

GOODS COMPENSATION

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.99/TC-III/3/2

New Delhi, dated 23-5-2001

The General Manager (Claims)
All Zonal Railways.
OSDs New Zones.

Sub:- Powers for settling Claims for Compensation.

In modification of Board's instructions contained in their letter No.94/TC-III/3/4 dated 31.10.1994 it has been decided to revise the powers delegated to officers for settlement of loss and damage claims as under:-

Designation	Existing Monetary powers	Revised Monetary Powers
General Manager	Unlimited	Unlimited
CCM in HAG or Coordinating head	Nil	Rs.4,00,000/-
CCO	Rs.1,00,000/-	Rs.2,00,000/-
Dy. CCM(Claims) Or Dy. CCO	Rs.30,000/-5426+	Rs.60,000/-
SCM	Rs.15,000/-	Rs.15,000/-
ACM	Rs.8,000/-	Rs.8,000/-

2. The above powers are also applicable in settlement of accident claims cases except in the case of CCOs who has already been delegated power vide Board's letter No.96/TC-III/80/2 dated 31.12.97 to settle such claims upto Rs.4 lakhs in each case.

3. It has also been decided to prior Accounts internal Check limit in respect of settlement of claims from Rs.49,999/- to Rs.74,999/-. Cases of value of Rs.75,000/- and above shall be subjected to prior accounts check now, in each and every case.

4. The enhanced delegation of powers as above shall come into force with effect from 1.6.2001.

(Rajni Hasija)
DTC(CI.)/Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.96/TCIII/49

New Delhi, dated 27.10.1997

The General Managers(Claims),
All Zonal Railways,

Sub : Non-settlement of claims - Retention of records of claims of
Government Departments.

Ministry of Defence have complained that there is a tendency on some of the Railways in not taking a decision in respect of claims cases on the plea that records have been destroyed.

The Ministry of Railways view this seriously and desire that instructions contained in Board's letter No.TC-III/3534/69/29/MRB-434 dated 23.11.70 should be followed strictly.(copy enclosed).

It is further desired that records of such cases even though they have become suit-barred, should not be destroyed till settlement.

The receipt of this letter may kindly be acknowledged.

(U.K.Singh)
Director Traffic Comm.(Cl.)
Railway Board

Encl: As above.

COPY

Copy of Board's letter No.TC-III/3534/69/29/MRB-434 dated 23.11.1970 from Dy. Director, Traffic (G), Railway Board to General Managers, All Indian Railways.

Sub:- Claims for compensation - complaints from Government
Departments - Non-settlement of -

Of late a large number of complaints are being received by the Minister, Deputy Ministers and the Members of the Board regarding non-settlement, delay in settlement and inattention to the correspondence from the Government Departments in respect of compensation claims on the Railways. It is felt by the Board that adequate attention to the references from Government Departments is not being given by the Railways.

2. It is observed that there is a tendency on some of the Railways in not taking a decision in respect of claims cases and in ultimately repudiating them after 3/4 years on the plea that records have been destroyed. Some of the Ministries of the Government of India, have complained bitterly about this practice, particularly as remedy through a court of law is not available to them. Such criticism is placing the Board in an embarrassing situation.

3. It has, therefore, been decided that as a general rule the Railways should not destroy records of claims of Government Departments unless the claims are settled either by payment or otherwise. The Board desire that this should be strictly followed.

4. In cases where the Railways have destroyed their records but the Ministries/Departments concerned are continuously pressing for finalisation of the claims, the cases should be reconstructed with the help of the records of the Ministries/Departments concerned and action taken to decide the claims on merits.

5. The receipt of this letter may kindly be acknowledged.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.95/TCIII/49/10

New Delhi, dated 27.8.1997

The General Managers(Claims),
All Zonal Railways,

Sub : Setting up of commodity Claims Cell on Zonal Railways.

In terms of Board's letter of even number dated 21.7.95, instructions were communicated for setting up Commodity Claims Cells with dedicated team of officers, inspectors and ministerial staff to give due emphasis to high stream of claims on different commodities being received by the Railways.

