.2013, its amendment, dated 18.07.2019 and JPO for refund of GST through issue of credit note on waived amount of DC, dated 14.10.2019.

Preamble

- (i) The value of a DC waiver case should determine the level of authority to deal with the case and dispose of such waiver cases. The value of a waiver case means the amount of waiver applied by the customer for consideration.
- (ii) The competent authority to grant such waiver should be as per the delegation of power to officers vide Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0, dt. 19.05.2016 and its amendments issued vide Railway Board's Ir. No. TC-I/2019/201/6(3298964), dt. 16.07.2021.
- (iii) The case of waiver should not be dealt by an officer below the level of officer competent to deal with the case, as per the schedule of power vested vide Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0 and its amendments issued vide Railway Board's Ir. Nos. TC-I/2019/201/6(3298964), dt. 16.07.2021, TC-I/2022/201/e-file/2(3394909), dt. 13.09.2022 & ECoR's JPO No. ECoR/Optg/DC policy/143, dt. 18.07.2019.

Sl No.	Designation of Officer	Maximum amount that can be considered by an officer	
		DC	WC
		DC per wagon	Wharfage per consignment/per wagon in case of Train load consignment
1	AGM	Full Power	Full Power
2	PCOM for DC, PCCM for WC	Rs.1,00,000	Rs.1,00,000
3	CFTM for DC, CCM(FS) for WC	Rs.50,000	Rs. 50,000

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4	DRM	Rs.25,000	Rs.25,000
5	Sr.DOM/ DOM working as Branch Officer /CTM for DC, Sr.DCM/DCM working as Branch Officer for WC.	Rs.10,000	Rs.10,000
6	DOM /DTM for DC, DCM for WC, Area Officer in Sr.Scale for both DC & WC.	Rs.600	Rs.1,200
7	AOM/ATM for DC, ACM for WC, Area Officer in Jr.Scale for DC & WC both.	Rs.300	Rs.300

(iv) Application for waiver will be considered only when preferred within the stipulated time period (as per the system in vogue, i.e within 10 days from accrual of DC/WC in case of goods sheds/PFTs and 10th of the following month for DC accrual during the month, in case of sidings). **There is no provision for condonation of delay neither in case of submission of initial application nor in case of submission of appeal** as clarified vide Board's Lr No. -TC-I/2021/201/efile/2(3346322)03.04.2023.

(v) In case of Demurrage & Wharfage, the consignor/consignee should deposit the full amount of Demurrage charges and Wharfage charges, as the case may be and submit the original proof of such payment along with his application while preferring application for waiver.

(vi) There may be no waiver of Demurrage and wharfage for cases where reasons for accrual of Demurrage/Wharfage have been within the control of consignor/consignee. Application(s) for waiver may be considered only in cases where (a) the reasons for accrual have been beyond the control of consignor/consignee like restriction imposed by local administration/state government, local festivals, labour strike, transportation strike, general bandhs, agitations, riots, curfew, fire, explosion, heavy rains or other abnormal/unforeseen circumstances and (b) demurrage/wharfage have been accrued on account of act of God, act of war and act of public enemies.

(The circumstances, which lead to accrual of Demurrage/Wharfage charges is grouped in three categories vide Para 2.8 of chapter-III of the circular under reference-i.)

(vii) Application for waiver of Demurrage and wharfage shall be entertained only for the cases where circumstances fall within condition given in para 2.9, circular under reference-(i) i.e. those which are not within the control of consignor and consignee and on account of act of God, act of war and act of public enemies.

Recording of reasons of waiver in the form of a reasoned speaking order shall be compulsory for all the cases of waiver, irrespective of the quantum of waiver.

(viii) Processing of applications for waiver of Demurrage and Wharfage charges shall be done electronically. Demurrage and Wharfage collection and decision on waiver may be done in


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a time-bound manner. Each competent authority, as per the schedule of power shall be required to decide on the request for waiver within a fixed time and any failure to adhere to the time-lines shall be flagged by the system to the next higher authority. The waiver of demurrage/wharfage charge should be dealt as per the extant instructions.

