

F.No.2/6/2026-PPD(i)
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

709, Chanderlok Building,
Janpath, New Delhi
08.05.2026

OFFICE MEMORANDUM

**Subject: Amendment in the General Financial Rules, 2017 (GFR, 2017) –
Rule 151 relating to Debarment from bidding.**

It has been decided, with the approval of the competent authority, to make the following amendment in GFR, 2017:

Existing Rule	Amended Rule
Rule 151- Debarment from bidding	Rule 151 – Debarment from bidding
(i) A bidder shall be debarred if he has been convicted of an offence— (a) Under the Prevention of Corruption Act, 1988; or (b) The Bharatiya Nyaya Sanhita or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of a public procurement contract.	(i) A bidder shall be liable to be debarred if— (a) he has been convicted of an offence under: (1) the Prevention of Corruption Act, 1988; or (2) the Bharatiya Nyaya Sanhita or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of a public procurement contract; or (3) the Code on Wages, 2019 or the Code on Social Security, 2020 or the Industrial Relations Code, 2020 or the Occupational Safety, Health and Working Conditions Code, 2020; or (b) he has been debarred on more than one occasion by one or more procuring entities, for— (1) failure to pay wages to employees engaged under the contracts; or

Existing Rule	Amended Rule
	<p>(2) failure to remit statutory contributions towards social security, as required under applicable laws, in respect of such employees engaged under the contracts, and,</p> <p>the procuring entity or entities has been required to make payment of such wages or contributions due to default by the bidder.</p> <p>Provided that debarment under this sub-section, insofar as it relates to debarment across all procuring entities, shall take effect upon a decision by the Department of Expenditure (DoE), based on such process as may be prescribed.</p>
<p>(ii) A bidder debarred under sub-section (i) or any successor of the bidder shall not be eligible to participate in a procurement process of any procuring entity for a period not exceeding three years commencing from the date of debarment. Department of Expenditure (DoE) will maintain such list which will also be displayed on the Central Public Procurement Portal.</p>	<p>(ii) A bidder debarred under sub-section (i) or any successor of the bidder shall not be eligible to participate in a procurement process of any procuring entity for a period not exceeding three years commencing from the date of such debarment. DoE shall maintain a list of such debarred bidders which shall also be displayed on GeM.</p>
<p>(iii) A procuring entity may debar a bidder or any of its successors, from participating in any procurement process undertaken by it, for a period not exceeding two years, if it determines that the bidder has breached the code of integrity. The Ministry/Department will maintain such list which will also be displayed on their website.</p>	<p>(iii) A procuring entity may debar a bidder or any of its successors, from participating in any procurement process undertaken by it, for a period not exceeding two years, if it determines that the bidder—</p> <p>(a) has breached the code of integrity; or</p> <p>(b) has, in respect of employees engaged under the contract—</p> <p>(1) failed to pay wages; or</p> <p>(2) failed to remit statutory contributions towards social security, as required under applicable laws, and</p> <p>the procuring entity has been required to make payment of such wages or</p>

Existing Rule	Amended Rule
	<p>contributions due to default by the bidder.</p> <p>The Ministry/ Department will maintain such list which will also be displayed on their website, and shall report all such cases of debarment to GeM. GeM shall maintain a consolidated database of such debarred firms.</p>
(iv) The bidder shall not be debarred unless such bidder has been given a reasonable opportunity to represent against such debarment.	(iv) The bidder shall not be debarred unless such bidder has been given a reasonable opportunity to represent against such debarment.

2. Further, the provisions of Rule 151 of GFR, 2017, contained in the following paragraphs of the procurement manuals, shall also stand amended in line with the above amendment:

- (i) Para 3.7.1 of Manual for Procurement of Goods, Second Edition, 2024.
- (ii) Para 3.8.1 of Manual for Procurement of Consultancy Services, Second Edition, 2025.
- (iii) Para 3.8.1 of Manual for Procurement of Non-Consultancy Services, 2025.
- (iv) Para 8.7.1 of Manual for Procurement of Works, Second Edition, 2025.


 (Praveen Kujur) 28/5/24

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To

Secretaries of all Central Government Ministries/ Departments