

भारत सरकार GOVERNMENT OF INDIA
रेल मंत्रालय MINISTRY OF RAILWAYS
(रेलवे बोर्ड RAILWAY BOARD)

No.TC-I/2025/201/efile/5(3491463)

New Delhi, dt.18.06.2025

Pr. Chief Commercial Manager
 All Zonal Railways

Sub: Guidelines regarding Waiver/Write off of Demurrage/Wharfage

Ref: (i) Chapter-III of Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0 & subsequent amendments

- (ii) Rates Circular No.38 of 2004
- (iii) Rates Circular No.38 of 2006
- (iv) Rates Circular No.21 of 2007
- (v) Rates Circular No.35 of 2009
- (vi) Board's letter No.TC-I/2019/2016/6 (3298964) dt.16.07.2021
- (vii) Board's letter No.TC-I/2020/103/efile/1Pt.(2)(3341820) dt.20.04.2022

Guidelines regarding waiver/write off of Demurrage/Wharfage are prescribed vide Board's circulars/letters under reference.

The matter has been reviewed and it has been decided (i) to change the SOP for waiver and (ii) to modify the circumstances for considering application/appeal. Accordingly, in supersession of all earlier instructions/circulars, the revised guidelines are given below-

Para

GUIDELINES**1.0 Power of officers to waive Demurrage or Wharfage charge**

	Designation of officer	Maximum amount of Demurrage per wagons, which can be considered by an officer	Maximum amount of Wharfage per consignment, which can be considered by an officer
1	AGM	Full Powers	Full Powers
2	PCCM	₹1,00,000/-	₹1,00,000/-
3	HOD(CCM/FM or CCM/FS)	₹50,000/-	₹50,000/-
4	DRM	₹25,000/-	₹25,000/-
5	ADRM (nominated by DRM)	₹10,000/-	₹10,000/-

1.1 The powers of waiver of Wharfage indicated in the table above will be on consignment basis except in the case of trainload consignment where it will be applicable on per wagon basis. In the case of trainload consignment, the application for waiver of Wharfage for a particular rake will be considered by the authority, who is competent to deal with the highest amount of Wharfage accrued per wagon of that rake.

1.2 Where Demurrage cases are being handled by Officers of Operating Department, PCCM will mean PCOM.

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- 1.3 The cases for waiver should not be dealt by an officer below the level of an officer competent to deal with the case as per the schedule of powers given in the above table. Say, PCCM will not deal with such case where AGM is the competent authority. Since waiver of Demurrage/Wharfage is discretionary power, PCCM cannot recommend percentage of waiver, instead, he will only put up facts of the case and give his remarks on the customer's application/appeal.
- 1.4 Prior Finance concurrence will be required for waiver of Demurrage/Wharfage charges above Rs.25,000/- per wagon/per consignment respectively. Cases submitted to AGM should be routed through the Coordinating HOD of the Commercial Department and PFA of the Zonal Railways, irrespective of the amount involved.
- 2.0 **Waiver**
- 2.1 Due care should be taken in preparation of the Demurrage/Wharfage bills at the first instance to obviate recasting of bills subsequently on representation by the customer or otherwise.
- 2.2 In case the consignor/consignee feels that Demurrage/Wharfage was due to reasons beyond his control, he could apply for waiver (on FBD Portal) giving all relevant details with documentary evidence wherever necessary.
- 2.3 First application for waiver of Demurrage/Wharfage should be submitted to the Station Manager/Goods Supervisor within 10(ten) days from the date upto which these charges had accrued.
- 2.4 In case of Wharfage, the consignor/consignee should deposit the amount of Wharfage charges and submit the original proof of such payment alongwith his application while preferring for waiver. Pre-payment of wharfage will be ensured before delivery of the consignment.
- 2.5 The concerned Station Manager/Chief Goods Supervisor will forward the application of waiver of Demurrage/Wharfage to the Divisional Officer together with the factual position and remarks within 3(three) days of the receipt of the application.
- 2.6 In case of large sidings, like those of power houses, steel plants etc., the time limit for preferring the first application for waiver of Demurrage Charge will be the next month implying that application for waiver of Demurrage Charges accrued in one month should be submitted latest within the next month.
- 2.7 Application for waiver will be considered only when preferred within the stipulated time period. In case of Demurrage, the consignor/consignee should deposit the amount of Demurrage charges and submit the original proof of such payment along with his application while preferring application for waiver.
- 2.8 The circumstances, which lead to accrual of Demurrage/Wharfage charges, can be broadly grouped as under:
(i) Reasons within the control of the consignor/consignee.

(ii) Force majeure condition (like Act of God, Act of War, Act of Public Enemies, Restriction(s) imposed by Local Administration/State Government, Local Festivals recognized by State Govt./Local Administration, Labour Strike, Transport Strike, general *bandh*, Agitations, Riots, Curfew, Fire, Explosion, Heavy Rains, Flood, etc.) OR Operational exigencies (like accident, congestion at a terminal, wagon damage, restriction imposed by railway administration, etc.).

