

**No. 8-02/2022-23-Finance**  
**Government of India**  
**Ministry of Communications**  
**Department of Telecommunications**  
**(Integrated Finance Division)**

Dated: 26 /09/2022

**OFFICE MEMORANDUM**

**Subject:- Circulation of important OMs and amendments regarding GFRs-2017.**

The undersigned is directed to circulate the following OMs and amendment of GFR-2017 for information and necessary action.

SI. No	Letter number and date	Subject
1	DO No. 10(13)/2022-EG-II, dated 25/08/2022	Preventive/restrictive conditions in Cloud RFPs.
2	No. F.6/7/2022-PPD, dated 6/09/2022	Push Button Procurement.
3	No. 08(18)/2021/E.II.A, dated 01/08/2022	Compilation of amendments to GFRs, 2017.
4	No. F. 4/1/2022-PPD, dated 29/08/2022	Relaxation for procurement of certain hardware and software items through Global Tender Enquiry (GTE).

2. This issues with the approval of the competent authority.

Signed by Amanullah Tak  
Date: 26-09-2022 16:03:39

(Amanullah Tak)  
**Director (Finance)**  
Tel: 011-23036037

To,

1. All Sr. DDGs/DDG/JWA/Jt. Administrator USOF of DoT HQ
2. CGCA, Ghitori, New Delhi, for circulation of the O.M. to all field units viz. Pr.CCAs/CCAs offices
3. DG(T) DoT HQ for circulation of the O.M. to all field units of LSAs.
4. Heads of USOF/NICF/TEC/NTIPRIT.
5. CMD/EDs of All DoT PSUs/ABs

Copy to:-

1. Office copy
2. DoT's notice board/e office

1831/A/22  
31/8/22

अलकेश कुमार शर्मा, आई.ए.एस.  
सचिव  
Alkesh Kumar Sharma, I.A.S.  
Secretary



सत्यमेव जयते

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आज़ादी का  
अमृत महोत्सव

इलेक्ट्रॉनिकी और सूचना प्रौद्योगिकी मंत्रालय  
भारत सरकार  
Ministry of Electronics &  
Information Technology (MeitY)  
Government of India



DO No. 10(13)/2022-EG-II  
Dated: 25<sup>th</sup> August 2022

Sub: Preventive/restrictive conditions in Cloud RFPs.

It has come to notice that some of the published bids/tenders/RFPs for procurement of cloud services are including restrictive and non-generic conditions like inclusion of cloud service provider to be in the 'Gartner Magic Quadrant' and also very high turnovers contrary to the guidelines in the Procurement of Goods & Services Manual. It may be kindly noted that Gartner Magic Quadrant is a research methodology published by M/s Gartner, Inc a foreign company illustrating the graphical competitive positioning of Cloud Infrastructure and Platform Service Providers as Leaders, Visionaries, Niche Players and Challengers.

2. These specific conditions/requirements are not as per the needs of the project/customer. Such restrictive practices not only impede the domestic service providers from participating in the various cloud RFPs but also provide undue advantage to certain large companies.

3. It may be noted that MeitY never recommends such types of prohibitive and restrictive practices as these clauses do not add any value in the cloud procurement to the end user departments. MeitY has empaneled the CSPs after following all due processes, which are based on compliance to international standards like ISO 27001, ISO 27017, ISO 27018, ISO 20000, and best security practices. These CSPs have been empaneled after successful completion of the STQC audit. Further, MeitY has also published procurement guidelines that are sufficient to gauge the capabilities of any cloud service provider.

4. Further, these these restrictive clauses are in non-compliance to the GFR, CVC guidelines and various standing instructions. DPITT in its letter dated 20.06.2019 has actually listed 'Gartner Magic Quadrant' as restrictive and discriminatory condition against the domestic/local suppliers (copy enclosed).

5. It is, therefore, requested that such restrictive conditions/clauses should not be included in the cloud procurement RFPs. Also, the turnover requirements should be as per the guidelines in the Procurement Manual of Goods & Services issued by the Ministry of Finance. This would not only provide equal opportunities and level playing field to all the empaneled domestic cloud service providers for participating in various bids but also help in better discovery of prices.

Secretary (T) - has seen.

Best Regards,

Encl: As above.

