

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD

R.B. Accounts 10/2003

No. 2003/ACII/1/1

New Delhi, Dated : 12.12.03

General Managers/FA&CAOs
All Zonal Railways/ PUs etc.

**Sub: Funds Flow arrangements for works of other Government
Departments/Special Purpose Vehicles (SPVs)**

Advance Correction Slip No.40 amending Para 1846 ,Chapter XVIII,
Indian Railways Code for the Engineering Department (Third Re- print 1999) is
enclosed for information and necessary action.

Kindly acknowledge receipt.



(J.Srinivas)
Director Finance(CCA)
Railway Board

DA: As above

Copy to

1. ADAI/ Railways, Office of C&AG of India , Bahadurshah Jafar Garg , New Delhi. (with 45 spare copies)
2. GM/Const./NFR, CAO/CE/Const. / All indian Railways .
3. AC I(Comp.) / AC III(6 spare copies) / Code Revision Cell /F(X)I/ F(X)II/
Budget Br/ Project Cell.
4. CONCOR/Le Meridien Commercial Tower, CRIS/Chanakyapuri New Delhi,
DMRC/ NBCC Place Bhishma Pitamah Marg- Pragati Vihar, IRCON International
Ltd. / Palika Bhawan, R.K. Puram , Sector -13-New Delhi, IRFC/ NBCC Place
Bhishma Pitamah Marg- Pragati Vihar, MRVC/ 2nd Floor, Churchgate Station
Buiding,Mumbai,RCIL/ 10th Floor- Bank Of Baroda Building /16/ Parliament Street
- New Delhi , RITES/ RITES Bhawan, Plot No. 1 , Sector -29 , Gurgaon.



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Director Finance(CCA)
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ADVANCE CORRECTION SLIP No. 40

Indian Railways Code for the Engineering Department (Third Re-print 1999)

(Page 269 ,Para 1846 of Chapter XVIII of Indian Railways Code for the Engineering Department (Third Re-print 1999)

Please substitute existing Para 1846 E with the following :

Para 1846

(A) Funds arrangements for works of Other Government Departments

When a work is undertaken on behalf of another Government Department it will be the duty of department concerned to intimate to the Railway Administration the sanctioned grant and the Railway Administration will be responsible for seeing not only that the allotment placed at its disposal is not exceeded but also that any anticipated savings are notified in time, to the department concerned . In case where an excess is anticipated , the Railway Administration will be responsible for obtaining the additional allotment in proper time from the department concerned.

(B) Funds arrangement for works for Special Purpose Vehicles (SPVs) having Government participation

The estimated amount of the cost to be borne by the SPVs having Government participation for the execution of work by Railway shall be deposited with the Railway Administration concerned before the construction of the work is taken in hand . In the case of works costing Rs 3 lakhs or more , the work may be commenced against an initial cash deposit of 20 percent of the estimated cost of the work, by such SPV. This initial cash deposit shall be treated as revolving fund and replenished from time to time on not more than two weeks notice or at monthly/ quarterly intervals as may be considered necessary. In such cases, if so requested by the SPV, the replenishment may also be arranged through an irrevocable revolving letter of credit. The period of validity of the letter of credit shall cover atleast one year after the completion of work as may be estimated by the Railway and the cost incidental to operation of letter of credit shall be borne by the SPV.

(Authority : Board's letter no . 2003/ACII/1/1 dated /2.12.03)
