

No.F.1/7/2021-PPD-2  
Government of India  
Ministry of Finance  
Department of Expenditure  
Procurement Policy Division (PPD)

264-C, North Block, New Delhi

Dated the 2<sup>nd</sup> August, 2021

**OFFICE MEMORANDUM**

**Subject: Amendment to Manual for Procurement of Consultancy & Other Services (MfPCOS), 2017.**

Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade has vide Gazette Notification No. G.S.R. 127(E) dated 19.02.2019 amended the definition of "Startup." It has, therefore, been decided to partially modify para 1.9.1(ix) of **Manual for Procurement of Consultancy & Other Services, 2017** as under:

<b>Existing provision of para 1.9.1(ix) of MfPCOS, 2017</b>	<b>Amended para 1.9.1(ix) of MfPCOS, 2017</b>
<p>The condition of prior turnover and prior experience may be relaxed for Startups (Rule 173 (i) of GFR 2017) (as defined by Department of Industrial Policy and Promotion) subject to meeting of quality &amp; technical specifications and making suitable provisions in the bidding document. The quality and technical parameters are not to be diluted. As defined by Department of Policy &amp; Promotion (DIPP) an entity shall be considered as a 'start-up'-</p> <p>a) Up to <b>five years</b> from the date of its incorporation/registration,</p> <p>b) If its turnover for any of the financial years <b>has not exceeded Rs.25 (Rupees Twenty five) crore</b></p> <p>c) It is working towards innovation, development, deployment or</p>	<p>The condition of prior turnover and prior experience may be relaxed for Startups (Rule 173 (i) of GFR 2017) (as defined by Department for Promotion of Industry and Internal Trade) subject to meeting of quality &amp; technical specifications and making suitable provisions in the bidding document. The quality and technical parameters are not to be diluted. As defined by Department for Promotion of Industry and Internal Trade (DPIIT) an entity shall be considered as a Startup:</p> <p>a) Up to <b>ten years</b> from the date of its incorporation/ registration,</p> <p>b) If its turnover for any of the financial years <b>has not exceeded Rs. 100 (Rupees Hundred) crore.</b></p> <p>c) <b>It is working towards innovation, development, or</b></p>

<p>commercialisation of new products, processes or services driven by technology or intellectual property;</p> <p>d) Provided further that in order to obtain benefits a start-up so identified under the above definition shall be required to obtain a certificate of an eligible business from the Inter-Ministerial Board of Certification.</p>	<p><b>improvement of products or processes or services, or if it is a scalable business model with high potential of employment generation or wealth creation.</b></p> <p><b>d) Provided further that in order to obtain benefits a Startup so identified under the above definition shall be required to be recognized as Startup by DPIIT.</b></p>
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2. This OM is also available on our website [www.doe.gov.in](http://www.doe.gov.in) -> Notification -> Circular --> Procurement Policy OM. Hindi version of this OM will follow.

*by*  
*02/08/2021*  
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To

- (i) Secretaries to All Central Government Ministries/ Departments
- (ii) Financial Advisors of All Central Government Ministries/ Departments