

भारत सरकार **Government of India**

रेल मंत्रालय **Ministry of Railways**

रेलवे बोर्ड (**Railway Board**)



RBA NO. 12/2020

No. 2017/AC-II/9/10/Pt.IV

New Delhi, dated: 03 -02-2020

**PFAs,  
All Indian Railways/PUs.**


Sub: Inclusion of mode of payment through letter of credit (LC) as option in domestic Supply/Works contracts.

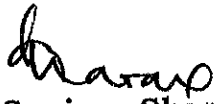
Ref: Board's letter no. 2017/ACII/9/10/Pt I dated 20.02.2018 (RBA No. 10/2018)

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It has been brought to the notice of Railway Board that some of the Railways are not opening LCs in case of Purchase Orders of less than ₹ 10 lakhs since the threshold for issuing LC is ₹10 lakhs as per Board's guidelines. CRIS has been advised to ensure necessary software filter so that system allows LC option only in case of estimated tender value above ₹ 10lakhs. However, since Purchase Order is a valid legal contract document, LC may be opened in all case, where Purchase Orders has been issued with LC clause irrespective of the P.O.value .

Kindly ensure necessary action accordingly.

  
( **Vinod Kumar** )  
**Director Railway Stores(M)**  
**Railway Board**

  
( **Sanjeev Sharma** )  
**Director Finance (Accounts)**  
**Railway Board**

Copy for information and necessary action to

- (1) MD/CRIS/Chanakyapuri, New Delhi.
- (2) EDRS/G and EDCE/G

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