- 2.9 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 case of force majeure condition (like Act of God, Act of War, Act of Public Enemies, Restriction(s) imposed by Local Administration/State Government, Local Festivals recognized by State Govt./Local Administration, Labour Strike, Transport Strike, general *bandh*, Agitations, Riots, Curfew, Fire, Explosion, Heavy Rains, Flood, etc.) OR Operational exigencies (like accident, congestion at a terminal, wagon damage, restriction imposed by railway administration, etc.).
- 2.10 The powers for waiver as mentioned above should be exercised judiciously keeping in view the merits of each case as per instructions contained in this letter. The waiver should not be granted in a routine manner.
- 2.11 Application for waiver of Demurrage/Wharfage shall be entertained only for the cases where circumstances fall within condition given in Para 2.9. 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.
- 2.12 In the case of large sidings, like those of power-houses, where demurrage is not waived on wagon to wagon or daily basis, speaking orders need not be recorded for each consignment/wagon. It would be sufficient if broad reasons are given in support of such periodical waiver after analyzing the broad causes of such detentions.
- 3.0 Appeal against orders of Waiver**
- 3.1 A consignor/consignee can prefer an appeal to a higher authority (on FBD portal) in case he is not satisfied with the decision of the lower authority. The Station Manager/Chief Goods Superintendent should forward the appeal to the Divisional authorities within 3 (three) days of the receipt of the appeal.
- 3.2 An appeal against the order of lower authority should be preferred within 30(thirty) days of the date when the decision of the lower authority is communicated.
- 3.3 A maximum of only two appeals can be made against the decision of the lower authorities.
- 3.4 In all cases where a change is made by the appellate authority against the decision taken earlier, speaking orders should be recorded by the appellate authority.
- 3.5 AGM will be the final authority for consideration of application/appeal for waiver. No appeal will be entertained against the decision of AGM.

- 4.0 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 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 concerned ADRM will take adequate measure to ensure timely recovery of dues on account of Demurrage/Wharfage and clearance of outstanding.

5.0 Refund

- 5.1 No direct refund of Demurrage/Wharfage charge should be made unless proper procedure for waiver as laid in this letter has been followed. While granting refund of Wharfage or Demurrage Charges, due cognizance should be taken of the quantum of waiver already allowed in each case.
- 5.2 For any refund of Wharfage or Demurrage, prior account verification as distinct from Finance concurrence is required to be done to establish that the amount to be refunded has actually been received by the Railway. Such refunds would be subject to post check by the Finance. No prior Finance concurrence would be required in these cases.
- 5.3 Refund of Demurrage/Wharfage Charge should be made expeditiously through conventional mode or online mode/E-payment system, as the case may be.
- 6.0 If it is felt that the rules for accrual/waiver of Demurrage/Wharfage Charge need review, the same should be recommended by the GM to Board's office with the observations of the associate Finance.

7.0 Waiver of Stacking Charge

Extant rules for waiver of Wharfage charge will continue to apply in the case of waiver of stacking charge also.

8.0 Waiver of Stabling Charge

Stabling Charge leviable on privately owned wagons or wagons procured under Own Your Wagon Scheme (Category 'C') should not be waived except to the extent of Force Majeure Conditions - viz. Act of God, Act of war or Act of public enemies.

9.0 Write off of Demurrage/Wharfage

The extant power of waiver of Demurrage/Wharfage charge is also applicable in case of write off of Demurrage/Wharfage charges. However, the write off should be done in exceptional cases and in extremely extenuating circumstances where chances of recovery are remote due to the fact that the defaulting party is not traceable, or has wound up his business, or has become insolvent, etc.

10.0 Write off of Stacking Charge

The guidelines regarding write off of Wharfage Charge is also applicable for write off of

Stacking Charge.

11.0 Delegation of power for waiver of Demurrage and Wharfage to DFCCIL

Till Indian Railways is the sole operator on DFCCIL network; the extant guidelines regarding waiver of Demurrage and Wharfage will also be applicable to DFCCIL. The power for waiver/write off of Demurrage and Wharfage shall be exercised by the same level of DFCCIL officers, duly keeping in view the extant guidelines.

These guidelines will be implemented from 01.07.2025. Zonal Railways will furnish their feedback duly indicating its impact on traffic operation and business development, for review of these guidelines.

This issues in consultation with Freight Marketing Branch & Traffic Transportation Dte. and with the concurrence of Finance Dte. of Ministry of Railways.



अतुल कुमार
संयुक्त निदेशक (दर) I
रेलवे बोर्ड

No.TC-I/2025/201/efile/5(3491463)

New Delhi, dt.18.06.2025

Copy to:

1. **Pr. Financial Adviser**, all Zonal Railways
2. **Dy.C&AG(Rlys)**, Rail Bhavan, New Delhi



कृते सदस्य (वित्त), रेलवे बोर्ड

No.TC-I/2025/201/efile/5(3491463)

New Delhi, dt.18.06.2025

Copy to:

1. **PCCM, PCOM**, all Zonal Railways
2. **MD/CRIS; CAO(FOIS); GS/IRCA**
3. **DG/ NAIR, DG/IRITM**
4. **MD/KRCL, MD/DFCCIL**



अतुल कुमार
संयुक्त निदेशक (दर) I
रेलवे बोर्ड

Copy for information:

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EDPG/MoSR(R), EDPG/MoSR(S), EDTC/R, EDFM, EDTT/S, EDTT/F, ED(Coal), EDFC,
ED(CC), ED(Trans), **OSD/MR**

भारत सरकार GOVERNMENT OF INDIA
रेल मंत्रालय MINISTRY OF RAILWAYS
(रेलवे बोर्ड RAILWAY BOARD)

No.TC-I/2019/201/6 (3298964)

New Delhi, dt.31.10.2023

General Manager
All Zonal Railways

Sub: Waiver of Demurrage/Wharfage Charge.

Ref: (i)Chapter III of Rates Master Circular/ Demurrage-Wharfage-Waiver/2016/0 and its corrigenda/addenda
(ii)Board's letter No. TC-I/2019/201/6 (3298964) dt.16.07.2021

Please refer to Board's circular under reference (i) regarding Waiver of Demurrage/Wharfage Charge.


Reference has been received from one of the Zonal Railways seeking clarification that in case an application for waiver is made to the highest authority i.e AGM and if party is not satisfied and made an appeal against the orders, then what will be the next higher authority to decide the appeal.

