

No.F.20/42/2021-PPD
Government of India
Ministry of Finance
Department of Expenditure
Public Procurement Division

502, Lok Nayak Bhavan
Khan Market, New Delhi
Dated 20.05.2024.

OFFICE MEMORANDUM

Subject: Special provisions for Scientific Ministries/ Departments in General Financial Rules (GFRs), 2017.

Attention is invited towards this Department's OMs of even numbers dated 01.09.2021, 24.09.2021, 03.12.2021& 08.01.2024 vide which amendments in the GFRs were carried out by this Department based on the inputs collated by NITI Aayog etc. from various scientific Ministries/ Departments, that were impeding smooth functioning. Office of the Principal Scientific Advisor (PSA) has now sent more recommendations for relaxation in the GFRs for ease of procurement.

2. In view of all above, in supersession of all above mentioned OMs, amendments in the GFRs are now being made, as indicated in para 3 of this OM. These amendments which will be applicable **only** for to the following Ministries/ Departments/ Organizations of Government of India:

- (i) Department of Science and Technology
- (ii) Department of Biotechnology
- (iii) Department of Scientific & Industrial Research
- (iv) Department of Atomic Energy
- (v) Department of Space
- (vi) Ministry of Earth Sciences
- (vii) Defence Research & Development Organization
- (viii) Indian Council of Agricultural Research (ICAR), including its affiliated institutions and Universities ;
- (ix) Department of Health Research (DHR), Including Indian Council of Medical Research;
- (x) Educational and Research Institutes conducting post-graduate/ doctoral level courses or research, under any Ministry/ Department.

It is reiterated that these amendments are applicable only for the above Ministries/ Departments/ Organizations.

3. The existing Rules and the amended Rules of the GFRs are as under:

Rule No.	Existing Rule	Amended GFR
133(3)	As an alternative to 133(2), a	As an alternative to 133(2), a

Rule No.	Existing Rule	Amended GFR
	Ministry or Department may award repair works estimated to cost above Rupees thirty Lakh and original works of any value to: (i) any Public Sector Undertaking (PSU) set up by the Central or State Government to carry out civil or electrical works or (ii) 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. For the award of work under this sub-rule, the Ministry/ Department shall ensure competition among such PSUs/ Organisations. This competition shall be essentially on the lump sum service charges to be claimed for execution of work. In exceptional cases, for award of work under (i) and (ii) above on nomination basis the conditions contained in Rule 194 would apply. The work under these circumstances shall also be awarded only on the basis of lump sum service charge.	Ministry or Department may award repair works estimated to cost above Rupees thirty Lakh and original works of any value to : (i) any Public sector Undertaking (PSU) set up by the Central or State Government to carry out civil or electrical works or (ii) 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. For the award of work under this sub-rule, the Ministry /Department shall ensure competition among such PSUs/ Organisations. This competition shall be essentially on the lump sum service charges to be claimed for execution of work. In exceptional cases, for award of work under (i) and (ii) above, on nomination basis, the conditions contained in Rule 194 would apply. The work under these circumstances shall also be awarded only on the basis of lump sum service charge. <i>Notes:</i> (i) Scientific Ministries/ Departments/ organizations mentioned in para 2 of this OM can assign repair Works estimated to cost upto Rs.5 crore on nomination basis even in normal cases only to the organizations specified in this sub-rule of the GFRs. (ii) This special provision will be applicable upto 31.03.2025. Thereafter review will be made by Department of Expenditure to decide on further extension of these powers.

Rule No.	Existing Rule	Amended GFR
154	Purchase of Goods without quotation Purchase of goods upto the value of Rs.25,000 (Rupees twenty five thousand) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the competent authority in the following format. "I am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price"	Purchase of Goods without quotation Purchase of goods upto the value of Rs. 1,00,000/- (Rupees one lakh) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the competent authority in the following format. "I,, am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price." <i>Note:</i> These powers can be used for procurement of any item. Further, these powers are to be used only when the required goods are not available on Government e-Marketplace (GeM) as stipulated in this Department OM No. 6/1/2018-PPD dated 19.01.2018
155	Purchase of goods by Purchase committee. Purchase of goods costing above Rs.25,000/- (Rupees twenty five thousand only) and <u>upto</u> Rs.2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificated as under.	Purchase of goods by purchase committee. Purchase of goods costing above Rs. 1,00,000/- (Rupees one lakh) and upto Rs. 10,00,000/- (Rupees ten lakh) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under.

Rule No.	Existing Rule	Amended GFR
	"Certified that we, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question, and it is not debarred by Department of Commerce or Ministry/ Department concerned."	"Certified that we, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question, and it is not debarred by Department of Commerce or Ministry/ Department concerned." <i>Note: These powers are to be used only when the required goods are not available on Government e-Marketplace (GeM) as stipulated in this Department OM No. 6/1/2018-PPD dated 19.01.2018</i>

4. It is also clarified that GFRs are not applicable to the projects executed by State level Institutions or by the Private Universities/Institutions/ Organisations, even if they are funded by Ministries/ Departments/ Organizations listed in para 2 as above. In such cases, it is for the Ministry/ Department/ organization to put in appropriate financial controls to achieve the intended purpose.

5. This issues with the approval of Finance Secretary.


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To

Secretaries/ Financial Advisers of all Central Government Ministries/ Departments.