भारत सरकार Government Of India
रेल मंत्रालय Ministry Of Railways
रेलवे बोर्ड Railway Board

2007/CE-I/CT/18 Pt.2 New Delhi, Dated 04.10.2012

Addressed to :
As per list attached.

Sub : Addendum & Corrigendum Slip (ACS) No. 46 to Para 1264 of Indian Railways Code for Engineering Department (Third Re-print) 1999.

The Ministry of Railways (Railway Board) have decided that Para 1264 of the Indian Railways Code for Engineering Department (Third Re-print) 1999 may be amended as shown in the enclosed Addendum & Corrigendum Slip (ACS) No. 46.

This issues with the concurrence of the Finance Directorate of the Ministry of Railways.

संलग्नक / उपरोक्तानुसार

05/10/12
(आलोक कुमार)
कार्यकारी निदेशक/सिविल इंजीनियरिंग(जी)/रेलवे बोर्ड

2007/CE-I/CT/18 Pt.2 New Delhi, Dated 04.10.2012

Copy to :

1. FA&CAOs, All Indian Railways.
2. The Principal Director of Audit, All Indian Railways.
3. The Deputy Comptroller and Auditor General of Indian Railways, Room No. 224, Rail Bhavan, New Delhi.

For Financial Commissioner/Railways

Addendum & Corrigendum Slip (ACS) No. 46 to Para-1264
Of Indian Railways Code For Engineering Department (Third Re-print) 1999

Para 1264, 1264(c), 1264(e)(i), (e)(ii) & 1264(f) are amended as indicated below :

1264. Advances to Contractors -

It shall be duty of the Executives to abstain as far as possible from giving advances and they should endeavour to maintain a system under which no payments are made except for work actually done. General Managers may, however, sanction advances within their delegation of powers, as per limits indicated hereunder for such of the works which are capital intensive and of specialised nature, if the estimated value of the tender exceeds Rs.25 (twenty five) crore. Suitable provisions may be included in the special conditions of the tender for grant of Mobilisation Advance and advance against machinery and equipment, if the work warrants grant of such advances, subject to conditions stated hereunder :

(a) Mobilisation Advance -

This shall be limited to 10% of the contract value and payable in 2 stages, as indicated below :

Stage I - 5% of contract value on signing of the contract agreement.

Stage II - 5% on mobilisation of site-establishment, setting up offices, bringing in equipment and actual commencement of work.

The two stages of advances shall be payable immediately after signing of contract documents and at the time of mobilisation respectively.

(b) Advance Against Machinery and Equipment -

This advance shall be limited to a maximum of 10% of the contract value against new Machinery & Equipment, involving substantial outlay, brought to site and essentially required for the work. This advance shall not exceed 75% of the purchase price of such Equipment and shall be payable when hypotheticated to the President Of India by a suitable bond or alternatively covered by an irrevocable Bank Guarantee for full cost of the Plant & Equipment from a Nationalised Bank in India or the State Bank of India in a form acceptable to Railways. The Plant & Equipment shall be insured for the full value and for the entire period, they are required for the work. This Plant & Equipment shall not be removed from the site of work without prior written permission of the Engineer. No advance should be given against old Plant & Machinery.

(c) Advances For Accelerating Progress Of The Work During Course Of Execution Of Contract -

This advance is to be decided on the merits of each case for contracts lying within the powers of General Manager (upto Rs. 100 crore or less or as decided & circulated by Board from time to time) and shall be restricted to a maximum of 5% of contract

value or Rs. 1 crore whichever is less. This is to be granted by the General Manager on the recommendations of the Chief Engineer in-charge, in consultation with the Associate Finance.

(d) Advances in Exceptional Cases -

General Managers are further empowered to grant advances in exceptional cases upto a maximum of Rs. 5 lacs in respect of even contracts of value of less than Rs. 50 lacs, if considered absolutely essential, depending on the merits of each case and circumstances in each situation, to be recommended by the Chief Engineer in-charge and in consultation with the Associate Finance.

(e) The Above Advances Are Subject To The Following Conditions -

(i) The advance shall carry an interest of 4.5% per annum above the Base Rate of State Bank of India, as effective on the date of approval of payment of the advance by the competent authority and be restricted only for high value tenders of Rs. 25 crore and above;

(ii) Advances except those against machinery and equipment, shall be payable against irrevocable guarantee (Bank Guarantee, FDRs, KVPs/NSCs) of at least 110% of the value of the sanctioned advance amount (covering principal plus interest). The Bank Guarantee shall be from a Nationalised Bank in India or State Bank of India in a form acceptable to the Railways;

(iii) The recovery shall commence when the value of contract executed reaches 15% of original contract value and shall be completed when the value of work executed reaches 85% of the original contract value. The instalments on each "on account bill" will be on pro-rata basis;

(iv) That the grant of advance is primarily in Railway's own interest;

(v) That a contract does not receive advances for same work from different officers;

(vi) That arrangements are made with the Accounts Officer for proper accounts being kept with regard to payment and recovery of these advances; and

(vii) That all necessary precautions are taken to secure Government from the possibility of loss and for preventing the system becoming more general or continuing longer than what may be absolutely necessary for proper progress of the work.

(f) Method of Recovery of Interest -

Interest shall be recovered on the advance outstanding for the period commencing from the date of payment of advance till date of particular on-account bill (through which recovery of principal is effected) and adjusted fully against on-account bill alongwith pro-rata principal recovery. In the event of any short-fall, the same shall be carried forward to the next on-account bill and shall attract interest @ 4.5% per annum above the Base Rate of State Bank of India, as effective on the date of approval of payment of the advance by the competent authority.