The matter has been examined and it has been decided to prescribe following guidelines by inserting additional para 3.6 in Chapter III of Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0 as under:

" 3.6: AGM will be the final authority for consideration of application/appeal for waiver. No appeal will be entertained against the decision of AGM."

These guidelines will be applicable for a period of one year. Zonal Railways will furnish its feedback after six months for review.

This issues in consultation with Traffic Transportation Directorate and with the concurrence of Finance Directorate of Railway Board.


(अन्शू पाण्डेय)

निदेशक यातायात वाणिज्य (दर)
रेलवे बोर्ड

No.TC-I/2019/201/6 (3298964)

New Delhi, dt.31.10.2023

Copy to:

1. **Pr. Financial Adviser**, All Zonal Railways
2. **Dy.C&AG(Rlys)**, Room No.222, Rail Bhavan, New Delhi

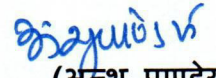

For Member(Finance), Railway Board

No.TC-I/2019/201/6 (3298964)

New Delhi, dt.31.10.2023

Copy to:

1. **Pr. Chief Commercial Manager**, all Zonal Railways
2. **Pr. Chief Operations Manager**, all Zonal Railways
3. **Managing Director**, CRIS, Chanakyapuri, New Delhi-21.
4. **Chief Admn. Officer**, FOIS, Camp: CRIS, Chanakyapuri, New Delhi.
5. **MD, KRCL**, Belapur Bhavan, Sector-11, CBD Belapur, Navi Mumbai-400614.
6. **Director General**, National Academy of Indian Railways, Vadodara.
7. **General Secy.**, IRCA, New Delhi.
8. **Director, IRITM**, Vill-Kanausi, Manaknagar, Lucknow-226011


(अंशू पाण्डेय)

निदेशक यातायात वाणिज्य (दर)
रेलवे बोर्ड

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EDPG/MSR(J), EDTC/R, EDFM, ED(CC), ED(PG), EDTT(S), EDTT(F), ED(Coal), EDFC, EDVT,
OSD/MR, Railway Board
TC(R), TC(CR), F(C), TT-III, Railway Board

भारत सरकार GOVERNMENT OF INDIA
रेल मंत्रालय MINISTRY OF RAILWAYS
(रेलवे बोर्ड RAILWAY BOARD)

No.TC-I/2019/201/6 –Part(3)(3329131)

New Delhi, dt.27.09.2022

General Manager
All Zonal Railways

Sub: Guidelines regarding Waiver – Prepayment of Wharfage

Ref: Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0 and its amendments

Please refer to Para 2.4 of Chapter-III of Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0 regarding payment of Wharfage.

The matter has been reviewed and it has been decided to revise the guidelines as given below-

Existing Guidelines	Revised Guidelines
Para 2.4: In case of Wharfage, the consignor/consignee should first remove the consignment from the railway premises, deposit the amount of Wharfage charges and submit the original proof of such payment along with his application while preferring for waiver at the first instance itself. However, in case of regular rail users, instead of prepayment of Wharfage, FDR of appropriate value may be collected either on a case to case basis or in lumpsum (to be decided by DRMs in consultation with Sr.DFMs) depending on the value of Wharfage that accrues on the consignment of such users. In exceptional	Para 2.4: In case of Wharfage, the consignor/consignee should deposit the amount of Wharfage charges and submit the original proof of such payment alongwith his application while preferring for waiver. Pre-payment of wharfage will be ensured before delivery of the consignment.

भारत सरकार GOVERNMENT OF INDIA
रेल मंत्रालय MINISTRY OF RAILWAYS
(रेलवे बोर्ड RAILWAY BOARD)

No.TC-I/2022/201/efile/2(3394909)

New Delhi, dt.13.09.2022

General Manager
 All Zonal Railways

Sub: Demurrage, Wharfage and Waiver – Review of the guidelines


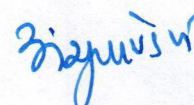
Ref: Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0 and its amendments

Please refer to the guidelines regarding Demurrage, Wharfage and Waiver prescribed vide Rates Master Circular under reference.

The matter has been reviewed and it has been decided to revise the guidelines prescribed vide Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0, as given below-

Chapter No. of the Circular	Para	Existing Guidelines	Revised Guidelines														
Chapter-I	3.1	Demurrage charge shall be levied @₹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.	Base rate of Demurrage charge shall be ₹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 under-														
			<table><tr><td>Duration of excess detention beyond the free time of stock</td><td>Rate of Demurrage</td></tr><tr><td>Upto 6 hours</td><td>Base Rate (₹150 per wagon per hour or part thereof)</td></tr><tr><td>Beyond 6 hours upto 12 hours</td><td>Base rate + 10%</td></tr><tr><td>Beyond 12 hours upto 24 hours</td><td>Base rate + 25%</td></tr><tr><td>Beyond 24 hours upto 48 hours</td><td>Base rate + 50%</td></tr><tr><td>Beyond 48 hours upto 72 hours</td><td>Twice of Base rate</td></tr><tr><td>Beyond 72 hours</td><td>Thrice of Base rate</td></tr></table>	Duration of excess detention beyond the free time of stock	Rate of Demurrage	Upto 6 hours	Base Rate (₹150 per wagon per hour or part thereof)	Beyond 6 hours upto 12 hours	Base rate + 10%	Beyond 12 hours upto 24 hours	Base rate + 25%	Beyond 24 hours upto 48 hours	Base rate + 50%	Beyond 48 hours upto 72 hours	Twice of Base rate	Beyond 72 hours	Thrice of Base rate
			Duration of excess detention beyond the free time of stock	Rate of Demurrage													
			Upto 6 hours	Base Rate (₹150 per wagon per hour or part thereof)													
			Beyond 6 hours upto 12 hours	Base rate + 10%													
			Beyond 12 hours upto 24 hours	Base rate + 25%													
			Beyond 24 hours upto 48 hours	Base rate + 50%													
			Beyond 48 hours upto 72 hours	Twice of Base rate													
Beyond 72 hours	Thrice of Base rate																

