

## EAST CENTRAL RAILWAY

Office of the  
Principal Chief Materials Manager  
Hajipur, Bihar, 844101

### **Stores Instruction No: 139 dated 29.05.2025**

**All PHODs,  
All DRMs, CWM/HRT  
E. C. Railway**

Sub: Fund Certification for procurement of non-stock items and monitoring of pending bills  
Ref: Railway Board's L/No: 2025/RS(G)/709/1 dated 03.05.2025

\*\*\*\*\*

It has been observed that procurement of non-stock items is done despite non-availability of funds which leads to delayed payment to the firms for months after supply of material. Delayed payment to suppliers invites criticism and complains from different corners including suppliers which create an embarrassing situation for the railways. Delayed payment also causes receipt of RTI/CPGRAM/MSE Council references as well as Arbitration/Vigilance/Court Cases disposal of which requires lot of time and energy of manpower involved.

Railway Board vide letter under reference (enclosed herewith) has also shown concern on this matter and with the approval of the full board has instructed all concerned departments for strict monitoring of pending bills. Railway Bd. has also advised that timely availability of requisite fund must be ensured for discharging the entered liability.

1.0 The following guidelines are applicable for payment to the suppliers and interest payable as per the extant rules & guidelines:

- a) As per the MSME Act, payment is to be made to all MSE vendors maximum within 45 days. If buyer fails to make payment to the supplier within this time limit, he shall be liable to pay compound interest with monthly rates to the supplier from the appointed date at three times of the bank rate notified by RBI.
- b) Also, for orders placed on GEM platform, payment is to be made within 10 days and thereafter buyer is required to pay penal interest @ 1% per month for the delayed payment beyond the prescribed timeline till the date of such payment. Railways were given exemption from making payment of the interest till 31.03.2022 only and now Railways are also liable for interest payment to the firms.

2.0 At present, a number of disputes for delayed payments are pending with CPGRAM/RTI/MSE Council/Arbitration/Vigilance etc. Further, this office is in receipt of representations from the firms almost on daily basis which are being forwarded to the concerned PHODs/DRMs for necessary action which also invariably takes time beyond the prescribed time limit in making the payment.

In view of the above, it shall not be desirable to issue purchase orders without clear cut availability of funds.

### 3.0 Therefore, following modalities need to be followed for procurement of non-stock items:

Funds availability certification is to be given by the indenter on each non-stock requisition. Liability Register must be maintained by each unit to ensure fund availability (refer MSOP Part D Para 6(B)). The fund certification endorsed on the NS requisitions should mention the liability register Sl. No/Folio No., Amount booked, financial year for which fund is being certified etc. Non-stock requisitions shall be processed only after having complete fund certification.

However, in exceptional cases and unavoidable emergent situations:

- i) If the requisition is not having complete fund certification, an undertaking may be given by the indenters on how they plan to provide funds for the tendered items in the next 90 days. This can be either through re-appropriation or through additional funds in RE or FME. Such endorsement may be made by the indenting Branch Officer and agreed to by associate finance. As PO is to be issued only with clear fund certification, concerned branch officers must start the process of ensuring fund availability well in advance.
- ii) In such cases, where indenters and Accounts Department are confident that the payment can be made within the prescribed timeline after the delivery of the material, PO may be issued on their certification.

In HQ, such certification shall be given by the concerned SAG Officer of Executive Department and agreed to by the SAG Officer of Accounts Department.

In field units, the same shall be recorded by the concerned Branch Officers of Executive Department and Accounts Department.

- iii) The delivery period also needs to be aligned accordingly in the Purchase Orders, if agreeable to the suppliers.

4.0 One more solution is to initiate stocking of regularly consumed items and RC/RGC may be concluded to cater to both stock as well non-stock requirements as being done in case of S&T items.

5.0 As advised by Railway Board vide letter under reference, the monitoring of pending bills for non-stock items is to be done by the concerned indenting department and henceforth, all RTI/CPGRAM/MSE Council/Arbitration/Vigilance/Court Cases for delayed payments shall also be dealt by the concerned indenting department.

This is issued with the approval of PCMM/ECR/HJP.