It has, however, been observed that despite creation of these cells, individual complaints from the major customers are still pouring in Board's office for delay in settlement of high value cases of these commodities.

With a view to ensure effective functioning of these cells, the Board desire that dedicated inspectors and officers (Junior Scale) be posted to these cells immediately and action taken in the matter advised to this office within one month.

Kindly acknowledge receipt of the letter.

(U.K.Singh)
Director Traffic Comml.(Cl.)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.97/TCIII/49/7

New Delhi, dated 1.8.1997

The General Managers(Claims),
All Zonal Railways,

OSD/East Central Railway, Hajipur.
OSD/East Coast Railway, Bhubaneshwar.
OSD/North Central Railway, Allahabad.
OSD/North Western Railway, Jaipur.
OSD/South Western , Bangalore.
OSD/West Central Railway, Jabalpur.

Sub : Expeditious settlement of claims in respect of loss, damage etc.

Your attention is invited to this Ministry's letter No.86/TC-III/105/1 dated 30.6.86 in which target time for disposal of different type of claims cases have been laid down which is again indicated below:-

- (i) Claims for non-delivery of wagons/complete consignments ----- 6 months.
- (ii) Partial non-delivery of complete packages. -----4 months.
- (iii) Shortage/damage/breakage etc. ----- 3 months.

The Ministry of Railways is very keen that every claim should be disposed of within a time limit. With a view to expediting disposal of claims cases which have not been settled within the target period, Board desire that Dy. CCM(Claims) and Dy.FA&CAO of your railway should interact regularly on monthly basis and ensure that all claim cases which could not be settled within the target period mentioned above are finalised quickly.

Please acknowledge receipt of the letter.

(U.K.Singh)
Director Traffic Comml.(Cl.)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.95/TCIII/31/1

New Delhi, dated 24.7.1997

The General Managers(Claims),
All Indian Railways,

Sub : Satisfaction of the decree.

Ref:- This Ministry's letter of even number dated 18.11.96.

A clarification has been sought by one of the railways regarding suit contesting railway in RCT cases, whether it is the destination railway or the railway in which the Court/RCT is located and to which the P.O. belongs.

It is clarified that suit contesting railway will either be the destination railway or the forwarding railway and has no relation with P.O. In normal circumstance, it should be the destination railway, which should contest the case. But at times, it may so happen that the petitioner makes the forwarding railway as the respondent. In that case, forwarding railway will call for the claims file from the destination railway and contest the case and also satisfy the decree and debit the amount to destination Railway. In such cases the forwarding railway will be the contesting railway and shall satisfy the decree and debit the amount.

It may also happen at times that the suit is contested in a RCT falling under the jurisdiction of a third railway, e.g. forwarding station is Varanasi (NR) and destination Howrah (ER) and the suit is filed in RCT, Gorakhpur (NER). In that case also, it is the railway (forwarding or destination) which has contested the suit will satisfy the decree, not the railway to which the RCT is attached or to which the P.O. belongs.

Please acknowledge receipt of letter.(This disposed of Western Railway's d.o. letter No.C.438/64/Refund-Goods/PO/JP dated 9.6.97)

(U.K.Singh)
Director Traffic Comml.(Cl.)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.95/TCIII/31/1

New Delhi, dated 18.11.1996

The General Managers(Claims),
All Zonal Railways,

Sub : Satisfaction of Court Decrees.

Attention is invited to this Ministry's letter No.91/TC-III/31/1 dated 2.9.92, wherein it has been advised that the decrees in claims for non-delivery, damage, pilferage etc. of goods are to be satisfied by the destination Railways as in the matter of claim settlement.

In order to avoid delay in satisfaction of decrees, it has been decided by this Ministry that all RCT court decrees irrespective of the amount involved should be satisfied by the suit contesting railway only and the debit be passed on to the concerned railway.

These instructions will come into force with immediate effect.

This has the approval of Associate Finance of this Ministry.