Chapter-I	3.4.1	<p>PENAL DEMURRAGE CHARGE</p> <p>In case excessive congestion takes place at any terminal/steel plant, CCM/COM/DRM can increase the demurrage rates, even at progressively increasing rate subject to a maximum of six times of the prevalent rate. This penal demurrage rates should be implemented only after giving wide publicity and due notice of 48 hours and should be applicable for the notified period.</p>	<p>PENAL DEMURRAGE CHARGE</p> <p>In case excessive congestion takes place at any terminal/steel plant, PCCM/PCOM/DRM can increase the demurrage rates, even at progressively increasing rate, 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/email) and due notice at terminal of 24 hours and should be applicable for the notified period.</p>
Chapter-III	2.7	<p>The delay beyond 10 days/next month period as mentioned above can be condoned only with the personal approval of the Divisional Railway Manager/Chief Commercial Manager (coordinating HOD) depending upon whether the powers to deal with the case lies at Divisional or Zonal level and after having ascertained that the reasons for the delay given in the application are satisfactory. Application for condonation of delay in preferring an application for waiver of Demurrage, however, shall be entertained only after the Demurrage Charges have been paid in full and the application is supported with proof of such payment. An application for condonation of delay once regretted either by DRM or by CCM(coordinating HOD) will not be reconsidered at any level.</p>	<p>Application for waiver will be considered only when preferred within the stipulated time period.</p> <p>In case of Demurrage, the consignor/consignee should deposit the amount of Demurrage charges and submit the original proof of such payment along with his application while preferring application for waiver.</p>

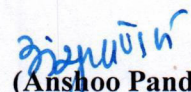



Chapter-III	2.9	<p>In case of Category (i), waiver should normally be not done. However, if at all waiver is to be granted on justified and meritorious facts, speaking orders should be recorded in all such cases. As regards case pertaining to Category (ii) or Category (iii), waiver can be considered on merits of individual case.</p> <p><i>(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></p>	<p>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.</p> <p><i>(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></p>
Chapter-III	2.11	Whenever the waiver exceeds 50% of the powers conferred on an officer, reasons for such waiver should be recorded in writing.	<p>Application for waiver of Demurrage and Wharfage shall be entertained only for the cases where circumstances fall within condition given in Para 2.9 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.</p> <p>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.</p>
Chapter-III	4.0	The waiver of demurrage/wharfage charge should be dealt as per the instructions contained in this letter.	<p>Processing of applications for waiver of demurrage and wharfage charges shall be done electronically, and CRIS may develop system for the same.</p> <p>Demurrage and wharfage collection and decision on waiver may be done in 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</p>

			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 extant instructions.
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These guidelines will be implemented w.e.f.01.10.2022.

This issues in consultation with Traffic Transportation Directorate and with the concurrence of Finance Directorate of Ministry of Railways.


(Anshoo Pandey)
Director, Traffic Commercial, Rates
Railway Board

No.TC-I/2022/201/efile/2(3394909)

New Delhi, dt.13.09.2022

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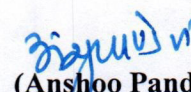
1. **Pr. Financial Adviser**, All Zonal Railways
2. **Dy.C&AG(Rlys)**, Room No.222, Rail Bhavan, New Delhi
for Member(Finance), Railway Board

No.TC-I/2022/201/efile/2(3394909)

New Delhi, dt.13.09.2022

Copy to:

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2. **Pr. Chief Operations Manager**, all Zonal Railways
3. **Managing Director**, CRIS, Chanakyapuri, New Delhi-21.
4. **Chief Admn. Officer**, FOIS, Camp: CRIS, Chanakyapuri, New Delhi.
5. **MD, KRCL**, Belapur Bhavan, Sector-11, CBD Belapur, Navi Mumbai-400614.
6. **Director General**, National Academy of Indian Railways, Vadodara.
7. **General Secy.**, IRCA, New Delhi.
8. **Director, IRITM**, Vill-Kanausi, Manaknagar, Lucknow-226011


(Anshoo Pandey)
Director, Traffic Commercial, Rates
Railway Board

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TC(R), TC(CR), F(C), TT-III, Railway Board

circumstances involving <i>force majeure</i> conditions, GMs may condone the provision for prepayment/collection of FDR. This power of GM will not be further delegated.	
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These guidelines will be implemented **w.e.f.01.10.2022.**

This issues in consultation with Traffic Transportation Directorate and with the concurrence of Finance Directorate of Ministry of Railways.


(Anshoo Pandey)
Director, Traffic Commercial, Rates
Railway Board

No.TC-I/2019/201/6–Part(3)(3329131)

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for Member(Finance), Railway Board

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7. **General Secy.**, IRCA, New Delhi.
8. **Director, IRITM**, Vill-Kanausi, Manaknagar, Lucknow-226011


(Anshoo Pandey)
Director, Traffic Commercial, Rates
Railway Board

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AM(C), AM(T), AM(R), PED(TT/M), PED(Vig.), PED(Accts), **EDPG/MR, EDPG/MSR(D), EDPG/MSR(J),** EDTC/R, EDFM, ED(CC), ED(PG), EDTT(S), EDTT(F), ED(Coal), EDFC, EDVT, **OSD/MR**, Railway Board
TC(R), TC(CR), F(C), TT-III, Railway Board

भारत सरकार Government of India
रेल मंत्रालय Ministry of Railways
(रेलवे बोर्ड Railway Board)

No.TC-I/2019/201/6 (3298964)

New Delhi, dt.16.07.2021

Pr. Chief Commercial Manager
All Zonal Railways

Sub: Waiver of Demurrage/Wharfage - Schedule of Power

Ref: (i) Rates Master Circular/Demurrage-Wharfage-Waiver/2016/0 and its corrigenda/addenda
(ii) Board's letter No.2017/Trans/01/Policy dt.18.10.2017
(iii) Board's letter No.2018/Trans/01/Policy dt.24.07.2018
(iv) Board's letter No.2018/Trans/01/Policy dt.17.10.2018

One of the Zonal Railways has requested to create an additional level of HOD between CHOD and DRM under guidelines regarding waiver of Demurrage/Wharfage.

