

5/10/52

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

ORIGINAL

No. 2012/TC-III/1/1/ER

New Delhi, dt. 30-09-2015

General Manager (Commercial),
All Indian Railways.

Sub: Preferment of Claims.

Ref.: (A) 1. CCM/Eastern Rly.'s letter No. F.COA/Recon/Policy/03/Pt. III dated 14.5.2014 and 22-05-2014.
2. CCM/Eastern Rly.'s letter No. F.COA/Recon/Policy/03/Pt. III dated 13.12.2013

(B) 1. Board's letter No.2007/TC-III/48/1/Misc. dated 22-11-2007.
2. Board's letter No.TC-IV/2007/RP/1/Pt. dated 09-06-2011.
3. Boards letter No. 2012/TC-III/1/1/ER dated 12-06-2012.
4. Board's letter No.TC-III/3530/59/Pt.II dated 25.08.1959.

1. On receipt of Eastern Railway's references seeking certain clarifications in respect of the subject matter, the matter was examined in detail in consultation with Finance and Legal Directorates of Board's office.

2. It has, inter-alia been observed that since the existing Railway Act 1989 has come in effect from 1989, the above raised matter needs to be relooked afresh for interpretation of section 106, 107 and 108 of the Railways Act 1989 without linking it to earlier interpretations of 2007, 2011 and 2012 (ref.B) which is mainly based on Board's letter No. TC-III/3530/59/Pt.II dated 25-08-1959.

3. Accordingly, after due deliberations a comprehensive guidelines on preferment of claims have been drawn, which are as under:

(i) Consignee or consignor or any other person (Claim agents, Handling agents etc.) on behalf of consignee or consignor is entitled to serve a notice of claim for compensation.

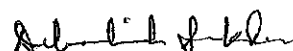
(ii) Notice of claim for compensation is required to be served to the railway administration within a period of six months from the date of entrustment of the goods to the railways.

(iii) Notice of claim for refund of an overcharge in respect of goods carried by Railway is required to be served to the railway administration within a period of six months from the date of payment or the date of delivery of goods at the destination station, whichever is later.

- (iv) Notice of claim shall always be in writing.
- (v) At the time of notice of claim, claimant shall submit the documents by which it can be established that the goods has been entrusted to the railways for carriage.
- (vi) Railway is entitled to entertain only those claim applications for compensation or refund of an overcharge in which notices of claims have been served within a period of six months.
- (vii) If a notice of claim under section 106 of the Railway Act 1989 is served by the consignor or by a person on behalf of consignee or consignor and subsequently if claim application under section 107 of the Railways Act 1989 is filed by the consignee for such claim, the claim application shall not be treated as invalid merely on technical ground that notice of claim has not been served by the consignee himself.
- (viii) After serving notice of claim, when a claim application, under section 107 of the Act, is filed by the consignee, he/she being the rightful claimant needs to submit the RR besides other documents (like full particulars of the consignment booked, name of forwarding/destination stations, copy of short or open deliver certificate, if given by the railways, sale invoice/Beejuck if required, detail of amount claimed etc. which may be required for speedy and prompt settlement of claims along with his/her claim.
- (ix) After serving notice of claim, when a claim application, under section 107 of the Act, is filed by the consignor/sender, besides other documents as mentioned in para (viii), which may be required for speedy and prompt settlement of claims, he/she needs to submit an authority (i.e. Letter of Authority/No Objection Certificate) from the consignee alongwith the claim.
- (x) After serving notice of claim, when a claim application, under section 107 of the Act, is filed by any other person like claim agent or handling agent on behalf of consignee, besides other documents as mentioned in para (viii), which may be required for speedy and prompt settlement of claims, he/she needs to submit an authorization through a Power of Attorney (POA) on stamp paper(s) of appropriate value from the consignee alongwith the claim.
- (xi) After serving notice of claim, when a claim application, under section 107 of the Act, is filed by any other person like claim agent or handling agent on behalf of the consignor, in this case, first the consignor should have the authorization (Letter of Authority/No Objection Certificate) from the consignee to claim as stated in para No.(ix) above. Thereafter, besides other documents as mentioned in para (viii) which may be required for speedy and prompt settlement of claims, claim agent/handling agent is required to submit both Letter of Authority/No Objection Certificate from consignee in favour of consignor and a valid Power of Attorney on stamped paper(s) of appropriate value from the consignor authorizing the claim agent/handling agent on consignor's behalf.
- (xii) Whenever Letter of Authority (LOA) or Power of Attorney (POA) is required to be submitted, it has to be submitted in original for each case of claim in reference to RR and period of validity should also be indicated in these documents.

(xiii) In all above conditions, the final payment of compensation shall invariably be made directly to the original claimant i.e. consignee.

4. This issues with the concurrence of the Finance Directorate of the Ministry of Railways.
5. This shall be effective from the date of issue of this letter.
6. Compliance of the instructions contained in this letter may please be ensured. Please acknowledge receipt.
7. This disposes of the above referred letter of Eastern Railway.



(Debashish Sikdar)
Jt. Director Tfc. Coml.(Claims),
Railway Board.

No. 2012/TC-III/1/1/ER

New Delhi, dt. 30-09-2015

Copy to:

FA&CAOs, All Indian Railways.



For Financial Commissioner/Railways.

Copy to:

1. CCMs and CCOs, All Zonal Railways.
2. PSO/Sr.PPS/PPS/PS to CRB, FC, ME, ML, MM, MS, MT – for information of CRB and Board Members.
3. AM(C), AM(T), AM(F), EDTC(R), EDF(C) and all AMs/Advisors & EDs/JSs of Railway Board.