(ix)

- (a) Waiver of Demurrage/Wharfage Charge cases up to 25,000 per wagon per consignment should be disposed of by an officer viz, AOM/ACM, DOM/DCM, Sr.DOM/Sr. DCM & DRM for cases valid up to Rs.300, Rs.600 (Rs.1200 in case of wharfage), Rs.10,000 & Rs.25,000 respectively and grant such waiver considering the merit of each case.

Waiver of Demurrage/Wharfage cases beyond Rs.25,000 per wagon per consignment should be sent to PCOM/PCCM's office at HQ as per the following with detail noting, remarks on the specific reasons for detention/non removal of consignment as stated in the Party's appeal and related enabling facts by Sr.DOM/Sr.DCM of the division.

- If beyond Rs.25,000 up to Rs.50,000 to CFTM (CCM/FS in case of Wharfage),
- If beyond Rs. 50,000 and up to Rs.1,00,000 to PCOM (PCCM in case of Wharfage)and
- Beyond Rs. 1,00,000 to AGM

However, all the DC/WC appeals pertaining to HQs should invariably be routed through the office of DRM of the respective Division (Operating Department's letter No. OPTG/Dem/Policy/15 dated 12.6.15). Division may forward those cases having validity period of consideration.

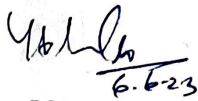
Moreover, the details of the party's payment particulars for the period in question, i.e. for which DC/WC waiver is applied for, amount and details of waiver given at divisional level with authority, reasons & date intimated to the party there of, and whether the appeal against the lower authority preferred within 30 days from the date when the decision of the lower authority is communicated for further processing and consideration of such waiver.

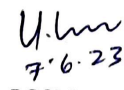
Whether the party has exhausted the channels at Divisional level before preferring appeal at headquarters level is to be certified by the Divisional authority.

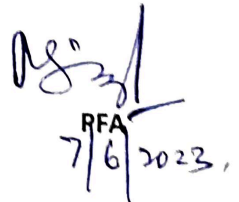
According to Para 1820 of IRCM Vol-II, before delivery of goods, it should be seen that all Railway dues and other charges have been paid. Prepayment of wharfage Charge is also to be ensured as mandated vide Board's letter No. TC-I/2019/201//6-part (3) (3329131), dtd. 27.09.2022.

- (b) Methodology for Pre-payment of DC: In case of all freight terminals (e.g. goods sheds, sidings, PFTs etc).

For inward traffic, Demurrage should be raised before delivery and for outward traffic, Demurrage should be raised before the time of preparation of Railway Receipt (RR).


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Recovery should be ensured (i) within 10 days from accrual of DC for inward traffic (ii) within 10 days from issuance of RR for outward traffic, in case of goods sheds, PFTs etc. and (iii) within 10th day of the following month for DC accrual during the month, in case of sidings.

{Authority: - RB's lr. No.- TC-I/2021/201/efile/2 (3346322), dt. 17.11.2022}

(C) Prepayment of wharfage has to be ensured before delivery of consignment {Authority: - RB's lr. No.- TC-I/2019/201/6-part(3) (3329131), dt. 27.09.2022}.

(x)

(a) Demurrage charges should be levied under tariff rules as under:- Base rate of Demurrage charge shall be Rs.150/-per 8 wheeled wagon per hour, or part of an hour, for detention of wagon in excess of the permissible free time for loading or unloading. Demurrage charge will be levied in graded manner {as clarified vide Board's letter No. TC-1/2022/201/efile/2(3394909), dt. 26.04.2023} as under and to be recovered from the consignee/endorsee before the removal of goods from Rly. Premises.