The matter has been examined. It is to state that schedule of power for waiver of Demurrage/Wharfage has been revised vide Board's letters under reference (ii) to (iv). The level of HOD has already been prescribed vide Board's letter under reference (iv).

Extant Schedule of Power regarding Waiver of Demurrage/Wharfage duly incorporating the Board's circular/letters under reference are given below:

S.No.	Designation of officer	Maximum amount of Demurrage per wagons which can be considered by an officer	Maximum amount of Wharfage per consignment which can be considered by an officer
1	AGM	Full powers	Full powers
2	CCM (Co-ordinating HOD in Commercial Department)	Rs.1,00,000/-	Rs.1,00,000/-
3	HOD (CCM/FM or CCM/FS)	Rs.50,000/-	Rs.50,000/-
4	DRM	Rs.25,000/-	Rs.25,000/-
5	CTM/Sr.DCM/DCM working as Branch officer	Rs.10,000/-	Rs.10,000/-
6	DCM/DTM/Area Officer in senior scale	Rs.600/-	Rs.1200/-
7	ACM/ATM/Area Officer in junior scale	Rs.300/-	Rs.300/-

K K Mishra 16 July 2021

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CHAPTER-III

Sub: Rules regarding Waiver and Write off**1.0 Power of officers to waive Demurrage or Wharfage charge**

	Designation of officer	Maximum amount of Demurrage per wagons which can be considered by an officer	Maximum amount of Wharfage per consignment which can be considered by an officer
1	AGM	Full powers	Full powers
2	CCM (Co-ordinating HOD in Commercial Department)	Rs.1,00,000/-	Rs.1,00,000/-
3	DRM	Rs.25,000/-	Rs.25,000/-
4	CTM/Sr. DCM/ DCM working as Branch Officer	Rs.10,000/-	Rs.10,000/-
5	DCM/DTM/Area Officer in senior scale	Rs.600/-	Rs.1,200/-
6	ACM/ATM/Area Officer in junior scale	Rs.300/-	Rs.300/-

(Board's letter No.2017/Trans/01/Policy dated 18.10.2017 and No.2018/Trans/01/Policy dated 24.07.2018)

- 1.1 The powers of waiver of Wharfage indicated in the table above will be on consignment basis except in the case of trainload consignment where it will be applicable on per wagon basis. In the case of trainload consignment, the application for waiver of Wharfage for a particular rake will be considered by the authority who is competent to deal with the highest amount of Wharfage accrued per wagon of that rake.
- 1.2 Where Demurrage cases are being handled by Officers of Operating Department, CCM/Sr.DCM etc. will mean COM/Sr.DOM etc.
- 1.3 The cases for waiver should not be dealt by an officer below the level of an officer competent to deal with the case as per the schedule of powers given in the above table. Say, CCM will not deal with such case where GM is the competent authority. Since waiver of Demurrage/Wharfage is discretionary power, CCM cannot recommend percentage of waiver, instead, he will only put up facts of the case and give his remarks on the customer's application/appeal.
- 1.4 Prior Finance concurrence will be required for waiver of Demurrage/Wharfage charges above Rs.25,000/- per wagon/per consignment respectively. Cases submitted to General Manager should be routed through the Coordinating HOD of the Commercial Department and FA&CAO of the Zonal Railways, irrespective of the amount involved.

2.0 Waiver

- 2.1 Due care should be taken in preparation of the Demurrage/Wharfage bills at the first instance to

obviate recasting of bills subsequently on representation by the customer or otherwise.

- 2.2 In case the consignor/consignee feels that Demurrage/Wharfage was due to reasons beyond his control he could apply for waiver giving all relevant details with documentary evidence wherever necessary.
- 2.3 First application for waiver of Demurrage or Wharfage should be submitted to the Station Manager/Goods Supervisor within 10(ten) days from the date upto which these charges had accrued.
- 2.4 In case of Wharfage, the consignor/consignee should first remove the consignment from the railway premises, deposit the amount of Wharfage charges and submit the original proof of such payment along with his application while preferring for waiver at the first instance itself. However, in case of regular rail users, instead of prepayment of Wharfage, FDR of appropriate value may be collected either on a case to case basis or in lumpsum (to be decided by DRMs in consultation with Sr.DFMs) depending on the value of Wharfage that accrues on the consignment of such users. In exceptional circumstances involving *force majeure* conditions, GMs may condone the provision for prepayment/collection of FDR. This power of GM will not be further delegated.
- 2.5 The concerned Station Manager/Chief Goods Supervisor will forward the application of waiver of Demurrage or Wharfage to the Divisional Officer together with the factual position and remarks within 3(three) days of the receipt of the application.
- 2.6 In case of large sidings, like those of power houses, steel plants etc., the time limit for preferring the first application for waiver of Demurrage Charge will be the next month implying that application for waiver of Demurrage Charges accrued in one month should be submitted latest within the next month.
- 2.7 The delay beyond 10 days/next month period as mentioned above can be condoned only with the personal approval of the Divisional Railway Manager/Chief Commercial Manager (coordinating HOD) depending upon whether the powers to deal with the case lies at Divisional or Zonal level and after having ascertained that the reasons for the delay given in the application are satisfactory. Application for condonation of delay in preferring an application for waiver of Demurrage, however, shall be entertained only after the Demurrage Charges have been paid in full and the application is supported with proof of such payment. An application for condonation of delay once regretted either by DRM or by CCM(coordinating HOD) will not be reconsidered at any level.
- 2.8 The circumstances, which lead to accrual of Demurrage/Wharfage charges, can be broadly grouped in three categories as under:
 - (i) Reasons within the control of the consignor/consignee.
 - (ii) Reasons beyond the control of consignor/consignee like labour strike, transportation strike, general bandhs, agitations, riots, curfew, fire, explosion, heavy rains or other abnormal/unforeseen circumstances.
 - (iii) Act of God, act of War and act of public enemies.