PSO/SL PPS/PPS

Yours sincerely,

(Alkesh Kumar Sharma)

Secretaries of all the Central Ministries/ Departments

F.No. P-45021/121/2018- (B.E.-II)  
Government of India  
Ministry of Commerce & Industry  
Department for Promotion of Industry & Internal Trade  
(Public Procurement Section)

Udyog Bhawan, New Delhi  
Dated June 20, 2019

OFFICE MEMORANDUM

Subject: Restrictive and discriminatory conditions against the local suppliers in violation of Public Procurement (Preference to Make in India) Order, 2017 - Regarding

Undersigned is directed to draw your kind attention to the Public Procurement (Preference to Make in India) Order, 2017 (PPP-MII Order) issued by Department for Promotion of Industry and Internal Trade. Copy of the Order (as revised on 29.5.2019) is attached.

2 The order aims to promote domestic value addition in public procurement. The policy provides purchase preference to domestic manufacturers and service providers, who comply with local content requirements, in public procurement activities over entities merely importing to trade or assemble items. The Order is applicable on procurement of goods services and works (including turnkey works) by a Central Ministry/ Department, their attached/subordinate offices, autonomous bodies controlled by the Government of India and Government companies.


3 The Central agencies undertake massive public procurement every year. However, the benefits of this procurement, at times, do not accrue to the domestic industry even where it is technically and financially competitive due to restrictive and discriminatory conditions being imposed against domestic players. This Order is meant to address these concerns and thereby spur employment and incomes in the country.

4 A number of grievances regarding violation of provisions of the Order by various Central agencies have been received. It has been noted that many central government

agencies are including restrictive and discriminatory conditions against the local suppliers in the bid documents. Some of the common examples of restrictive and discriminatory conditions against the local suppliers are enclosed as Annexure "A".

5. It is requested to kindly publicize "common examples of restrictive and discriminatory conditions against the local suppliers" amongst all agencies under your control and direct them to ensure that their tenders don't include restrictive and discriminatory conditions against the local suppliers.

6. This issues with the approval of competent authority



(Rajesh Gupta)  
Director

Tel. : 011-23063211

E-mail: rajesh.gupta66@gov.in

Encl. : As above

To

All Ministries/Departments

Annexure "A"

Common examples of restrictive and discriminatory conditions against the local suppliers

- Restrictive and Discriminatory Eligibility Criteria/ Tender Conditions
  - ✓ Mandatory Presence in Gartner Magic Quadrant - IT and Telecom Products
  - ✓ Mandatory USFDA/ European CE - Medical Devices
  - ✓ Excessive Turnover requirement - Rs. 1000 Cr for procurement of Rs. 70 Cr
  - ✓ Excessive past Experience - 10 years, Export experience to G8 countries
  - ✓ Additional requirement of Bank Guarantee for Local Supplier
  - ✓ Delayed Payment Terms to Local suppliers
  
- Restrictive and Discriminatory specifications - Foreign Brands specified
  - ✓ CISCO, NEC, Alcatel, Siemens - Telecom Products
  - ✓ HP, Dell, Lenovo - IT products
  - ✓ OTIS, Mitsubishi, Schindler, Kone, Johnson - Lifts
  
- Restrictive and Discriminatory specifications - Pre-approved foreign brands in works/turnkey projects
  - ✓ Local manufacturers not included in pre-approved list.
  
- Restrictive and Discriminatory specifications - Specification tailor made to suit foreign products
  - ✓ Foreign technical standards indicated in the specification
  - ✓ Technical parameters to favour foreign products viz. (-)25 degree temperature compatibility for EPBX equipment being procured for airport in Central India

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7/9/22

673904/MCFD/22

7/9

No.F.6/7/2022-PPD  
Government of India  
Ministry of Finance  
Department of Expenditure  
Procurement Policy Division

264-C, North Block, New Delhi.  
6<sup>th</sup> September, 2022.

**OFFICE MEMORANDUM**

**Subject: Push Button Procurement.**

As per Rule 144 (vii) of General Financial Rules, (GFRs) the procuring entity should satisfy itself that the price of selected offer is reasonable. Even in case of procurement through Government e-Marketplace (GeM), Rule 149 of GFRs stipulates that the procuring authority will certify the reasonability of rates. Guidance to ascertain reasonability of rates has been provided in the Manuals for Procurement issued by this Department.

