

F.No.15039/108/2016-UT(Coord.)
Government of India/Bharat Sarkar
Ministry of Home Affairs/Grih Mantralaya
UT Division

North Block, New Delhi
Dated the 23rd May, 2016

To

1. The Administrator, UT of Dadra & Nagar Haveli, Secretariat, Silvassa.
2. The Administrator, UT of Lakshadweep, Kavaratti.
3. The Chief Secretary, UT of Andaman and Nicobar Islands, Port Blair.
4. The Adviser to the Administrator, UT Chandigarh, Chandigarh.
5. The Administrator, UT of Daman & Diu Secretariat, Daman, Moti Daman.
6. The Chief Secretary, Government of Puducherry, Puducherry.
7. The Chief Secretary, Govt. of NCT of Delhi, Delhi Sachivalaya, I.P. Estate, New Delhi-110002.

Subject: Amendment to the Rule 126 of General Financial Rules, 2005 - regarding.

Sir,

I am directed to forward herewith a copy OM No. 110/MHA/IFD-2015 dated 28/04/2016 alongwith O.M. No. F.29/1/2015-PPD dated 13/04/2016 of Department of Expenditure, M/o Finance (Procurement Policy Division) on the above mentioned subject for information and necessary action.

Yours faithfully,

Encl : As above

(Brij Paul)
Section Officer[UT(Coord.)]
Ph.: 23093265

प्रशासक सचिवालय
ADMINISTRATOR'S SECRETARIAT
दमण एवं दीव और दादरा नगर हवेली, दमण
DAMAN & DIU AND DADRA & NAGAR HAVELI, DAMAN
FTS DIARY

Inward No. 3782 Dt. 30/5/16
Outward No. 235663 Dt. 31/5/16

वित्त सचिव / FINANCE SECRETARY
सचिवालय, दमण / SECRETARIAT, DAMAN.
पत्र आवक सं.
पत्र आवक दिनांक
पत्र जावक सं. / Letter Outward Dt.
जावक दिनांक / Letter Outward Dt.

31/5/16

JS(Fin)

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F.No.110/MHA/IFD-2015
Government of India
Ministry of Home Affairs
Integrated Finance Division

OM No. 717453
29/4

Date: 25th April, 2016
28

OFFICE MEMORANDUM

Subject: Amendment to the Rule 126 of General Financial Rules, 2005

Please find enclosed OM No.F.29/1/2015-PPD dated 13th April, 2016 vide which the Ministry of Finance has communicated an amendment to the Rule-126 of GFR, 2005.

2. The amendment, inter alia, prescribes that now award of works to the PSUs/other Government organisations, as defined in the amended Rule 126 (3), shall be based on competition among such PSUs/organizations. This competition shall be essentially on the lump sum service charges to be claimed for execution of work.

3. The amendment to the Rule-126 of GFR 2005 is circulated for adherence and strict compliance.

4. This OM is also available on the website of Ministry of Finance at <http://finmin.nic.in> --> Departments --> Expenditure --> Procurement Policy Division.



(Rajesh Kumar)

Director-Finance (Home)

DS(AHL)

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To

All Joint Secretaries of MHA/RGI.

Copy for information to:

PPS to HS

PPS to Secy (BM)/SS(IS)

PPS to AS&FA (Home)/All Additional Secretaries/Pr.CCA



MS. & FA (F)
No. F. 29/1/2015-PPD
IN 19/4/2016
OUT 19/4/2016

No.F.29/1/2015-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

516, Lok Nayak Bhawan, New Delhi
Dated the 13th April, 2016

OFFICE MEMORANDUM

Subject : Amendment to the Rule 126 of General Financial Rule, 2005 –
regarding.

Rule 126 of the GFR pertaining to the execution of the work by Public Works Organisations (PWOs) were last amended by this office O.M. No.15 (1)/E-II(A)/2010 dated 20th August, 2010.

2. - This department has been receiving references from various Ministries/ Departments seeking clarifications, whether award of contract to PWOs/PSUs by the Government Ministries/ Department should be on the basis of competitive bidding among the PWOs/PSUs or on a nomination basis. Hence, it is decided that the existing provision of Rule 126 at Chapter 5 of General Financial Rule, 2005 which deals with "Works" shall be substituted by the provision indicated in the Annexure of this Office Memorandum.

3. This order will take effect from the date of issue of this Office Memorandum.

4. All Central Government Ministries/ Departments are requested to bring this amendment to the notice of all their attached and subordinate offices for their information.

5. This O.M. is also available on our website <http://finmin.nic.in> → Departments → Expenditure → Procurement Policy Division. Hindi version of this O.M. will follow.

(Vinayak T. Likhar)
Under Secretary (PPD)
Tele/fax – 24621305
E-mail : Vinayak.likhar@nic.in

To
Secretaries & Financial Advisers of all Ministries/ Departments of the Government of India.

ANNEXURE

AMENDMENT TO GENERAL FINANCIAL RULE, 2005

CHAPTER – 5 - The existing provision of Rule 126(1) to (4) may be replaced by the following.

Rule 126(1):- A Ministry or Department at its discretion may directly execute repair works estimated to cost upto Rupees Thirty Lakhs after following due procedure indicated in Rule 132.

Rule 126(2):- A Ministry or Department may, at its discretion, assign repair works estimated to cost above Rupees thirty Lakhs and original works of any value to any Public Works Organisation (PWO) such as Central Public Works Department (CPWD), State Public Works Department, others Central Government organisations authorised to carry out civil or electrical works such as Military Engineering Service (MES), Border Roads Organisation (BRO), etc. or Ministry/ Department's construction wings of Ministries of Railways, Defence, Environment & Forests, Information & Broadcasting and Departments of Posts, and Space etc.

Rule 126(3) - As an alternative to 126(2), a Ministry or Department may assign repair works estimated to cost above Rupees thirty Lakhs and original works of any value to any Public Sector Undertaking set up by the Central or State Government to carry out civil or electrical works or to any other Central/ State Government organisation /PSU which may be notified by the Ministry of Urban Development (MoUD) for such purpose after evaluating their financial strength and technical competence.

However, for the award of work under this sub-rule, the Ministry/ Department shall ensure competition among such PSUs/ organizations. This competition shall be essentially on the lump sum service charges to be claimed for execution of work.

Rule 126(4):- Delete

(Min. of Fin.(Exp.) O.M. No. F.29/1/2015-PPD dated the 13th April, 2016)