

**INDIAN COUNCIL OF AGRICULTURAL RESEARCH
KRISHI BHAVAN: NEW DELHI**

F.No. 22(1)/2016-CDN (A&A)

Dated the 19 September, 2016

ENDORSEMENT

The Ministry of Finance, Department of Expenditure, has issued an O.M. No. 16(1)/2016-PPD dated 24th August, 2016 & 09th September, 2016 endorsing the recommendations of Expenditure Management Commission(EMC) constituted by Govt. of India in September 2014. As approved by the Competent Authority, the recommendation No. 75,76,89 (December, 2015) of the EMC related to Public Procurement has been posted on the ICAR Web-Site www.icar.org.in for compliance.

— Rajesh Sahay
19/09/2016
(Rajesh Sahay)

Sr. Finance & Accounts Officer

Distribution:

I ICAR Institutes:

1. Directors/Joint Directors/Project Directors of all Research Institutes/Project Directorates and National Research Centres/Bureaux
2. Project Coordinators/Coordinated Research Projects/Zonal Project Directors.
3. The Finance & Accounts Officers of all Research Institutes, Project Directorates and National Research Centres.

II ICAR Headquarters:

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2. ADG (CDN)/ADG (PIM)/PD, DKMA.
3. ND, NAIP/Chairman, ASRB
4. NC, NFBSFARA
5. Director(A), ICAR Hqrs./Director (DARE)
6. DS(WS)/US(Cash)
7. Cash-I, II and Audit-II Sections, ICAR, Krishi Bhavan, New Delhi
8. Sr. PPS to Secretary, DARE & DG, ICAR/PPS to Special Secretary, DARE & Secretary, ICAR/PS to AS&FA, DARE/ICAR
- ✓ 9. ~~Shri Hans Raj~~, Information System Officer, Directorate of Knowledge Management Units (DKMU), KAB-I Pusa, New Delhi-12 for placing the above mentioned OM in the ICAR Web-Site.
10. Secretary (Staff Side), CJSC, NRC on Meat, Hyderabad.
11. Guard file.

INDIAN COUNCIL OF AGRICULTURAL RESEARCH

F.No.16/1/2016-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

516, Lok Nayak Bhawan,
New Delhi.

Dated:- 24th August, 2016.

OFFICE MEMORANDUM

Subject: - Recommendation of Expenditure Management Commission (EMC) –
regarding

The Government of India had constituted EMC in September, 2014 to look into various aspects of Expenditure reforms to be undertaken by the Government. The Committee was headed by Dr. Bimal Jalan, eminent economist and public policy experts.


2. In this context, it is noted that EMC has recommended following related to Public Procurement.

Recommendation No.89 (December, 2015)

"Rule 197(of GFR) describes modes of disposal of surplus and unserviceable goods. Experience shows that in many Departments the disposal of unserviceable goods does not take place as the process is cumbersome. It is learnt that Ministry of Railways uses e-auction for disposal of stores. This system can be used by other Government Departments also for speedy disposal of surplus and unserviceable goods."

3. In this regard, it is stated that Ministry of Railway vide their letter no 2010/RS (G)/779/10COPP dated 27.07.2016 has agreed to offer its e-auction services to other Ministries.

4. All Ministries/ Departments are requested to consider using e-auction services of Ministry of Railways for speedy disposal of surplus and unserviceable goods. Ministries/Departments may also mutually decide terms and conditions for the same with Ministry of Railways.


(Vinayak T. Likhari)
Under Secretary to Govt of India
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vinayak.likhar@nic.in

1. Secretaries/ All Ministries & Departments.
2. Financial Advisors/ All Ministries & Departments.

साक्षी सं. 3612/12 दिनांक (दि॥)
 Dy. No. 15-8-16 Director (F)
 दिनांक/Date

OFFICE MEMORANDUM

Reference: This Department OM of even number dated 04.08.2016.

2. In this context, it is noted that EMC has recommended following related to Public Procurement.

Recommendation No. 77 (December, 2015)

Variation Clauses – Delay are also often witnessed during the post-contractual period when a variation is required to be exercised in the contract. It is recommended that a time schedule for critical decisions (such as approval of variations) during the post contractual period should be included in the contract document. This would impart certainty to decision making during project execution.

