Demurrage Charge

• Definition:

Demurrage charge is levied for the detention of railway rolling stock after the expiry of free time allowed for loading/unloading.

• Free Time:

The Railway Board notifies the free time allowed for loading/unloading.

FREE TIME FOR LOADING/UNLOADING OF WAGONS AT RAILWAY TERMINALS AND PRIVATE/ASSISTED SIDINGS OTHER THAN STEEL PLANTS WHICH DO NOT WORK ON 'ENGINE-ON-LOAD (EOL)' BASIS

Type of Wagon	Mechanically		Manually	
	Loading	Unloading	Loading	Unloading
Open Wagon- BOXN,				
BOXNHS, BOXNHA,	5.00	7.00	9.00	9.00
BOX,				
BOY, BOI, BOYN, BOST				
Hopper Wagon-				
BOBS, BOBSN, BOBR,	5.00	2.30	NA.	NA.
BOBRN,				
BOBY, BOBYN etc.				
Flat Wagon- BFR, BRN, BRH, BFK, BFKI, BFNS, CONCOR RAKES	6.00	NA.	8.00	8.00
CoveredWagon-			1 to 20 = 5.00	1 to 20 = 5.00
BCN,BCNA,BCNAHS,	NA. NA	NA.	21 to 30 = 7.00	21 to 30 = 7.00
BCNAHS,BCX,BCXN,e			31 & above = 9.00	31 & above = 9.00
tc.				

Type of wagon	Mechanically		Manually	
	Loading	Unloading	Loading	Unloading
NMG RAKE	As per number of covered wagons			
Covered Wagon BCFC only for Cement & Fly Ash upto 12/02/15	6.00	6.00	NA.	NA.
Covered Wagon- BCNHL	NA.	NA.	1to20 = 5.00	1to20=5.00
			21to 30=7.00 31 to 45 = 9.00 46 & above = 11.00	21to30=7.00 31to45=9.00 46 & above = 11.00
Tank Wagon (White Oil)	6.00	Upto 29 = 6.00 30 & above = 8.00	NA.	NA.
Tank Wagon (Black oil)	7.00	Upto 29 = 7.00 30 & above = 9.00	NA.	NA.

Type of wagon	Mechanically		Manually	
	Loading	Unloading	Loading	Unloadig
Military Wagon - KM- DBKM	NA.	NA.	4.00	4.00
Other than KM-	NIA	NIA	Upto 20 = 5.00	Upto 20 = 5.00
(for military traffic)	NA.	NA.	21 & above = 7.00	21 & above = 7.00
Container	3.00	3.00	NA.	NA.
Consignment handled by Crane	7.00	8.00	NA.	NA.
Live stock	NA.	NA.	4.00	2.00
Mini rake	Loading / unloading- 5Hr.			

Free time In EOL Scheme

Type of Rake	Loading	Unloading
Open Rake	03:00	05:00
Hopper Rake	03:00	02:00
Covered Rake	06:00	06:00
Tank Rake	05:00	05:00

Key Points about Demurrage

- Demurrage is applicable if detention exceeds free time.
- Group of wagons treated as one unit for demurrage levy.
- Demurrage is levied on the entire rake if one wagon is delayed beyond free time.
- All days are considered working days
- The Railway Board notifies the free time allowed for loading/unloading

Demurrage Charge Rates

- **Base Rate**: Rs.150/- per 8-wheeled wagon per hour (or part thereof).
- Graded Demurrage Rates:

Duration of Detention	Demurrage Charge
Up to 6 hours	Base Rate (Rs.150 per hour)
6-12 hours	Base Rate + 10%
12-24 hours	Base Rate + 25%
24-48 hours	Base Rate + 50%
48-72 hours	Twice of Base Rate
Beyond 72 hours	Thrice of Base Rate

Free Time Reckoning for Terminals

- Single Spur Placement:
 - Demurrage is calculated based on release time minus placement time minus free time.
- Multiple Placements in One Spur:
 Demurrage based on time from release of last part to first part placement minus free time, minus intervening "dies non" periods.
- Multiple Spurt Placements:
 - Demurrage is calculated based on deemed release time, adjusted for "dies non" periods.

Penal Demurrage Charges

- If excessive congestion occurs at terminals/steel plants, **PCCM/PCOM/DRM** can increase demurrage rates.
- Maximum Increase: Up to six times the prevailing base rate.
- 24-Hour Notice: Due notice of 24 hours should be given before implementing the increased rates.
- **Six Times**: The maximum increase (six times the base rate) should only be applied in very alarming situations.

Normal Working Hours

- **Normal working hours**: 06:00 to 22:00, or as notified by Railway administration.
- DRMs can implement round-the-clock working at goods sheds/sidings and ensure basic facilities like drinking water, toilets, resting areas, lighting, etc.
- Incentive:
 - If consignments are released during extended hours (22:00–06:00), only 50% of time taken is counted towards free time.
- This incentive is applicable only when the free time expires after 22:00 and is not available for private/assisted sidings or TIELS customers.

- Pre-payment of Demurrage Charges
- **Inward Traffic**: Demurrage raised before delivery of consignment.
- Outward Traffic: Demurrage raised before preparation of Railway Receipt (RR).
- **Recovery**: Must be ensured within 10 days from the issuance of RR.
- Wagon Demand Cancellation:
 No free time allowed; demurrage charged from time of placement till cancellation.
- Failure to Load:

 If loading doesn't commence within the free time, the allotment is cancelled, WDRF (wagon demurrage refund) is forfeited, and demurrage charges are levied.

Wharfage Charges (WC)

• Definition:

- Wharfage Charges Leviable on goods/ consignment not removed from railway premises after the expiry of free time.
- **Applicable** for detention of goods at railway premises (e.g., stations, platforms, goods sheds).
- Not leviable on consignments held by Railway under lien as per Section 83 of the Railways Act, 1989.

Classification of Railway Premises

- Based on average number of rakes dealt from January to April:
 - **Group I**: >12 rakes/month
 - **Group II**: 7-12 rakes/month
 - **Group III**: <7 rakes/month
- Annual Review: Classification is reviewed every May and applicable from July to June.

- Permissible Free Time for Removal of Goods
- Goods waiting to be loaded into wagons/rake:
 - Group I: 12 working hours
 - Group II: 15 working hours
 - **Group III**: 72 working hours
- Goods unloaded and waiting to be removed:
 - **Group I**: 12 working hours
 - Group II: 15 working hours
 - **Group III**: 72 working hours

Wharfage Rates

- Uniformly charged per wagon per hour (applicable to all types of wagons):
 - **Group I**: Rs. 150/- per wagon per hour
 - Group II: Rs. 120/- per wagon per hour
 - **Group III**: Rs. 75/- per wagon per hour

 Wharfage Charges for Livestock (under Goods Tariff)

• Free Time:

- Loading: 3 hours from the expiry of loading free time.
- Unloading: 3 hours from the expiry of unloading free time.
- Rate: Rs. 5/- per head per hour or part thereof.
 - Failure to Remove: If not removed within 12 hours, Railway may dispose of livestock as per Section 83 of the Railways Act, 1989.

Levy of Higher Wharfage Charges

- In Case of Congestion:
 - PCCM/DRM can increase Wharfage rates **up to 6 times**
 - After a **48-hour notice** and wide publicity.
 - **Variable Rates**: Rates may increase progressively (e.g., 2x, 3x, ..up to 6x etc.).