- 2.9 In case of Category (i), waiver should normally be not done. However, if at all waiver is to be granted on justified and meritorious facts, speaking orders should be recorded in all such cases. As regards case pertaining to Category (ii) or Category (iii), waiver can be considered on merits of individual case.
- 2.10 The powers for waiver as mentioned above should be exercised judiciously keeping in view the merits of each case as per instructions contained in this letter. The waiver should not be granted in a routine manner.
- 2.11 Whenever the waiver exceeds 50% of the powers conferred on an officer, reasons for such waiver should be recorded in writing.
- 2.12 In the case of large sidings, like those of power-houses, where demurrage is not waived on wagon to wagon or daily basis, speaking orders need not be recorded for each consignment/wagon. It would be sufficient if broad reasons are given in support of such periodical waiver after analyzing the broad causes of such detentions.
- 2.13 The causes for accrual of frequent demurrage/wharfage charges from a particular Goods Shed or a siding or a consignor/consignee should be analyzed periodically. Remedial steps including provision of infrastructural facilities should be taken to reduce the detention to rolling stock and prompt removal of goods from the Railway premises.

3.0 Appeal against orders of waiver

- 3.1 A consignor/consignee can prefer an appeal to a higher authority in case he is not satisfied with the decision of the lower authority. The Station Manager/Chief Goods Superintendent should forward the appeal to the Divisional authorities within 3 (three) days of the receipt of the appeal.
- 3.2 However, before preferring an appeal for waiver of demurrage charges, he is required to deposit the amount of demurrage charges not waived. The original proof of such should be submitted alongwith the appeal.
- 3.3 An appeal against the order of lower authority should be preferred within 30(thirty) days of the date when the decision of the lower authority is communicated.
- 3.4 A maximum of only two appeals can be made against the decision of the lower authorities.
- 3.5 In all cases where a change is made by the appellate authority against the decision taken earlier, speaking orders should be recorded by the appellate authority.
- 4.0 The waiver of demurrage/wharfage charge should be dealt as per the instructions contained in this letter.

5.0 Refund

- 5.1 No direct refund of Demurrage/Wharfage charge should be made unless proper procedure for waiver as laid in this letter has been followed. While granting refund of Wharfage or Demurrage Charges due cognizance should be taken of the quantum of waiver already allowed in each case.

- 5.2 For any refund of Wharfage or Demurrage prior account verification as distinct from Finance concurrence is required to be done to establish that the amount to be refunded has actually been received by the Railway. Such refunds would be subject to post check by the Finance. No prior Finance concurrence would be required in these cases.
- 5.3 Refund of waived amount of Demurrage/Wharfage Charge should be made expeditiously through Pay Order/Cheque by Commercial Department of the Division.
- 6.0 If it is felt that the rules for accrual/waiver of Demurrage/Wharfage Charge need review, the same should be recommended by the GM to this office with the observations of the Associate Finance.
- 7.0 **Waiver of Stacking Charge**
Extant rules for waiver of Wharfage charge will continue to apply in the case of waiver of stacking charge also.
- 8.0 **Waiver of Stabling Charge**
Stabling Charge leviable on privately owned wagons or wagons procured under Own Your Wagon Scheme (Category 'C') should not be waived except to the extent of Force Majeure Conditions - viz. Act of God, Act of war or Act of public enemies.
- 9.0 **Write off of Demurrage/Wharfage**
The extant power of waiver of Demurrage/Wharfage charge is also applicable in case of write off of Demurrage/Wharfage charges. However, the write off should be done in exceptional cases and in extremely extenuating circumstances where chances of recovery are remote due to the fact that the defaulting party is not traceable, or has wound up his business, or has become insolvent, etc.
- 10.0 **Write off of Stacking Charge**
The guidelines regarding write off of Wharfage Charge is also applicable for write off of Stacking Charge also.
- 11.0 **Recovery of Railway dues**

Division Officers should be asked to enforce the extant rules regarding collection of Railway dues from freight customers. All dues must be raised to customers at the earliest as per schedule and all efforts must be made to prevent outstanding.

“Para 1820: Recovery of railway dues before delivery of goods- Before delivery of goods, it should be seen that all railway dues and other charges have been paid. Wharfage and demurrage charges should be levied under tariff rules and recovered, from the consignee/endorsee before the removal of goods from railway premises.”

It is to state that these guidelines do not restrict pre-payment of Demurrage Charge.