(Sunil Kumar)
Director Traffic Comml.(Cl.)
Railway Board

GOVERNMENT OF INDIA

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

TELEMAX/POST COPY
ISSUED ON 22.11.95

1. SHRI K.K.CHAKRABORTY, CCM/ER, CALCUTTA
2. SHRI R.K. THOOPAL, CCM/WR, BOMBAY
3. SHRI M.C.MEENA, CCM/CR, BOMBAY VT.
4. SHRI N.RAJANKUTTY, CCM/SR, MADRAS
5. SHRI JAMNA SINGH, CCM/SCR, SECUNDERABAD
6. SHRI R.M.DAS, CCM/SER., CALCUTTA
7. SHRI N.N.VASUDEV, CCM/NR, NEW DELHI
8. SHRI SUDERSHAN SETH, CCM/NER, GORAKHPUR
9. SHRI B.P.BHARGAVA, CCM/NFR, GUWAHATI.

NO.94/TC.III/49/14(.) INORDINATE DELAY IS REPORTED IN SETTLEMENT OF CLAIM CASES REQUIRING CLAIMS INSPECTOR AND TRACER TO TRACE THE CONSIGNMENT AND INQUIRE ABOUT THEM(.) IT HAS COME TO THE NOTICE OF THIS MINISTRY THAT ONE IMPORTANT CAUSE OF DELAY IS TERRITORIAL DIVISION OF WORK AMONG THE CLAIMS INSPECTORS AND TRACERS(.) THIS SYSTEM IS NOT RATIONAL AND NEEDS TO BE STOPPED(.) BOARD DESIRE THAT CONDUCTING OF ENQUIRIES WITH REGARD TO CLAIMS AND TRACING SHOULD BE DONE ON 'END TO END' BASIS IN ORDER TO OBTAIN DELAY IN THEIR DISPOSAL(.) ONCE A CASE IS GIVEN TO AN INSPECTOR OR TRACER, HE MUST COMPLETE THE REPORT IRRESPECTIVE OF THE TERRITORY OR THE RAILWAY FROM WHERE THE INFORMATION HAD TO BE GATHERED(.) ENQUIRY SHOULD BE COMPLETED ON TIME BOUND BASIS FOR WHICH, PERIOD SHOULD BE FIXED(.) STAFF DELAYING REPORTS BEYOND PRESCRIBED PERIOD OF TIME SHOULD BE ASKED TO EXPLAIN DELAY AND SUITABLY TAKEN UP (.) PLEASE ACKNOWLEDGE AND SEND A COMPLIANCE REPORT WITHIN 15 DAYS (.) MISRA/RAILWAYS(.)

(M.K.MISRA)
Adviser (Commercial)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

TELEMAX/POST COPY
ISSUED ON 10.5.95

CHIEF COMMERCIAL MANAGER'S

BHASKAR CHAUDHURI, E.RAILWAY, CALCUTTA
VIJAY KAPOOR,WR, BOMBAY
P.C.JOSHI, CR, BOMBAY VT.
B.L.VARMA, SR, MADRAS
JAMNA SINGH, SCR, SECUNDERABAD
R.M.DAS, SER,. CALCUTTA
N.N.VASUDEV, NR, NEW DELHI
SUDERSHAN SETH, NER, GORAKHPUR
KULBIR SINGH, NFR, GUWAHATI.

NO.95/TC.III/76/2(.) IT HAS COME TO THE NOTICE OF MINISTRY OF RAILWAYS THAT THE ZONAL RAILWAYS ARE NOT FILING WRITTEN STATEMENT AGAINST THE CASES FILED IN RAILWAY CLAIMS TRIBUNALS IN TIME (.)THIS CAUSES AVOIDABLE DELAY IN THE DISPOSAL OF CLAIMS CASES BY RAILWAY CLAIMS TRIBUNAL(.) BOARD HAVE THEREFORE DECIDED THAT WRITTEN STATEMENT MUST BE FILED WITHIN 60 DAYS AFTER FILING THE PETITION IN RESPECT OF CASES PERTAINING TO LOCAL RAILWAY AND 90 DAYS IN RESPECT OF FOREIGN RAILWAY CASES(.) REQUEST THESE INSTRUCTIONS BE COMPLIED WITH STRICTLY(.) ACKNOWLEDGE RECEIPT(.)

