

GOVERNMENT OF INDIA/BHARAT SARKAR  
MINISTRY OF RAILWAYS/RAIL MANTRALAYA  
(RAILWAY BOARD)

No. TC-I/2005/201/2 (clarf)

New Delhi, dt. 11.03.2013

Chief Operations Manager,  
South East Central Railway,  
Bilaspur.

Sub: Provision of levying interest on Demurrage dues.

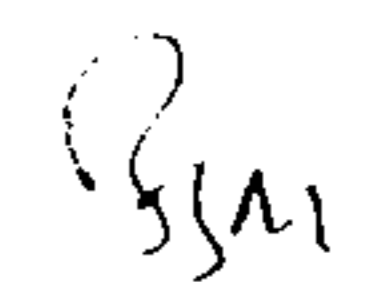
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Please refer to SECR's letter No.OPTG/SECR/DC/Policy dt.04.02.2013 wherein Railway has suggested for levying of interest on outstanding Demurrage amount.

The matter has been examined and Railway's suggestion for levy of interest on Demurrage has not been found in order. However, reference is invited to Section 83 of Railways Act 1989 (copy enclosed) which stipulates guidelines in case rail user fails to pay Railway dues.

SECR may dispose off the case as per the provisions of Railways Act.

DA: as above



(Atul Kumar)

Dy. Director, Traffic Comml.-I  
Railway Board

Copy to:

Chief Commercial Manager,  
All Zonal Railways.

83.

Lien for freight or any other sum due.

83. Lien for freight or any other sum due.--(1) If the consignor, the consignee or the endorsee fails to pay on demand any freight or other charges due from him in respect of any consignment, the railway administration may detain such consignment or part thereof or, if such consignment is delivered, it may detain any other consignment of such person which is in, or thereafter comes into, its possession.

(2) The railway administration may, if the consignment detained under sub-section (1) is--

(a) perishable in nature, sell at once; or

(b) not perishable in nature, sell, by public auction, such consignment or part thereof, as may be necessary to realise a sum equal to the freight or other charges: ✓

Provided that where a railway administration for reasons to be recorded in writing is of the opinion that it is not expedient to hold the auction, such consignment or part thereof may be sold in such manner as may be prescribed.

(3) The railway administration shall give a notice of not less than seven days of the public auction under clause (b) of sub-section (2) in one or more local newspapers or where there are no such newspapers in such manner as may be prescribed.

(4) The railway administration may, out of the sale proceeds received under sub-section (2), retain a sum equal to the freight and other charges including expenses for the sale due to it and the surplus of such proceeds and the part of the consignment, if any, shall be rendered to the person entitled thereto.

84.

Unclaimed consignment.

84. Unclaimed consignment.-- (1) If any person fails to take delivery of--

(a) any consignment; or

(b) the consignment released from detention made under sub-section (1) of section 83; or

(c) any remaining part of the consignment under sub-section (2) of section 83; such consignment shall be treated as unclaimed.

(2) The railway administration may,--

(a) in the case of an unclaimed consignment which is perishable in nature,

sell such consignment in the manner provided in clause (a) of sub-section (2) of section 83; or