**MAHESH KUMAR** Digitally signed by  
MAHESH KUMAR  
Date: 2025.05.29  
17:46:17 +05'30'  
(Mahesh Kumar)  
Chief Materials Manager- II  
E. C. Railway, Hajipur

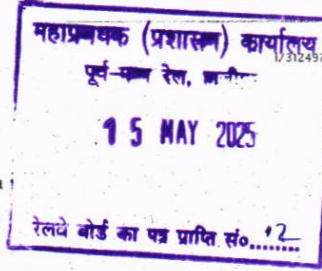
Authority File No: ECR-HQ0STR(ICIT)/0002/2024-O/o Dy.CMM/IV/HQ/ECR-Part(1)

Computer No: 300919

Copy to: Secy to GM – for kind information of GM  
PS to AGM – for kind information of AGM  
All Stores Officers – for information and necessary action

PCMM  
PCE  
PCME  
PCEE  
PCSTE  
PFA

भारत सरकार Government of India  
रेल मंत्रालय Ministry of Railways  
रेलवे बोर्ड (Railway Board)



No: 2025/RS(G)/709/1

New Delhi, Date: 03/05/2025

मं प्रो

सचिव

The General Managers, All Indian Railways/PUs, NF(C), CORE  
DG, RDSO/Lucknow, NAIR/ Vadodara  
PCAO, PLW/Patiala, COFMOW  
CAO, WPO/Patna, RWP/ Bela

**Sub.: Monitoring of pending bills by all concerned departments.**

This office has received numerous representations from various firms regarding delays in payment following the supply of goods, attributed to the non-availability of funds in the originally intimated allocation. This situation has also resulted in a number of court cases being filed against the Railways, by such firms, especially Micro and Small Enterprises.

2. The matter has been reviewed in Railway Board and all concerned departments are advised that strict monitoring of pending bills be done especially for the bills that attract penalty on delayed payments. Additionally, timely availability of requisite funds must be ensured for discharging the entered liability.

3. This issues with the concurrence of Finance (Account) Directorate of Ministry of Railways and approval of Railway Board( M/TRS, MI, M/O&BD, MF and CRB & CEO).

Digitally signed by  
NATARAJAN SRINIVASAN  
Date: 09-05-2025  
16:48:01(S.Natarajan)  
Director Railway Stores(IC)  
Railway Board  
Email- drsic@rb.railnet.gov.in  
Tele- 011-23047518

No. 2025/RS(G)/709/1

Date: 03/05/2025

1. PFAs, All Indian Railways & Productions Units
2. The ADAI (Railways), New Delhi
3. The Directors of Audit, All Indian Railways

Digitally signed by  
Megha Agrawal  
Date: 09-05-2025  
16:53:08  
For Member Finance  
Railway Board

**LIST FOR DISTRIBUTION**  
Directors of all CTIs,

CMDs /MDs of all Railway PSUs/ autonomous bodies/ societies,  
PCMMs, PCEs, PCMEs, PCEEs, PCSTEs, All Indian Railways & PUs, COFMOW,  
CORE, WPO/Patna and RWP/Bela  
Sr. Prof. (Material Management), NAIR, Vadodara, ED (Stores)/ RDSO, Lucknow  
Chief Commissioner, Railway Safety, Lucknow  
Zonal Railway Training Institute, Sukadia Circle, Udaipur

**Copy to:**

The Genl. Secy., AIRF, Room No. 248, & NFIR Room No. 256-C, Rail Bhavan  
The Secy. Genl., IRPOF, Room No. 268, FROA, Room No. 256-D & AIRPOA, Room No.  
256-D Rail Bhavan.

**Copy to:-**

PSOs/Sr. PPSs / PPSs / PSs to :

MR, MOSR(S), MOSR(R)

CRB&CEO, M(TRS), M(Infra), M(O&BD), M(F), Secretary/RB, DG (RHS), DG (RPF),  
DG(HR), DG(Safety)

EDPG/ MR, EDPG/ MoSR(R), JDPG/ MoSR(S),

All AMs, PEDs & Executive Directors of Railway Board.