SHANTI NARAIN/RAILWAYS

(SHANTI NARAIN)
Adviser (Commercial)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.94/TCIII/3/1

New Delhi, dated 12.10.1994

The General Managers(Claims),
All Zonal Railways,

Sub : Delegation of powers regarding settlement of time barred
claims for compensation.

At present, General Managers have been delegated powers for settling time-barred compensation claims cases valued at not more than Rs.50,000/- in each case after prior consultation with the FA & CAO vide this Ministry's letter No.77/TC-III/4 dated 20.6.77.

2. With a view to streamlining and simplifying the procedure for settlement of compensation claims on the Railways and ensuring that claims are disposed of within a reasonable time, the Ministry of Railways have decided to delegate full powers to General Managers to settle time barred compensation claims in consultation with the FA&CAO irrespective of the monetary limit.
3. The receipt of the letter may please be acknowledged.
4. This has been vetted by the Associate Finance in the Ministry of Railways.

(Baldev Singh)
Exe. Director (Public Grievances)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.87/TC-III/40/2

New Delhi, dated 18.1.1993

The General Managers(Commercial),
All Zonal Railways,

Sub : Passing of remarks in the Goods Delivery book.

Complaints continue to be received in this Ministry that Railways are not permitting to record the actual number of bags/packages received at the destination in the Delivery Book. Attention is invited to Board's letter of even number dated 17.7.91 wherein it is clearly indicated that Board have withdrawn only the facility of issue of copy of remarks made by the consignees in Delivery Book. However, the facility of recording in Delivery books, the actual number of bags/packages received by the consignee at the destination does not get affected by the said circular.

Board desire that the instructions quoted above should be brought to the notice of all concerned for their compliance.

Please acknowledge receipt of this letter.

(Baldev Singh)
Exe. Director (Public Grievances)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.84/TC-III/49/5

New Delhi, dated 17.7.1990

The General Managers,
All Indian Railways,

Sub : Utilization of Station earnings for settlement of
compensation claims.

Ref : Board`s letter Nos.
86/F(s)III/WSE/1/dated 19.12.86 and
84/TCIII/49/5/ dt. 6.1.1987

The Railways Ministry have been considering raising of the monetary limit for cash payments in respect of compensation claims from Station Earnings for expeditious settlement of claims. It has now been decided that the existing ceiling limit of Rs. 5000/- may be raised to Rs. 10000/- in each case.

Accordingly, para 2 of this ministry letter No. 86/F(S)III/WSE/1/ dated 19.12.86 may be modified as under :-

`` Encashment of pay orders issued by competent authority for payment of compensation for goods lost, damaged etc., not exceeding Rs. 10000/- in each case.``

This issues with the concurrence of Finance Directorate of the Ministry of Railways, Railway Board.

This disposes of Para 14.2 of the recorded note of discussions held in the meeting of the Chief Claims Officers and Chief Security Commissioners with Board (MT) on 28.4.88 in Board`s office and circulated vide this Ministry`s letter No. 88/TCIII/75/1/ dt. 24.5.88.

Please acknowledge receipt.

(Pramod Uniyal)
Director, Traffic Commercial(Claims)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.89/TCIII/1/6/RA`89/Sec.103

New Delhi, dated 21.6.1990

The General Managers,
All Indian Railways,

Yours attention is drawn to Section 103 of the Railways Act, 1989 dealing with the extent of monetary liability in respect of loss of or damage to booked goods. This provision brings a fundamental change in the existing law regarding determination of amount of compensation payable in loss and damage claims.

On the one hand, the concept of excepted articles has been done away with, and on the other hand, the liability of the railway administration has been limited to the amount calculated with reference to the weight of the consignment.

A copy of rules framed in this regard is enclosed. These rules, alongwith Section 103 of the Act, should be studied thoroughly. Chief Claims Officers, after making himself conversant with the rules, should explain them to all the Claims Officers and Claims Office staff.

