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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 the 4th 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.

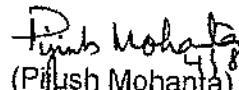
2. In this context it is noted that EMC has recommended following related to Public Procurement.

Recommendation No.77 (December, 2015)

Variation Clauses – Delays 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 Departments, 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. All Ministries/ Departments are requested to consider and implement the EMC recommendation.


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