FIRST REPORT
OF
GROUP OF MINISTERS
TO CONSIDER MEASURES
THAT CAN BE TAKEN BY THE
GOVERNMENT TO TACKLE
CORRUPTION.

Department of Personnel and Training
April 2011
FIRST REPORT OF GROUP OF MINISTERS TO CONSIDER MEASURES THAT CAN BE TAKEN BY THE GOVERNMENT TO TACKLE CORRUPTION.

INTRODUCTION

Government is committed towards zero tolerance against corruption and has taken several steps for anti corruption measures. Unfortunately, such interventions have been perceived to be ineffectual and there is cynicism on the subject. These are, in the words of second ARC report (January 2007) “seen as mere posturing without any real intention to bring the corrupt to book.” There have been allegations of corruption in many areas in recent times. In order to examine the entire issue, a Group of Ministers, with the following composition of members, was constituted by the Government on 6th January, 2011 with the approval of the Prime Minister to consider measures that can be taken by the Government to tackle corruption. (Annexure-I).

(1) Shri Pranab Mukherjee, Minister of Finance,
(2) Shri Sharad Pawar, Minister of Agriculture and Minister of Food Processing Industries;
(3) Shri A.K. Antony, Minister of Defence;
(4) Shri P. Chidambaram, Minister of Home Affairs;
(5) Km. Mamata Banerjee, Minister of Railways;
(6) Shri M. Veerappa Moily, Minister of Law and Justice;
(7) Shri Kapil Sibal,
Minister of Human Resource Development and
Minister of Communications and Information Technology;
and

(8) Shri M.K. Alagiri,
Minister of Chemicals and Fertilizers; and

**Special Invitee**

Shri V. Narayanasamy,
Minister of State in the Ministry of Parliamentary Affairs;
Minister of State in the Ministry of Personnel, Public
Grievances and Pensions and
Minister of State in the Prime Minister’s Office.

2. The terms of reference of the GoM are as follows:-

(i) To consider all measures, including legislative and
administrative, to tackle corruption and improve transparency;

(ii) In particular, the GoM may consider and advise on the
following:-

a) State funding of elections;

b) Fast tracking of all cases of public servants accused of
corruption;

c) Ensuring full transparency in public procurement and
contracts, including enunciation of public procurement
standards and a public procurement policy;

d) Relinquishing discretionary powers enjoyed by Ministers at
the Centre;

e) Introduction of an open and competitive system of
exploiting natural resources;
f) Amendment to Article 311 of the Constitution to provide for summary proceedings in cases of grave misdemeanor or blatant corruption by public servants; and

g) Consideration of relevance/need for section 6(A) of the Delhi Special Police Establishment Act, 1946.

3. The Group was requested to submit its recommendations within 4 weeks.

**Methodology**

4. The GoM has held two meetings so far on 21\textsuperscript{st} January, 2011 and on 14\textsuperscript{th} February, 2011. After going into length on the issues involved, it was decided to prioritize the terms of reference into following 4 categories:-

**Category 1**

(i) Fast tracking of all cases of public servants accused of corruption; [Item (ii)(b)]

(ii) Amendment to Article 311 of the Constitution to provide for summary proceedings in cases of grave misdemeanor or blatant corruption by public servants; [Item (ii)(f)]

(iii) Consideration of relevance/need for section 6(A) of the Delhi Special Police Establishment Act, 1946; [Item (ii)(g)]

**Category 2**

(i) Relinquishing discretionary powers enjoyed by Ministers at the Centre; [Item (ii)(d)]
**Category 3**

(i) Ensuring full transparency in public procurement and contracts, including enunciation of public procurement standards and a public procurement policy; [Item (ii)(c)]

(ii) Introduction of an open and competitive system of exploiting natural resources; [Item (ii)(e)]

**Category 4**

(i) State funding of elections. [Item (ii)(a)]

**Recommendations/Observations**

5. In the first meeting held on 21.1.2011, the GoM decided that the Cabinet Secretary may set up two Committee of Experts that will examine and suggest measures in respect of term of reference item (ii)(c) - *Ensuring full transparency in public procurement and contracts, including enunciation of public procurement standards and a public procurement policy*; and item (ii)(e) - *Introduction of an open and competitive system of exploiting natural resources*; and the above Committees will submit its report within 4 weeks.

6. Accordingly, the Cabinet Secretariat constituted two Committees on 31st January, 2011. One Committee was formed under Shri Vinod Dhall, formerly Secretary, Ministry of Corporate Affairs to look into various issues having an impact on public procurement policy, standards and procedures; and suggest measures necessary to ensure full transparency in Public Procurement and Contracts including enunciation of Public Procurement Standards and Public Procurement Policy and issues related
thereto. (Annexure–II) The other Committee was formed under Shri Ashok Chawla, the then Finance Secretary - to identify major natural resources which are allotted/allocated/distributed by the Government of India and the institutional framework for utilization of such resources. This Committee would also examine the efficacy and suitability of existing legal and regulatory frameworks and rules and procedures in this regard and suggest measures to optimize the benefits of such utilization for all stakeholders, while ensuring sustainability of the resources; to suggest measures for promoting transparency and enhancing effectiveness in allocation, pricing and utilization of these resources; to suggest changes in legal, institutional and regulatory framework to implement these recommendations and issues related thereto. (Annexure-III)

**Fast tracking of cases of public servants accused of corruption:**

7. The issue regarding fast tracking of all corruption cases has two broad aspects – one pertaining to Departmental Proceedings, and another pertaining to the Criminal Cases conducted before the competent Courts. In addition, there are related issues regarding action to be taken against corrupt public servants by the State Governments in respect of their area of jurisdiction and of providing a legal framework for the forfeiture of property of the corrupt public servants.