The Bank Guarantee for such advances shall clearly cover at least 110% of the value of the sanctioned advance amount (covering principal plus interest).

{Authority : Railway Board's letter no. 2007/ CE-I/CT/18 Pt.3, dated 23.5.2012}

LIST

1. General Managers, All Indian Railways & Production Units.
1a. General Manager (Con), N.F. Railway, Guwahati.
2. Principal Chief Engineers, All Indian Railways.
3. Chief Administrative Officers (Con), All Indian Railways. (Except N.F. Railway)
4. Chief Vigilance Officers, All Indian Railways.

Copy to:

(A)

1. CAO/CAO(R), COFMOW, Tilak Bridge, New Delhi-110002.
2. CAO/CAO(R), Diesel Locomotive .Works,Patiala(Punjab).
3. CAO, Rail Coach Factory/Rae bareli Project, Kishanganj, Delhi- 7

(B)

1. Director General, RDSO, Manak Nagar, Lucknow-226011.
2. Principal, Railway Staff College, Vadodara-390004
3. Chief Commissioner of Railway Safety, Ashoka Road, Lucknow-226001.

(C)

1. Director, IRICEN, Rail Path, Pune. Pin-411001 (Maharashtra).
2. Director, IRIEEN, P.B.No.-233, Nasik Road-422101 (Maharashtra).
3. Director, IRISET, Taa Naka Road, Lalla Guda , Secunderabad-500017
4. Director, IRIMEE, Jamalpur Distt., Jamalpur - 811214. (Bihar)
5. Director, IRITM, Saraswati Residential Estate, IRITM Campus, Manak Nagar Lucknow.

(D)

1. MD, DMRC, Metro Bhawan, 13, Fire Bridge Lane, Barakhamba Road, New Delhi-110 001,
2. MD, CONCOR, Concor Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi- 110076.
3. IRCON International Limited, C-4, District Centre, Saket, New Delhi- 110017
4. MD, RITES Ltd., RITES Bhawan, Plot No.1, Sector-29, Gurgaon, Haryana-122001
5. MD, RVNL, August Kranti Bhawan,Plot No.25, 1st Floor, Bhikaji Cama Place, New Delhi-110066
6. MD, MRVC Ltd., Churchgate Station Bldg, Mumbai- 400020
7. MD, KONKAN Railway Corporation Ltd, Rail Bhawan, New Delhi-110001.
8. MD, DFCCIL, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001
9. MD, RLDA, Near Safdarjung Railway Station, Moti Bagh, Phase-I, New Delhi- 110021
10. RCF, Rae Bareilly, Kishan Ganj, Delhi.
11. CME, IROFAF, 12th Floor, Core-1, Scope Minar, Distt. Centre, Laxmi Nagar, Delhi- 110092
12. CAO, Indian Railways (Workshop Projects), Chamber Bhawan, Judge's Court Road, Anta Ghat, Patna-800001, Bihar.

(E)

1. General Secretary, IRCA, DRM Office, New Delhi.
2. General Secretary, AIRF, Rail Bhawan, New Delhi.
3. General Secretary, NFIR, Rail Bhawan, New Delhi.
4. General Secretary, IRPOF, Rail Bhawan, New Delhi.
5. General Secretary, FROA, Rail Bhawan, New Delhi.
6. General Secretary, AIRPA, Rail Bhawan, New Delhi.
7. General Secretary, AISC&STREA, Room no. 7, Rail Bhawan, New Delhi.
8. The Secretary, RBSS, Group (A) Officers Association, Rail Bhawan.
9. The Secretary, RBSS, Group (B) Officers Association, Rail Bhawan.
10. The Secretary, RBMSA, Rail Bhawan.
11. The Secretary, Railway Board , Group (D) Employees Association, Rail Bhawan.

Copy to:

CRB, FC, ME, ML, MS, MM, MT, Secy., AM(CE), AM(WORKS), AM(PLG.) AM(STAFF), AM(Mech.), AM(Elec.), AM(PU), AM(Tele), AM(Sig.), AM(Traffic), AM(F), AM(B), Adv.(Projects), Adv.(L&A), Adv.(Vig.), Adv(Rates), AM(Stores), AM(IT), AM(T&C), AM(Comml.) DG(RHS), DG(RPF), EDTK(M), EDTK(MC), EDTK(P), EDW(Plg.), EDME(Track), EDCE(B&S), EDCE(RC&F), EDF(X)-I, EDF(X)II, DF(X)-II, ED(W), EDCE(P), ED(PROJECT), ED(L&A)-I, ED(L&A)-II, EDVE, ED/DM, ED(Safety), ED(Sig.), ED(Tele), EDRS(G), ED(E&R)EDEE(Dev.), EDEE(G), EDEE(RS), EDRE(P), EDRE(S&T), EDE, EDE(N), EDE(Res.), EDFE, EDPC, ED(Accounts), ED(T&MPP), EDE(GC), EDME(CHG), EDME(F), EDME(Dev.),EDME(W), ED(Plg.), ED(CHG), EDRS(P), EDRS(S), EDF(S), ED(FC), EDPM, EDPG, EDTC(R), EDTT(F), EDTT(M), EDTT(S), EDV(S), EDV(T), DCE(B&S), DCE(P), Dir(L&A), JS(Conf.), JS(G), JS(P), LA, Eco.(Adv.) F(X)I, II, Vig.III, Vig.(Conf.), L&A, Track I & II, Telecom, Signal, RS(G), & Electrical Branches of Rly. Board.