

No. Z-28015/14/2021-Proc-I (EPW)  
Government of India  
Ministry of Health & Family Welfare  
Department of Health and Family Welfare  
[Procurement-I (EPW) Section]

Nirman Bhawan, New Delhi  
Dated: 25.02.2021

**OFFICE MEMORANDUM**

**Subject: Relaxing General Financial Rules (GFRs) norms to enable all Government organization to accept innovative solutions from startups- Request for comments.**

The undersigned is directed to refer to Department of Expenditure's OM No. F.1/13/2019-PPD dated 09.02.2021(copy enclosed) on the subject noted above and to say that the requisite comments on the new proposal may please be provided by 01.03.2021 for onward transmission to Department of Expenditure.

(Encl: As above)

Signature valid

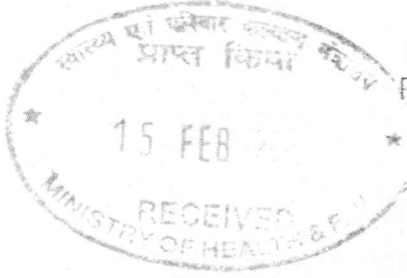
Digitally signed by CHANDRA SHEKHAR BAHUGUNA  
Date: 2021.02.25 13:04:02 +05'30'

(C.S. Bahuguna)

Under Secretary to the Govt. of India  
Tel: 23061875

To

1. Sr. PPS to DGHS, Nirman Bhawan, New Delhi.
2. PPS to AS&FA(H), AS&MD(VG), AS(AA), AS(MA), MoHFW Nirman Bhawan, New Delhi.
3. JS(NV)/ JS(VS)/ JS(MKB)/ JS(AS)/ JS(LA)/ JS(VC) / JS(GM)/ JS(PP)/ JS(RS) / JS(VJ)/ JS (PS)/ EA(NS)/ EA(AK)
4. The Director, All AIIMS, New Delhi/ Patna/ Bhubaneshwar/ Raipur/ Bhopal/ Jodhpur/ Rishikesh.
5. The Director, National Institute of TB and Respiratory Diseases, New Delhi.
6. The Director, Vallabhbhai Patel Chest Institute, North Campus, University of Delhi.
7. The Medical Superintendents, Safdarjung/Dr.RML/SSKH/KSC Hospital, New Delhi.
8. The OSD, Central Medical Services Society, New Delhi.
9. The CMD, HSCC (INDIA) Ltd., Corporate Office: E-6(A), Sector-1, Noida (U.P.)- 201301.
- 10.The Chairman & Managing Director, HLL Lifecare Ltd., Thiruvananthapuram, Kerala – 695012 and NOIDA.
- 11.The DDG (Stores), Medical Stores Organization, Sector-1, R.K. Puram, New Delhi – 110066.
- 12.The Director (CGHS), Dte. General: (CGHS), Nirman Bhawan, New Delhi.
- 13.Director, JIPMER/ PGIMER/ NEIGHRIMS/ RIMS/ NIHFWS/ FSSAI / NIMHANS/MGIMSKHS.
- 14.The Director, Chittaranjan National Cancer Institute, Kolkata.
- 15.The Director, CIP, Ranchi.
- 16.The Director, AIISH, Mysore.
- 17.The Director, LGB Regional Institute of Mental Health, Tezpur.



512, Lok Nayak Bhavan,  
New Delhi. Dated the 9<sup>th</sup> February, 2021.

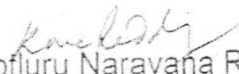
OFFICE MEMORANDUM

Subject: -Relaxing General Financial Rules (GFRs) norms to enable all Government organizations to accept innovative solutions from startups - Request for comments.

The undersigned is directed to forward proposal of Department for Promotion of Industry and Internal Trade (DPIIT) for insertion of a new Rule 144A in General Financial Rules (GFRs) 2017 regarding special consideration for procurement through Startups.

2. It is requested to send comments on the new proposal of DPIIT by 01.03.2021.

Encl. : As above.

  
(Kotluru Narayana Reddy)  
Deputy Secretary to the Govt. of India  
Tel.No.2462 1305  
Email: kn.reddy@gov.in

To

Secretaries of Central Government Ministries/ Departments  
Financial Advisors of Central Government Ministries/ Departments

## Annexure A

Proposal To Insert A New Rule In GFR For Permitting Incurring Of Expenditure  
Incidental To Development Of New Products And Technologies Which Require  
Proving A Concept Or Developing And Testing Prototypes

(May be inserted as Rule 144A or Rule 206A)

- a) The Ministries or Departments may approve incurring expenditure incidental to development of new products and technologies which require proving a concept or developing and testing prototypes.
- b) The specific research needs or critical problems for which solutions are being called for must be stated clearly. A fair, transparent and reasonable process in accordance with provisions of GFR must be followed so as to eliminate any possibility of arbitrary pick and choose for proving a concept or developing a prototype.
- c) Upon successful development and testing of prototypes, qualifying product, process or solution may be procured without competitive tender only once with the concurrence of Financial Advisor and approval of Secretary.
- d) Up to 5% of the total annual procurement budget of the Ministry or Department but not exceeding Rs. 500 crores may be earmarked for procurement of such goods or services which are yet to be tested or evaluated and brought to market as acceptable commercial product, service, or technology.

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