Government of India
Ministry of Railways
(Railway Board)

No. F(X)II-2009/Computerization CRIS/3 New Delhi, dated 9.10.09

To

The FA&CAOs
All Indian Railways.

Subject: Memorandum of Understanding (MOU) between Railways and CRIS for advance payment as software projects and hardware procurement.

It may be recalled that letters communicating sanction for works under PH-17 enjoins that an MOU may be signed between Railways and CRIS to regulate not only the payments but also the delivery schedule of the project. The MOU would also ensure that project meets the user's requirement and is implemented strictly in accordance with the systems specifications finalized by the Railways. For this purpose, a standard format has been circulated vide Board's letter no. 2004/C&IS/CRIS/Project Review dated 03.10.2007. It is expected that payment schedules are prepared in such a manner that CRIS gets money at least a month or two ahead of the liability that it may incur for the work so that CRIS is never out of pocket and starve for funds. However, it is noted that certain Railways in some projects have given money to CRIS a year or so in advance of the need. This is against norms of financial prudence. In case it has happened inadvertently in some cases, corrective steps should be taken immediately.

2. CRIS has been empowered by Board to temporarily re-appropriate money between the projects so that it faces no embarrassment. However, all such re-appropriations have to be informed to FA&CAO and got rectified by him.

3. It must be ensured that all material purchases under the project are clearly listed and sent by CRIS to the Zonal Railways clearly indicating the officer/staff to whom the same have been handed over so that through stock verification the same is verified. Such a course of action would ensure that there is no mis-appropriation/loss of material. It may be recalled that this is also stated in paras 5 and 6 of Annexure A to Board's letter no 99/C&IS/CRIS matters dated 30.9.2005.

4. Please confirm that corrective action etc. wherever required has been taken and the stock has been re-conciled or that the system is well-understood.

5. Kindly acknowledge receipt.

(K. Vinayak Rao)
Executive Director Finance (Expenditure)-II
Railway Board