

21

GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS (RAIL MANTRALAYA)
(RAILWAY BOARD)

No.2006/Tele/RCIL/4.

New Delhi,
Dated:10.12.07

**The General Manager,
All Indian Railways.**

**The Managing Director,
RailTel Corporation of India Ltd.,
10th Floor, Bank of Baroda Building,
Parliament Street,
New Delhi-110001.**

Sub: Execution of works by RailTel – Review of payment terms.

**Ref. RCIL's letter No.RCIL/2006/Project/Cost plus/Rly.wrks/589
dated 15.10.07**

The issue of finalizing terms of payment for the works being executed by RailTel was under consideration of Railway Board for sometime past. Board have approved the following payment terms for the works assigned to RailTel by the Ministry of Railways:-

1. Payment schedule:

S.No.	Activity	Payments
1.	Signing of MOU	Nil
2.	Survey and preparation of execution plans- approval of plan	5%
3.	Award of contract (Cost of tendering etc.)	10%
4.	Monthly payments as per progress of work	As per statement of expenditure
5.	Commissioning and acceptance of work	Balance final payment

2. Cost estimate once given would generally be firm and not exceed by more than 5% of the cost sanctioned by the Railways unless and until the scope of work undergoes any change. However, in exceptional circumstances if the cost exceeds beyond 5% of the cost sanctioned by the Railways, advance specific approval of Railway shall be taken for revised cost where it will be processed according to existing system of financial scrutiny and sanction of Competent Authority. Saving, if any, shall, however, be passed on to the Zonal Railway.

Contd...-/

9/12/07

