Advance Correction Slip (ACS) No. 51 to Indian Railways Code for Engineering Department Revised Edition-1982 and Fourth Re-print 2012

Para No. 701, 1102 and 1209should be amended as under:

701: Kinds of Estimates -- All proposals for:

a. the construction or purchase of new works or assets;

b. the renewals and replacements of existing works or assets chargeable to Depreciation Fund/ Development Fund or Open Line Works-Revenue when estimated to cost more than Rs 50,000/- or if chargeable to Revenue when estimated to cost more than Rs 2 lakh.

c. the scrapping, dismantlement or abandonment of existing works or assets;

d. the reconditioning of the existing works or assets, if estimated to cost more than Rs 1 lakh, **any repair work chargeable to revenue costing up to Rs 5 lakh** and that of a single housing unit, if estimated to cost more than Rs 20,000/-.

e. temporary and experimental works;

f. renewals and replacements on worked lines; and

g. renewals of ballast.

should, subject to the provisions of paragraph 1103 regarding urgent works, be scrutinized by the authority competent to sanction them before any expenditure or liability is incurred thereon. For the purpose of this scrutiny, all such proposals should be presented in the form of one or other of the following estimates, according to the circumstances mentioned in paragraphs 702 to 713-

a. Abstract Estimates

b. Detailed Estimates

c. Supplementary Estimates

d. Revised Estimates

e. Project Abstract Estimates

f. Construction Estimates

g. Completion Estimates

Note:-

1. For "New Minor Works" costing Rs 50,000/- and/less, for renewals and replacement works chargeable to Revenue costing Rs 2 lakh and less and for "Reconditioning Works" costing Rs 1 lakh and less detailed estimates need not be prepared for formal sanction. Rough estimates should, nevertheless, be prepared and kept on record by the Executive Engineer. (Authority: Railway Board letter No. 2001/CE I/CT/17 (Part) dt. 24.03.2003)

2. In those cases of renewals of permanent way, which are essentially of the nature of repairs and maintenance and in respect of which there is no question of an improvement or a change in the type of materials, and it is impracticable to prepare estimates in advance, separate estimates need not be prepared, but the total cost of the renewals, which must be comparatively small (less the cost of released materials), may be charged to Depreciation Fund through the permanent-way returns, the estimate for track renewals for the division or system being operated upon for this purpose, and the possible credits to Capital on account of the difference between the original cost and the actual cost being neglected in such cases.

1102: The ordinary rule is that no work may be commenced and no liability or expenditure incurred on a work until a detailed estimate for it has been sanctioned and an allotment of the requisite funds made by competent authority. This rule pertaining to preparation of estimates does not apply in the following cases:-

i. For the construction or purchase of new work or asset under the category of new minor works if estimated to cost up to Rs 50,000/-;

ii. For renewals and replacement of existing works and assets chargeable to Open Line Works Revenue as a new minor work if estimated to cost up to Rs 50,000/-;

iii. For renewals and replacements of assets charged to Development Fund and Depreciation Reserve Fund if estimated to cost upto Rs. 50,000/-;

iv. For renewals and replacements of assets charged to Revenue if estimated to cost up to Rs. 2 lakh; and

v. For reconditioning of existing assets if estimated to cost up to Rs 1 lakh and **any repair work chargeable to revenue costing up to Rs 5 lakh** (c.f., para 701).

1209: Contracts for zone works and Engineering Materials - It is often advantageous to allot all minor works and all works of repairs and maintenance in a particular zone for a definite period to one contractor. It may be likewise advantageous to make this contractor who can be called a zonal contractor responsible for the conveyance or supply of engineering materials as and when required, in a particular zone during a specified period. The Executive Officers of the Engineering Department should, therefore, take steps to select suitable contractors for zone contracts which will include:-

i. New Works, additions and alterations to existing structures, special repair works and supply of building materials subject to the contract value of each such work not exceeding **Rs 5 lakh**.

ii. All ordinary repairs and maintenance works; and

iii. Conveyance of materials e.g. bricks, lime, sand etc. which are likely to be required in a zone during the year.

The zonal contracts should be for the period from 1st of July to 30th of June. The contracts for these works or supplies should as a rule, be on a yearly basis. If, however, any special advantage, such as more favourable rate is likely to be secured by giving out contracts for longer periods (as in the case of manufacture or supply of bricks) contracts for more than a year may, with the concurrence of the Accounts Officer, be entered into, it should be ensured that as far as practicable, no work orders are approved against the old contract after the opening of the new tenders and all works of the old contract are completed by the end of June. Exceptional cases may, however, be dealt on their merits with the approval of the competent authority, taking into account all relevant facts including such information as is available regarding the trend in rates.

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