

EAST COAST RAILWAY

Commercial Circular No.135(G)/2013

Office of the
Chief Commercial Manager
Bhubaneswar
Date: 13.12.2013

Sub: Demurrage Rules

Ref: Section 2(11) of Railways Act 1989, Rates Circular No. 74 of 2005 (and its corrigenda) and Rates Circular No. 5 of 2013 {CCM/ECOR's Commercial Circular No.184(G)/2005 & corrigendum and 34(G)/2013 respectively}.

A clarification has been sought regarding applicability of Demurrage rate (whether normal Demurrage rate or penal Demurrage rate) in the case where 'normal Demurrage rate' was prevailing at the time of placement of a rake whereas 'penal Demurrage rate' was prevailing at the time of its release.

As per section 2(11) of Railway Act 1989, Demurrage means the charge levied for detention of any rolling stock after the expiry of free time, if any, allowed for such detention. Further, extant guidelines regarding levy of Demurrage are stipulated vide Rates Circular No. 74 of 2005 and corrigenda thereto. Para 3.3 of the circular prescribes the guidelines for progressively increasing the Demurrage rate in case of excessive congestion at any terminal.

In terms of extant instructions, Demurrage Charge is levied for excess detention of a rake (i.e. detention beyond permissible free time), which implies that Demurrage rate (whether normal or penal), prevailing during the period of its excess detention, is leviable/ applicable.

Illustration:

Time of placement of a rake 'A' (say) consisting of 40 BCN wagons	006 Hours on 01.12.2013
Permissible free time for loading	9 hrs.
Time of release of the rake 'A'	1500 Hours on 03.12.2013
Free time expires at	0600 Hours + 9 hrs = 1500 Hours on 01.12.2013
Period of excess detention of rake 'A'	From 1500Hours of 01.12.2013 to 1500Hours of 03.12.2013
The rate of Demurrage (normal or penal as the case may be) prevailing during 1500Hours of 01.12.2013 to 1500Hours of 03.12.2013 is leviable.	

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

All concerned to note and act accordingly.

Authority: Railway Board's letter No.TC-I/2005/201/2(Clarf) dt.03.12.2013.

P.C. Sahu
13/12/13

(P.C. Sahu)

Dy. Chief Commercial Manager (FS)

No.CCM/95/DC/Pt.V

Date: 13.12.2013.

Copy forwarded to:

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, **SDGM/ECOR/BBS, Chairman/RCT/BBS, Dy. CVO(T)/ECOR/BBS, PO/RCT/BBS**

Dy.COM(FOIS)/ECOR/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, Sr.DCM: KUR,WAT/SBP/ECOR.

Dy.CCM(Claims)/E.Co.Rly. & S.E.Rly./14 Strand Rd. 11th Floor, Kolkata-1. FA & CAO:E.Co.Rly, FA & CAO(T)/ECOR/BBS, TrafficManager: VZP, Paradeep PortTrust/ Paradeep,

R.S.

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