(Board's letter No.TC-I/2017/201/1 dated 03.04.2018 and dated 11.07.2019)

CHAPTER-III

Sub: Guidelines regarding Waiver and Write off*(refer Rates Circular No.39 of 2004)***1.0 Power of officers to waive Demurrage or Wharfage charge**

	Designation of officer	Maximum amount of Demurrage per wagons which can be considered by an officer	Maximum amount of Wharfage per consignment which can be considered by an officer
1	GM	Full powers	Full powers
2	CCM (Co-ordinating HOD in Commercial Department)	Rs.1,00,000/-	Rs.1,00,000/-
3	DRM	Rs.25,000/-	Rs.25,000/-
4	CTM/Sr. DCM/ DCM working as Branch Officer	Rs.6,000/-	Rs.6,000/-
5	DCM/DTM/Area Officer in senior scale	Rs.600/-	Rs.1,200/-
6	ACM/ATM/Area Officer in junior scale	Rs.300/-	Rs.300/-

- 1.1 The powers of waiver of Wharfage indicated in the table above will be on consignment basis except in the case of trainload consignment where it will be applicable on per wagon basis. In the case of trainload consignment, the application for waiver of Wharfage for a particular rake will be considered by the authority who is competent to deal with the highest amount of Wharfage accrued per wagon of that rake.

(refer Rates Circular No.47 of 2009)

- 1.2 Where Demurrage cases are being handled by Officers of Operating Department, CCM/Sr.DCM etc. will mean COM/Sr.DOM etc.

- 1.3 The cases for waiver should not be dealt by an officer below the level of an officer competent to deal with the case as per the schedule of powers given in the above table. Say, CCM will not deal with such case where GM is the competent authority. Since waiver of Demurrage/Wharfage is discretionary power, CCM cannot recommend percentage of waiver, instead, he will only put up facts of the case and give his remarks on the customer's application/appeal.

(refer Board's letter No.TC-I/2004/201/9 dt.22.09.2009)

- 1.4 Prior Finance concurrence will be required for waiver of Demurrage/Wharfage charges above Rs.25,000/- per wagon/per consignment respectively. Cases submitted to General Manager should be routed through the Co-ordinating HOD of the Commercial Department and FA&CAO of the Zonal Railways, irrespective of the amount involved.

(refer Board's letter No.TC-I/2004/201/9 dt.22.09.2009)

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2.0 Waiver

- 2.1 Due care should be taken in preparation of the Demurrage/Wharfage bills at the first instance to obviate recasting of bills subsequently on representation by the customer or otherwise.
- 2.2 In case the consignor/consignee feels that Demurrage/Wharfage was due to reasons beyond his control he could apply for waiver giving all relevant details with documentary evidence wherever necessary.
- 2.3 First application for waiver of Demurrage or Wharfage should be submitted to the Station Manager/Goods Supervisor within 10(ten) days from the date upto which these charges had accrued.
- 2.4 In case of Wharfage, the consignor/consignee should first remove the consignment from the railway premises, deposit the amount of Wharfage charges and submit the original proof of such payment along with his application while preferring for waiver at the first instance itself. However, in case of regular rail users, instead of prepayment of Wharfage, FDR of appropriate value may be collected either on a case to case basis or in lumpsum (to be decided by DRMs in consultation with Sr.DFMs) depending on the value of Wharfage that accrues on the consignment of such users. In exceptional circumstances involving *force majeure* conditions, GMs may condone the provision for prepayment/collection of FDR. This power of GM will not be further delegated.
(refer Rates Circular No.51 of 2007)
- 2.5 The concerned Station Manager/Chief Goods Supervisor will forward the application of waiver of Demurrage or Wharfage to the Divisional Officer together with the factual position and remarks within 3(three) days of the receipt of the application.
- 2.6 In case of large sidings, like those of power houses, steel plants etc., the time limit for preferring the first application for waiver of Demurrage Charge will be the next month implying that application for waiver of Demurrage Charges accrued in one month should be submitted latest within the next month.
- 2.7 The delay beyond 10 days/next month period as mentioned above can be condoned only with the personal approval of the Divisional Railway Manager/Chief Commercial Manager (coordinating HOD) depending upon whether the powers to deal with the case lies at Divisional or Zonal level and after having ascertained that the reasons for the delay given in the application are satisfactory. Application for condonation of delay in preferring an appeal for waiver of Demurrage, however, shall be entertained only after the Demurrage Charges have been paid in full and the application is supported with proof of such payment. An application for condonation of delay once regretted either by DRM or by CCM(coordinating HOD) will not be reconsidered at any level.
(refer Board's letter No.TC-I/2004/201/9 dt.16.05.2008)
- 2.8 The circumstances, which lead to accrual of Demurrage/Wharfage charges, can be broadly grouped in three categories as under:
 - (i) Reasons within the control of the consignor/consignee.

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- (ii) Reasons beyond the control of consignor/consignee like labour strike, transportation strike, general bandhs, agitations, riots, curfew, fire, explosion, heavy rains or other abnormal/unforeseen circumstances.
- (iii) Act of God, act of War and act of public enemies.

- 2.9 In case of Category (i), waiver should normally be not done. However, if at all waiver is to be granted on justified and meritorious facts, speaking orders should be recorded in all such cases. As regards case pertaining to Category (ii) or Category (iii), waiver can be considered on merits of individual case.
- 2.10 The powers for waiver as mentioned above should be exercised judiciously keeping in view the merits of each case as per instructions contained in this letter. The waiver should not be granted in a routine manner.
- 2.11 Whenever the waiver exceeds 50% of the powers conferred on an officer, reasons for such waiver should be recorded in writing.
- 2.12 In the case of large sidings, like those of power-houses, where demurrage is not waived on wagon to wagon or daily basis, speaking orders need not be recorded for each consignment/wagon. It would be sufficient if broad reasons are given in support of such periodical waiver after analyzing the broad causes of such detentions.
- 2.13 The causes for accrual of frequent demurrage/wharfage charges from a particular Goods Shed or a siding or a consignor/consignee should be analyzed periodically. Remedial steps including provision of infrastructural facilities should be taken to reduce the detention to rolling stock and prompt removal of goods from the Railway premises.