Some examples have been given in the enclosure to clarify the application of the new rules.

These rules will apply to the payment made in the claims case arising out of the consignments booked from 1.7.1990. The claims pertaining to the books of earlier period will continue to be settled as per the provisions of the Indian Railways Act, 1890.

Suitable instructions should be issued to stations/goods sheds/parcels offices/sidings. New rules should also be brought to the notice of Chambers of Commerce and trade associations, etc.

A copy of the enclosed rules should be kept at every station for perusal of the consignors/consignees and a notice regarding availability of the new rules should be displayed in every goods shed/parcel office.

Change are required in the format of the forwarding note and railway receipt. This would be separately communicated.

In the meantime, the following be rubberstamped on the forwarding note :-

``Unless the consignor declares the value of the consignments and pays the percentage charge on excess value as per rules, the maximum amount of excess liability of the Railways shall not exceed the amount calculated at the rate of Rs. 50 per Kg.``

(M S Bhandari)
Adviser(Commercial)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.89/TC-III/1/1

New Delhi, dated 10.7.1989

The General Managers,
All Indian Railways,

Sub : Processing of compensation claims cases -
repudiation/settlement of claims cases.

In continuation of Board' instructions contained in their letters No.85-TC-III/RITES/87, 88 & 91 dated 8.5.1986 and 14.6.1989, with a view to institutionalise provision for appeal, it has been further decided that the letter for appeal, it has been further decided that the letter communicating the first decision on a compensation claims case to the claimant should have specific endorsement that in case the claimant is not satisfied with the decision, he may prefer an appeal to the next higher officer. The designation of the next officer should be indicated in each letter. Though the case will be treated as decided, the party will have the right to one appeal to his next higher authority who should consider the appeal and dispose of on merits.

Receipt of the letter may please be acknowledged.

(Pramod Uniyal)
Jt. Director, Traffic Commercial(Claims)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.88/TC-III/47/1/Pt.(A)

New Delhi, dated 17/20.4.1989

The General Managers,
All Indian Railways,

Sub : Claims settlement.

During the course of meeting with Eastern and South Eastern Railways regarding settlement of pending claims cases, Secretary, Directorate of Public Grievances, Cabinet Sectt., and ED(PG), Ministry of Railways, had observed as under:-

- (i) Cases which become suit barred while being processed/under consideration by/of the Railway should not be repudiated as such. They should be decided on merits.
- (ii) Consignees file suits in respect of perishable consignments which have been taken delivery either under clear receipt or on memo. Memo deliveries require linkage with pending claims and if this is done it would lead to withdrawal of claims. Such claims cases can be segregated and then examined at the concerned major destination stations with the help of Chief Parcel Supervisor/Inspectors and the claimants. This could lead not only to reduction in claims as well as save time, energy and money for contesting them in courts.

Board desire that claims cases should not normally be repudiated if they become suit barred for fault of the Railways in disposing them, but should be decided on merits. Powers for waiver of suit barred cases has already been given to the zonal railways.

In respect of memo deliveries, zonal railway`s attention is drawn to this Ministry`s letter No. 85/TC-III/RITES/18 dated 28.2.1986 and No. 85/TC-III/RITES/19 DATED 17.1.1986 AND NO. 85/TC-III/RITES/20 DATED 28.2.1986. All efforts should be made to reduce the outstanding memo deliveries and they should try to connect cases in which suits have been filed.

Receipt of the letter may please be acknowledged.

(Pramod Uniyal)
Jt. Director, Traffic Commercial(Claims)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.87/TC-III/87/1/FC

New Delhi, dated 12.1.1988

The General Managers,
All Indian Railways,

Sub : Retrieval of goods/parcels involved in railway accidents.