2. It has come to notice to this Department that sometimes especially infrequent Government buyers find it difficult to certify reasonability of rates. Such users normally do not possess requisite skills in making procurement decisions. It delays the procurement process. At the same time, for usually low value procurements, efforts expended in assessing reasonability of rates may be disproportionate. Additionally, with developments in technology and e-procurement becoming the norm, availability of market data and capability to analyse it artificially, has provided an opportunity to automate decision making activities, like assessment of reasonability of rates in such cases.

3. In view of above, it has been decided to start "Push Button Procurement (PBP)" for small value procurements purely on experimental basis, for one year from date of launch by GeM, with the following conditions:

- (a) PBP will be made only on GeM through bidding (PBP through Direct Purchase, L-1, Custom-bid etc. are not permitted).
- (b) The total procurement value of the specific case is not to exceed Rupees One lakh, inclusive of all taxes.
- (c) This will be additional method of procurement and procuring entities are free to use or not to use this additional method of procurement.
- (d) This method can be used only in case of at least five bids are received. In case of less than five bids are received, the procurement is to restart using usual procurement methods.

etc

- (e) No splitting of requirement is to be done so as to bring procurement under this method.
  - (f) Once bid is invited on GeM, contract will be placed directly by GeM without any human intervention. (Provided condition 3 (d) above is complied.)
  - (g) This method will be permitted by GeM only for such categories, where at least ten sources are listed.
4. Detailed Guidelines will be uploaded by GeM on its portal.
  5. This issues with the approval of Finance Secretary.

*Handwritten signature and date*  
06/11/22

(Kanwalpreet)  
Director (PPD)  
Tel.No.23093811  
Email: kanwal.irss@nic.in

To

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

Copy to CEO/ GeM with a request to start PBP immediately under intimation to this office. Monthly Reports may also be sent to this office indicating progress, problems etc. in this regard.

e-651953/22/CK

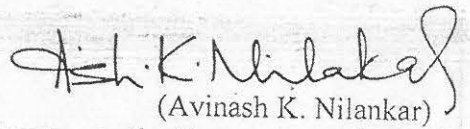
No.08(18)/2021/E.II.A  
Government of India  
Ministry of Finance  
Department of expenditure  
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North Block, New Delhi  
Dated 01/08/2022

**OFFICE MEMORANDUM**

Subject:- Compilation of amendments to GFRs, 2017 - reg.

The undersigned is directed to state that the General Financial Rules, 2017 (GFRs 2017) were formulated and issued in March, 2017 and the same were placed on this Ministry's website [www.finmin.nic.in](http://www.finmin.nic.in). The amendments made to certain rules of GFR, 2017 over a period of time have been incorporated and an updated version of GFR, 2017 (upto 31.07.2022) is issued which is placed on the said website.

  
(Avinash K. Nilankar)

Deputy Secretary to the Government of India

To

✓  
Secretaries/ Financial Advisers of all Ministries/Departments of Government of India.



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30/08/22

No.F.4/1/2022-PPD  
Government of India  
Ministry of Finance  
Department of Expenditure  
Procurement Policy Division  
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264-C, North Block, New Delhi.  
29<sup>th</sup> August, 2022.

**OFFICE MEMORANDUM**

**Subject: Relaxation for procurement of certain hardware and software items through Global Tender Enquiry (GTE).**

Department of Expenditure, vide OM No. F.12/17/2019-PPD dated 15.05.2020 amended Rule 161(iv) of General Financial Rules (GFRs) 2017, stipulating that no Global Tender Enquiry (GTE) shall be invited for tenders upto Rs. 200 crore, except in exceptional circumstances with prior approval of the competent authority i.e. Secretary (Coordination), Cabinet Secretariat.

2. In this context, as proposed by Department for Promotion of Industry & Internal Trade (DPIIT) and recommended by Ministry of Micro, Small & Medium Enterprises (MoMSME), GTEs for procurement of ICT items, software and hardware such as Blade Servers, SAN storage, LAN switches, Mobile testing devices, Cloud Orchestration & system software, Network & web APTs, mobile testing tools, Integrated Backup System (IBS) etc. can be issued with the approval of Secretary concerned, instead of Secretary (Coordination), until further orders.

3. This issues with the approval of Finance Secretary.

W  
29/08/2022

Kanwalpreet  
Director (Procurement Policy)  
Tel.: 23093811  
Email: kanwal.irss@gov.in

To,

All the Secretaries and Financial Advisors to Government of India.

Copy to: Secretary (Coordination), Cabinet Secretariat, Rashtrapati Bhawan,  
New Delhi. Email: secypg@nic.in