

भारत सरकार **BHARAT SARKAR**
रेल मंत्रालय **MINISTRY OF RAILWAYS**
(रेलवे बोर्ड **RAILWAY BOARD**)

No. 2020/RS(L)/779/2

नई दिल्ली New Delhi Dated: 19-03-2021.

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

Sub.: Restrictions under Rule 144(xi) of GFR, 2017 – Clarification regarding procurement of raw material, Components, sub-assemblies from vendors from land border countries.

- Ref:**
- i. Ministry of Finance OM No. F.No. 6/18/2019-PPD dated 23/07/2020.
 - ii. Railway Board letter no. 2020/RS(G)/779/2 dated 06/08/2020.
 - iii. Ministry of Finance (Deptt. of Expenditure) OM no.F.18/37/2020-PPD dated 08-02-2021.

1.0 Ministry of Finance, vide OM at ref.i, had inserted Rule 144 (xi), in Rule 144 of the General Financial Rules, 2017. The OM along with the related Public Procurement orders referred above issued by Ministry of Finance, were circulated for compliance by Railway units (ref. ii above).


2.0 In partial modification of the above, Ministry of Finance (Deptt. of Expenditure) vide O.M. dated 08-02-2021 (ref.iii above) (copy attached) has issued following clarification:

- (i) A bidder is permitted to procure raw material, components, sub-assemblies etc. from the vendors from countries which share land border with India. Such vendors will not be required to be registered with the Competent Authority, as it is not regarded as "sub-contracting".
- (ii) However, in case a bidder has proposed to supply finished goods procured directly/indirectly from the vendors from the countries sharing land border with India, such vendor will be required to be registered with the Competent Authority.

This is issued with the concurrence of the Finance Directorate of the Ministry of Railways and with the approval of the competent authority.

DA: as above.





(Chandan Kumar)
19.03.21
Director Railway Stores/IC
Railway Board

No.2020/RS(L)/779/2

New Delhi, dated 19-03-2021.

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


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, Executive Director (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, MoS(R)
CRB, MF, M/TRS, M/OBD, Secretary/Railway Board, DG (RHS), DG (RPF)
All AMs, PEDs & Executive Directors of Railway Board.

No. F.18/37/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

512, Lok Nayak Bhawan,
New Delhi. Dated the 8th February 2021

OFFICE MEMORANDUM

Subject: Restrictions under Rule 144 (xi) of the General Financial Rules (GFRs), 2017.

Attention is invited to this Department's Order (Public Procurement No.1) issued vide OM F.No.6/18/2019-PPD dated 23.07.2020. As per para 11 of the Order, in case of Works contracts, including turnkey contracts, contractors shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority. However, no such restriction is stipulated in the Order regarding other procurements i.e. procurement of Goods, Services, etc.

2. This office is in receipt of representations seeking clarification whether it is permitted for the bidders to procure raw material or components/ sub-assemblies or the finished goods etc. from the vendors from the countries sharing land borders with India.

3. In this context following is hereby clarified:

- i A bidder is permitted to procure raw material, components, sub-assemblies etc. from the vendors from countries which shares a land border with India. Such vendors will not be required to be registered with the Competent Authority, as it is not regarded as "sub-contracting".
- ii However, in case a bidder has proposed to supply finished goods procured directly/ indirectly from the vendors from the countries sharing land border with India, such vendor will be required to be registered with the Competent Authority.

4. This is issued with the approval of Secretary (Expenditure).



Kotluru Narayana Reddy
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To

- (1) Secretaries of All Ministries/ Departments of Government of India,
- (2) Chief Secretaries/ Administrators of Union Territories/ National Capital Territory of Delhi.