We recently had the occasion to review the procedure in respect of retrieval/accountal of materials carried by goods trains which are involved in accidents. All the Railways were addressed to find out the procedure being followed by them in this respect. From the replies received, it is found that no definite procedure is laid down on most of the Railways for retrieval/disposal/accountal of goods or parcels involved in train accidents. It is considered necessary therefore, to lay down the following broad guidelines for such purpose:-

- (i) After attending the casualties and rescue/relief operations, one of the Commercial/Transportation officials present at the site of the accident should note down complete particulars of loaded wagons/parcel van/luggage van involved in accident, with number of packages, nature of commodity, destination stations etc., on the basis of seal cards, consist of trains, guard summary, etc. This information should be communicated to the control office as well as Senior DCS/DCS of the Divisions without any delay, for giving further direction.
- (ii) Where wagons/vehicles containing consignments are fit to move or can be made to move without unloading the contents thereof, these should be dispatched to the destinations by the most expeditious means.
- (iii) Where consignments are required to be unloaded from the vehicles involved in accidents, this should be arranged expeditiously. Adequate arrangements should be made to provide labour to transshipment, and for posting of RPF staff to guard them till dispatch. In the case of transshipment, instructions, contained in par 976,1581 and 1582 of the Commercial Manual should be followed.
- (iv) In case the consignment involved in accident cannot be salvaged, a Panchnama should be recorded by the Officers/Supervisors of the Traffic, Civil Engineering and Mech. Engg. Departments. If the consignment has sustained damage due to accident, if possible, a quick assessment thereof should be made and recorded.

- (v) Where the consignments are of perishable nature, these may be disposed of under the provision of Section 56A of the Indian Railways Act. Wherever possible, consignors/consignees should be advised about such disposal through Station Master of booking/destination stations. Where the destination/booking station is nearby, an effort should be made to contact the consignors/consignees through Station Masters of booking/destination stations giving them time to take delivery either at the site of the accident or at a nearby station where such perishables have been brought.
- (vi) In case goods are laying away from the track but are accessible by road, arrangements for their being brought from the site to the nearest railway station or to any other mid section spot suitable for loading should be made, and from there the goods may be despatched to the proper destination. Where it is not possible to do so, the goods may be auctioned at the site of the accident with the personal approval of Senior D.C.S./D.C.S.
- (vii) A complete report intimating the particulars of consignments involved, and their transshipment particulars, dispatch particulars, auction particulars and other disposal particulars should be sent by the Division to:-
 - (a) Chief Claims Officer of the Railway on which the accident has occurred; and
 - (b) Chief Claims Officers of the Railways on which the booking and destination station lie.

Suitable advice should also be sent to the destination station.

- (viii) The break down train may be equipped with adequate number of tarpaulins and empty gunny bags for protection and storage or consignments at accident sites.

2. The above guidelines are intended to ensure that Railways make all possible efforts to salvage and retrieve the goods involved in accidents to the maximum extent possible, and to communicate the requisite information to the concerned railway officials as well as to the consignors and consignees, and to further ensure that claims for loss and damage when received are linked with such loss and damage. This will also help in expeditious disposal of claim cases.

3. Claims for compensation arising in accident cases as mentioned above, when settled by the Claims Office and referred to the Accounts office for internal check (pre-check or post-check) should continue to be checked in terms of the provisions of paras 2413-2414 All.

IN ADDITION, IN EACH CASE THE REPORT PRESCRIBED IN PARA 1(VII) ABOVE SHOULD BE LINKED AND DISPOSAL PARTICULARS OF THE GOODS/PARCELS DAMAGED OR LOST. INCLUDING ACCOUNTAL OF THE PROCEEDS OF AUCTION ETC. SHOULD BE VERIFIED BEFORE CERTIFYING THE CASE ADMITTING THE CASE IN INTERNAL CHECK.

4. These guidelines are not exhaustive. Each Railway should take any other action considered necessary keeping in view the objectives mentioned above.

5. Receipt of this letter may please be acknowledged and these guidelines brought to the notice of all concerned.

(Pramod Uniyal)
Jt. Director, Traffic Commercial(Claims)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.84/TC-III/49/8

New Delhi, dated Oct.1984

The General Managers,
All Indian Railways,

Sub : Delay in settlement of claims.