Duration of excess detention beyond the free time of stock	Rate of Demurrage
Up to 6 hours	Base Rate (Rs.150/-per wagon per hour or part thereof)
Beyond 6 hours up to 12 hours	Base rate + 10%
Beyond 12 hours up to 24 hours	Base rate + 25%
Beyond 24 hours up to 48 hours	Base rate +50%
Beyond 48 hours up to 72 hours	Twice of Base rate
Beyond 72 hours	Thrice of Base rate

In case excessive congestion takes place at any terminal/steel plant, PCCM/PCOM/DRM can increase the demurrage rates, even at progressively increasing rate as penal demurrage charge, subject to a maximum of six times of the prevalent base rate. This penal demurrage rates should be implemented only after giving wide publicity (including through SMS/e-mail) and due notice at terminal of 24 hours and should be applicable for the notified period. Such an action will help to maintain the DC figures at a minimum level.

(b) Notice for imposition of penal demurrage may be issued via a "numbered control message" of Operating Control/Commercial Control with the verbal approval of competent authority (PCOM/PCCM/DRM) {Authority- RB's lr. No.- TC-I/2022/201/efile/2 (3394909), dt. 19.09.2022}.

(c) Immediate intimation of the notice for imposition of penal demurrage shall be sent automatically via system generated SMS and email to all the concerned customers as per the goods shed profile; and

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(d) Imposition of penal demurrage, 24 hrs after the issue of notice as mentioned in the above sub-para, shall be with a formal approval of the competent authority (Authority- RB's Ir. No.- TC-1/2022/201/efile/2 (3394909), dt. 19.09.2022).

(e) There has been no reference to para 6.0 of Chapter -II of Rate Master circular on DC/WC in the revised guidelines, regarding guidelines for levy of higher wharfage. Until further clarification is issued by Railway Board, the revised guidelines issued for implementation of penal demurrage may be applicable in case of higher Wharfage with the approval of DRM/ PCCM.

(xi) Procedure of refund of Demurrage/Wharfage:

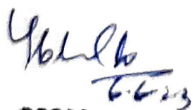
(a) Payment of Demurrage through online mode:

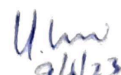
In case payment of Demurrage/Wharfage amount has been made through online mode (Electronic payment system/Online payment system) refund shall be made through FBD portal directly, into the account through which payment has been received. In case of refund through FBD portal, it needs to be ensured that the refund being done by the system automatically must be reported in station balance sheet maintained in FOIS/manually. Besides, all such case of refund should be reported to Traffic Accounts office along with documents for post check.

Till such time electronic refund through e-payment is made functional; the refund shall be processed through IRePS. In that case, after approval of competent authority partial/full refund will be processed through IRePS and IPAS. The digitally signed pay order shall be processed for refund through system integration through IRePS and IPAS. Documents (such as sanction of competent authority etc.) details related to prepayment and waiver should be made available to Accounts with digital pay order (Authority: RB's letter No. TC-1/2022/201/Efile/Waiver Module (3385529), dt. 10.04.2023. These refunds should be reflected in the traffic book. Such kind of refund shall be processed through Traffic Accounts office. This procedure will be followed till functionality through e-payment is developed.

(b) In case of collection through conventional mode:

The collection of Demurrage/Wharfage through these modes should be discouraged. However, in case of payment of Demurrage/Wharfage amount has been made through conventional mode (viz.-DD/Cheque/Cash), all refund cases shall be processed in Traffic Accounts office. The cheque or DD no. shall be provided along with the application for waiver on IRePS to see, if encashment in favour of Railways has been made before the payment of refund is made. Refund shall be through IRePS and IPAS. The refund should be reflected in traffic book. The necessary documents may be uploaded in IRePS initially till the process of refund is completed.


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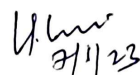

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(c) E-documents of accrual, accountal waiver of Demurrage/Wharfage etc. should be available in the traffic accounts office and PCOM/PCCM office for the period mentioned in the codal provision.

(d) The refund processing of waiver appeals preferred prior to 30th Sept., 2022, may be dealt as per the earlier JPO. The revised guidelines are applicable w.e.f.01.10.2022 as mentioned in the circular dt. 13.09.2022 under reference. Further, policy guidelines prevailing on the "date of completion of the activity of loading /unloading of rake" will be applicable.

The above procedure order supersedes all earlier instructions, clarifications issued from time to time on the captioned subject and will be reviewed, whenever necessary. This is to be read with concerned Railway Board's circular without any deviation.


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