3. During the meeting of Department of Expenditure with major procuring Department, it is noted that the proposed system of fixing time schedule for critical decisions such as approval of variations during post contractual period is already in place.

4. However, it has been brought to the notice of this Department that the prevailing systems in this regard need to be reviewed. All Ministries/Departments are therefore requested to consider and implement the EMC recommendation, .

(Vinayak T. Likhar)

Under Secretary to the Govt. of India
Tele/Fax No. 24621305

1. Secretaries/ All Ministries & Departments.
2. Financial Advisors/ All Ministries & Departments.

16/7/16.

F.No.16/1/2016-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

516, Lok Nayak Bhawan,
New Delhi.
Dated:- 24th August, 2016.

OFFICE MEMORANDUM

Subject: - Recommendation of Expenditure Management Commission (EMC) –
regarding

The Government of India had constituted EMC in September, 2014 to look into various aspects of Expenditure reforms to be undertaken by the Government. The Committee was headed by Dr. Bimal Jalan, eminent economist and public policy experts.

2. In this context, it is noted that EMC has recommended following related to Public Procurement.

Recommendation No.76 (December, 2015)

"Payments delays impact the bid value as this is factored into the bid by way of an increase in interest carry cost. It is learnt that Delhi Metro Rail Corporation has instituted a system whereby 75 percent of all running bills are released within 7 days of submission, without a detailed check on the the claim. The balance is released after the claims are scrutinised as per procedure. This system is stated to have helped both in getting more competitive bids and in speedier execution, as cash flow is a critical requirement in a project. It is recommended that this practice of releasing a specified proportion of the running milestone payments, within a week of the bill being submitted, could be instituted in other large projects as well. If required an enabling provision may be incorporated in the Special Conditions of Contract."

3. All Ministries / Departments are advised to examine the recommendation of EMC and take appropriate action on the same.


(Vinayak T. Likhari)

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1. Secretaries/ All Ministries & Departments.
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F.No.16/1/2016-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

अपर सचिव एवं वित्त सलाहकार
(डेयर/भा. फ. अनु. परिषद्)

Asst. Secretary & Fin. Advisor
(DARE/ICAR)

आ. सं./ड. सं. No. 420/2

आ. सं./ड. सं. No. 248116

OFFICE MEMORANDUM

516, Lok Nayak Bhawan,
New Delhi.

Dated:- 24th August, 2016.

Subject: - Recommendation of Expenditure Management Commission (EMC) – regarding

The Government of India had constituted EMC in September, 2014 to look into various aspects of Expenditure reforms to be undertaken by the Government. The Committee was headed by Dr. Bimal Jalan, eminent economist and public policy experts.

2. In this context, it is noted that EMC has recommended following related to Public Procurement.

Recommendation No.75 (December, 2015)

"While e-procurement has some obvious advantages such as savings in time and cost, the concerns relating to security and transparency need to be adequately addressed. It is recommended that initiatives towards e-procurement be strengthened and made more robust and that the features of e-procurement portals are duly certified/ audited as per the guidelines of Department of Electronics & Information Technology (DeitY). All e-procurement system should be certified by Standardization Testing and Quality Certification (STQC) for compliance with DeitY Guidelines 31st August, 2011."

3. It may be recalled that the instructions were issued to all Ministries/ Departments by Departemnt of Expenditure OM No. 10/3/2012-PPC dated 30.03.2012 that Ministries/ Departments which do not have a large volume of procurement or carry out procurements required only for day to day running of offices and also have not initiated e-procurements through any other solution provider may use the e-procurement solution developed by National Informatics Center (NIC). Ministries/ Departments with large volume of procurement other than of the nature covered as above may either use the e-procurement solution developed by NIC or engage any other service provider following the due process.

In view of all above, it is once agin requested that all Ministries/Departments to certify their e- procurement systems from STQC for compliance with DeitY Guidelines dated 31st August, 2011. It is also requested that all the Ministries/Departmets should also ensure that valid Audit Certificate issued by STQC is displayed on the Home-Page of all e-procurement websites being used by them.

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1. Secretaries/ All Ministries & Departments.
2. Financial Advisors/ All Ministries & Departments.

Sent P
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Dy. Secy
DARE
Please circulate
to all ems.
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