Representatives of the Indian Sugar Mills Association in their meeting with the Board on 22.10.84 alleged that there are inordinate delays in the settlement and payment of their claims by the Railways. They also stated that after the decision is taken in respect of their claim cases by the claims office, the finance takes a long time in according their concurrence to the same and still further there are delays in the issue of the cheques in their favour. The sum total of these delays is heavily weighing upon them particularly in the cases of their high value claims.

In this connection, your attention is invited to Board's letter No.58-TC-III/28/11 dated 30.9.58 reiterated under letter No.TC-III/3006/69 dated 12.2.70 in which while expressing Board's concern over the delays in the settlement of claims, time limits were prescribed for the various operations in Railways Accounts office as stated below:-

- a) For concurrence of cases received from the Commercial Branch. - 10 days.
- b) For check by accounts of bills or pay orders in respect of sanctioned claims, received from the Commercial Branch and issue of cheques - 5 days
- c) For dispatch to payees of cheques received by the Cash and Pay Department. - 5 days.

It had also been desired therein that Railways should set up a machinery to watch that the said time limits were rigidly enforced.

3. To consider this matter, Board would like to be furnished with your comments on the Association's complaint based on the statistics of the cases of

Members of the Indian Sugar Mills Association settled by your office during the current year alongwith the following information:-

- i) Average time taken in settlement of cases by payment where Account's concurrence is not required.
 - ii) Average time taken in settlement of cases where Accounts Concurrence is required.
 - iii) Average time taken by the finance in vetting and also for issuing the cheques separately.
4. Kindly also furnish your proposals for reducing delays. Particularly, please advise whether raising of the present limit of Rs.15,000/- fixed for seeking prior financial concurrence for payment of compensation claims is desirable for this purpose and is so to what extent you think this may be raised.
5. You are requested to send your reply early to enable matter being considered further.

(D.R.Sharma)
Jt. Director, Traffic Commercial(Claims)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.TC-III/3115/64

New Delhi, dated 30.1.64

The General Managers,
All Indian Railways,

Sub : Limitation Act 1963 (Act No.36 of 1963)

The period of limitation for filing suites against a carrier as provided in Articles 30 & 31 of the Limitation Act 1908 has since been revised and superseded by items 10 and 11 of Part II of the schedule of the Indian Limitation Act 1963 which are reproduced below:-

<u>Description of suit</u>	<u>Period of Limitation</u>	<u>Time from which period begins</u>
10. Against a carrier for compensation for losing or injuring goods.	Three years.	When the loss or injury occurs.
11. Against a carrier for compensation for non-delivery of, or delay in delivering; goods.	-do-	When the goods ought to be delivered.

Consequent on the above mentioned amendment, it would be necessary to revise periods of preservation of claims and court cases as well as of connected records at stations. This question is being remitted to the Commercial Committee for their consideration and recommendation.

2. Pending Commercial Committee's recommendation and Board's decision thereon the periods of preservation of claims and court cases be revised as under:-

- i) Claims 'paid': 3 years from the date of last payment.
- ii) Claims "Enquiry cases": 3-1/2 years from the date of opening.
- iii) Repudiated cases: 3-1/2 years from the date of opening.
- iv) Other final cases: 3-1/2 years from the date of opening.
(neither 'claims paid' nor "repudiated")

- v) Cases decreed by Court: Complete files to be preserved for one year from the date of finalisation and thereafter a certified copy of decree and papers showing that the decree was satisfied should be extracted from individual files for preservation for a period of 3 years from the date of decrees.
 - vi) Cases dismissed: One year from the date of finalisation.
 - vii) Cases settled out of court: 3-1/2 years from the date of last payment.
- These limits will apply in respect of all claims cases in respect of which the last date for suits falls on or after 1.1.1964.

The receipt of this letter may be acknowledged.

(M.P.Sathaye)
Jt. Director, Traffic (Rates)
Railway Board

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.92/TC-III/53/6

New Delhi, dated 8.11.93

The General Managers,
All Indian Railways,

Sub : Closure of Lost Property Offices.

The Ministry of Railways have decided to close down all the LPOs on the Zonal Railways with immediate effect.