3.0 Appeal against orders of waiver

- 3.1 A consignor/consignee can prefer an appeal to a higher authority in case he is not satisfied with the decision of the lower authority. The Station Manager/Chief Goods Superintendent should forward the appeal to the Divisional authorities within 3 (three) days of the receipt of the appeal.
- 3.2 However, before preferring an appeal for waiver of demurrage charges, he is required to deposit the amount of demurrage charges not waived. The original proof of such should be submitted alongwith the appeal.
- 3.3 An appeal against the order of lower authority should be preferred within 30(thirty) days of the date when the decision of the lower authority is communicated.
- 3.4 A maximum of only two appeals can be made against the decision of the lower authorities.
- 3.5 In all cases where a change is made by the appellate authority against the decision taken earlier, speaking orders should be recorded by the appellate authority.
- 4.0 The waiver of demurrage/wharfage charge should be dealt as per the instructions contained

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in this letter.

5.0 Refund

- 5.1 No direct refund of Demurrage/Wharfage charge should be made unless proper procedure for waiver as laid in this letter has been followed. While granting refund of Wharfage or Demurrage Charges due cognizance should be taken of the quantum of waiver already allowed in each case.

(refer Board's letter No.TC-I/2004/201/9Pt.B dt.21.06.2005)

- 5.2 For any refund of Wharfage or Demurrage prior account verification as distinct from Finance concurrence is required to be done to establish that the amount to be refunded has actually been received by the Railway. Such refunds would be subject to post check by the Finance. No prior Finance concurrence would be required in these cases.

(refer Rates Circular No.3 of 2008)

- 5.3 Refund of waived amount of Demurrage/Wharfage Charge should be made expeditiously through Pay Order/Cheque by Commercial Department of the Division.

(refer Board's letter No.TC-I/2010/209/ACC dt.27.01.2011)

- 6.0 If it is felt that the rules for accrual/waiver of Demurrage/Wharfage Charge need review, the same should be recommended by the GM to this office with the observations of the Associate Finance.

7.0 Waiver of Stacking Charge

(refer Rates Circular No.21 of 2007)

Extant rules for waiver of Wharfage charge will continue to apply in the case of waiver of stacking charge also.

8.0 Waiver of Stabling Charge

(refer Rates Circular No.38 of 2004)

Stabling Charge leviable on privately owned wagons or wagons procured under Own Your Wagon Scheme (Category 'C') should not be waived except to the extent of Force Majeure Conditions - viz. Act of God, Act of war or Act of public enemies.

9.0 Write off of Demurrage/Wharfage

(refer Rates Circular No.38 of 2006)

The extant power of waiver of Demurrage/Wharfage charge is also applicable in case of write off of Demurrage/Wharfage charges. However, the write off should be done in exceptional cases and in extremely extenuating circumstances where chances of recovery are remote due to the fact that the defaulting party is not traceable, or has wound up his business, or has become insolvent, etc.

10.0 Write off of Stacking Charge

(refer Rates Circular No.35 of 2009)

The guidelines regarding write off of Wharfage Charge is also applicable for write off of Stacking Charge also.

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S.No	Nature of Power	PHOD/HOD	DRM/ADRM	Divisional Officers & Officers in Headquarters	REMARKS
1	2	3	4	5	6
1.	(A) Waiver / Refund of wharfage and demurrage charges	<u>PHOD /CHOD</u> up to Rs. 1 Lakh .	<u>DRM</u> up to Rs. 25,000/-	<u>Sr.DCM</u> up to Rs. 10,000/- <u>Sr. Scale</u> up to Rs. 600/- in case of demurrage per wagon. Up to Rs. 1,200/- in case of wharfage per consignment <u>Asst. Officers</u> Up to Rs. 300/-	1. AGM has full power. 2. These power are delegated on per wagon/ per consignment basis. 3. The powers of waiver of wharfage charges will be on consignment basis, except in case of train load consignments, where it is applicable on per wagon basis. 4. Where demurrage cases are being handled by officers of operating department, CCM/Sr.DCM etc will mean COM/Sr.DOM etc. 5. Finance concurrence is necessary for cases above Rs. 25,000/-. <i>Authority:</i> 1. Rates Master circular/Demurrage-Wharfage-Waiver/2016/0 Chapter III dtd.19.05.2016 and further modifications, if any, to be followed. 2. Rly Bd's Letter No.2017/Trans/01/Policy dt.18.10.2017
	(B) Waiver/Refund of storage and lost property charges	<u>PHOD</u> Full Power <u>HOD</u> up to Rs. 50,000/-	<u>DRM</u> up to Rs. 25,000/- <u>ADRM</u> up to Rs. 20,000/-	<u>Sr.DCM</u> up to Rs. 6,000/- <u>DCM</u> up to Rs. 3,000/- <u>ACM</u> up to Rs. 1,500/-	1. Finance concurrence is necessary for cases above Rs. 25,000/- 2. Power are delegated on a per case basis. <i>Authority:</i> 1. Para 2739 of Indian Railway Commercial Manual (IRCM)/Vol. II.
2.	Write off of irrecoverable freight charges in respect of the consignments not taken delivery of and subsequently disposed off by auction. (remaining uncovered after setting off of the sales proceeds realised from the auction sale)	<u>PHOD</u> Full Power	<u>DRM /</u> Full power <u>ADRM</u> – Full Power upto 1 lakh per case	<u>JAG</u> Upto Rs. 25000/- per case <u>SS</u> Upto Rs. 10000/- per case	1. Finance concurrence is necessary for cases above Rs. 5,000/-. <i>Authority:</i> 1. Board's letter No.TCI/3036/60/2 dt.26.11.69.
3.	(A) Write-off of the amounts due to the railway when they are not	<u>PHOD</u> up to Rs. 20,000/-	<u>DRM / ADRM</u> up to Rs. 10,000/-		1. Finance concurrence is necessary for cases above Rs. 5,000/- 2. Power are delegated on a per case basis.