



ISO 9001:2015

**Administration Wing, Head Office**

**Inter Office Memo**

<b>From:</b>  <b>GM (Admn), Head Office</b>	<b>To:</b> <b>All Regional Heads</b> <b>ED (HSMI)</b> <b>ED (C&amp;C)</b> <b>ED (IT)</b> <b>All Procurement Departments at Head Office</b>
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5<sup>th</sup> March, 2021

**Sub: Restriction under Rule 144(xi) of the General Financial Rules (GFRs) – 2017 (Clarification by Ministry of Finance – 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**

With regard to the above kindly find attached Office Memorandum dated 17.02.2021 received from Shri G Srinivasan, Director (IFD), Ministry of Housing & Urban Affairs, Integrated Finance Division, Nirman Bhawan, New Delhi alongwith Office Memorandum dated 8<sup>th</sup> February, 2021 received from Shri Kotluru Narayana Reddy, Deputy Secretary to the Govt. of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division, 512, Lok Nayak Bhawan, New Delhi (which are self explanatory) containing 03 pages for information and further necessary action.

**रविशंकर**

डा. डी रविशंकर

महाप्रबंधक (प्रशासन)

**स्लंगन :उपरोक्तानुसार**

1711176/2021/O/o DO(IFD-IV)  
Ministry of Housing & Urban Affairs  
Integrated Finance Division

Office Memorandum

Nirman Bhawan  
Dated- 17-02--2021

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

2. The undersigned is directed to circulate the above reference OM dt. 8<sup>th</sup> Feb , 2021 received from Ministry of Finance on the subject mentioned above inviting Department Order ( Public Procurement No. 1) with reference to the OM F. No. 6/18/2019 – PPD dt. 23.07.2020 and 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 procurement of goods, services etc..
3. MoF has clarified in para 3 of the above reference OM dt. 8<sup>th</sup> February, 2021 on the 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.
4. Therefore, in view of above , all divisions of MoHUA including all PSUs , attached and Subordinate offices the above reference OM dt. 12-11-2021 of Ministry of Finance is circulated for information and take necessary action urgently.

G. Srinivasan  
( G. Srinivasan )  
Dir(IFD)

Tele.23062127

All JSs & ds/ Dirs as listed below:

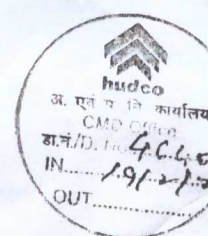
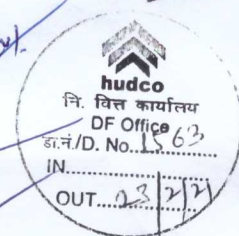
1. Joint Secretary (PMAY)
2. JS (Admn)
3. Joint Secretary (HFA)
4. Joint Secretary (NLUM)
5. Joint Secretary (SBM)
6. Joint Secretary(AMRUT)
7. JS(PSP)
8. Economic Advisor( Housing)

9. JS(SC)
10. JS(W)
11. OSD(UT)
12. DG(CPWD)
13. CCA, MoHUA
14. DG(NBO)
- 15.. Dir ( L&DO)
16. Dir (Dte of Printing)

IBM is put for  
Signature  
GMA  
23/2/2021

AGM (H) Sun  
N. dism  
23/2/2021

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2

17..Dir, Dte of Estates

All PSUs

(i) CMD, NBCC (ii) CMD (HUDCO) (iii) CMD, Hindustan Prefab Limited

Copy for information to Sr.PPS to JS&FA/ PS to DS(IFD),

**Copy to SO(IT Cell) for uploading in e- offices**





No. F.18/37/2020-PPD  
Government of India  
Ministry of Finance  
Department of Expenditure  
Procurement Policy Division  
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512, Lok Nayak Bhawan,  
New Delhi. Dated the 8<sup>th</sup> 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.

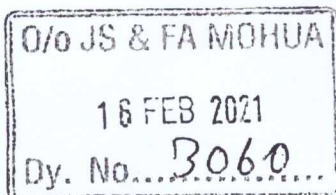
3. In this context following is hereby clarified:

- 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". 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).

JS (UT)  
Let JS & GIA

M. 215  
2/12/21  
To



*Kanreddy*  
Kotluru Narayana Reddy  
Deputy Secretary to the Govt. of India  
Tel.: 24621305  
Email: kn.reddy@gov.in

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

M- 1/2

Important  
Pl. circulate  
to all including  
CMD of PSUs for n.a.  
96/2/21  
DOR (M)