2. With the closure of LPOs unclaimed consignments and lost property will cease to be transferred from stations. Thus, the concerned Goods/Parcel Sheds where such consignments and lost property are available will dispose then off after following the normal procedure.
3. Unconnected/unclaimed consignments which can be utilised departmentally should, on valuation, be transferred to the concerned Department.
4. Disposal of gold and silver articles, if found unclaimed, will continue to be dealt with as per the existing instructions i.e., they would be sent to Mint authorities by the CCOs. Other articles, such as arms and ammunition, liquor, opium etc., will also be disposed off as per existing rules.
5. Railways should take action accordingly and confirm by 25.11.1993.
6. Receipt of this letter may be acknowledged.

The receipt of this letter may be acknowledged.

(Beldev Singh)
Executive Director/Public Grievances
Railway Board

DA: Nil.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.TC-III/3264/71

New Delhi, dated 22.10.71

The General Managers,
All Indian Railways,

Sub : Claims for compensation time barred for suit.

Consequent upon the delegation of enhanced powers to the General Managers in regard to settlement of suit barred claims for compensation, communicated to the Railways under Railway Board's letter No. TCII/3261/71 dated 1.10.1971 para 1540 of the Indian Railway General Code Volume I and paragraph 331 of the Indian Railway Code for Traffic Department (Commercial) are amended as in Advance `` Correction Slip Attached.

(M. S. Bhandari)
Dy. Director, Traffic Comml (SD)
Railway Board.

ADVANCE CORRECTION SLIP NO. 127-GI

PARA A 1540-GI

Substitute the existing note appearing under Para 1540-GT by the following :-

NOTE :

The General Managers of zonal Railways will have full powers in regard to settlement of suit barred claims for compensation with further authority to re-delegate their powers to Chief Commercial Superintendents and the Dy. Chief Commercial Superintendents to the extent considered necessary. The concurrence of the Financial Advisers and Chief Accounts Officers or the Deputy Financial Advisers and Chief Accounts Officers is to be obtained in each case.

ADVANCE CORRECTION SLIP NO. 16-T

PARA 321-T

1. Substitute the words `` Railway Board`` Appearing in line 6 of this para, by the words `` Competent authority``.
2. Substitute the existing note appearing under para 331-T by the following :-

Note :

The General Managers of Zonal Railways will have full powers in regard to settlement of suit barred claims for compensation with further authority to re-delegate their powers to the Chief Commercial Superintendents and the Dy. Chief Commercial Superintendents to the extent considered necessary. The concurrence of the Financial Advisers and Chief Accounts officers or the Deputy Financial Advisers and Chief Accounts Officers is to be obtained in each case.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.TC-III/3048/70/5

New Delhi, dated 16.1.71

The General Managers,
All Indian Railways,

Sub : Issue of clear /Said to contain Railway Receipts.

It has come to the notice of the Board that Sometimes Railways are issuing clear Railway Receipts without the fulfillment of the conditions of consignments, verification of their weight or quantity. Such cases lead to the contingency of heavy compensation and have also been adversely commented upon in the Audit paras.

The Board have decided that clear Railway Receipts should be issued only where the goods clerk is in a position to check the particulars clearly admitted in the Railway Receipt. For instance where a weigh bridge is available, there should be a clear admission of weight on the Railway Receipts after weigh bridge weighment. If a bagged consignment is being loaded then if weighing scale or beam scale is available, the whole consignment has to be weighed for a clear admission of weight on the Railway Receipt. In sidings where consignments are usually loaded, the clear Railway Receipts can only be issued when the necessary facilities enable this being done. Otherwise 'said to' remarks should invariably be given in respect of consignments, booking particulars of which are not checkable by the goods clerk.

Instructions issued vide letter No.52-ACIII/25/41 dated 18.9.1970 would also be subject to the above conditions. It is clarified that the intention of circular No.52-AC-III/25/41 was only to impress on the staff the need to issue clear Railway Receipts where all other conditions are fulfilled.

These instructions should be brought to the notice of the staff concerned. Kindly acknowledge.

(V.C.Rajagopal)
Jt. Director, Traffic (R)
Railway Board.