8. **Fast tracking of Departmental Proceedings against Corrupt Public Servants:** The detailed procedure for imposing penalties has been laid down in CCS(CCA) Rule, 1965 in the case of Central Government employees and in the All India Services (Discipline & Appeal) Rules, 1969 in the case of All India Services. These procedures do not, however, prescribe any time limit for completion of the process for imposing penalty.
9. In pursuance of the 2nd Administrative Reforms Commission's 4th Report titled "Ethics in Governance", the Government has set up a Committee of Experts under the Chairmanship of Shri P.C. Hota, former Chairman, UPSC, with Shri Arvind Varma, former Secretary (Personnel) and Shri P. Shanker, former Central Vigilance Commissioner as its Members, to examine and suggest measures to expedite the process involved in Disciplinary/Vigilance Proceedings. The Committee, after studying the reasons for delay at various stages of Departmental Proceedings, has come up with several recommendations (July 2010) for cutting down the delay at the various stages. Major recommendations, inter alia, include the following:

(i) Regarding measures for speeding up of inquiry proceedings, the Committee has recommended preparation of a panel of Inquiry officers and Presenting Officers from amongst retired officers, amending rules to enable retired persons to act as Presenting Officers, and providing them adequate remuneration, secretarial assistance and transport allowance to discharge their duties. Also, in order to cut down the delay in securing attendance of witnesses, the Committee has recommended adequate and timely Travelling Allowance and reimbursement of expenses to witnesses on both sides.

(ii) In order to reduce the time taken to obtain approval of Minister-in-Charge, the Committee has recommended delegation of powers to the concerned Secretary to exercise the powers under D & A Rules quickly and effectively for certain category of officers.
(iii) In order to reduce time taken in obtaining statutory advice, Committee has recommended doing away with UPSC consultation for Minor Penalty, and also recommended consulting CVC at the first stage only. The Committee has also recommended reclassification of individual penalties so that the Disciplinary Authorities do not have to conduct enquiry for minor penalty.

(iv) The Committee has also suggested that mere superannuation should not be a ground for dropping proceedings for minor penalty. A cut in pension up to 20% should be imposed in this type of minor penalty. Also, the present major penalty of compulsory retirement with full benefits should be changed to compulsory retirement with upto 33% cut in pension.

(v) The protection under Article 311(2) of the Constitution should not be available to public servants committing blatant corruption, against whom a high powered Advisory Board headed by retired Supreme Court Judge has found adequate prima facie evidence.

10. After comprehensive discussions, the GoM decided that the Departments/Ministries should primarily use serving officers as IOs & POs and in important cases, they may request CVC to appoint their CDI as IO. The CVC may also maintain a panel of IOs/POs from amongst retired officers after due process of screening and empanelment. These officers could also be engaged on advice of the CVC. The remuneration etc. for these IOs and POs may be fixed, keeping in mind the recommendations of the Hota Committee.
11. In order to reduce time taken in obtaining statutory advice, the Hota Committee has recommended doing away with UPSC consultation for minor penalty and also recommended consulting CVC at the first stage only. The Committee has also recommended reclassification of individual penalties so that the Disciplinary Authorities do not have to conduct enquiry for minor penalty. *(Paras 53 and 54 of the Report)* The GoM decided that consultation with UPSC should continue while second stage consultation with CVC may be dispensed with. However, in those cases where consultation with UPSC is not required, the second stage consultation with CVC should continue.

12. The Hota Committee has also suggested that mere superannuation should not be a ground for dropping proceedings for minor penalty. A cut in pension upto 20% should be imposed in this type of minor penalty. Also, the present major penalty of compulsory retirement with full benefits should be changed to compulsory retirement with upto 33% cut in pension. *(paras 80-83 of the Report)* The matter was discussed in detail especially regarding the need for continuation of minor penalty proceedings even after retirement of a government servant. The GoM decided that Rule 9 of CCS(Pension) Rules, 1972 and other similar applicable rules be amended accordingly.

13. *Fast tracking of Court Cases against corrupt Public servants:* As on 31.12.2010, 113 cases of CBI were pending for the grant of Prosecution Sanction. The Government is keen that innocent officers should not needlessly face harassment through prosecution while at the same time the really culpable and guilty officers should not escape prosecution on account
of failure of the competent authority to appreciate properly the fact brought out in the CBI investigation reports. The reasons for the delay in obtaining prosecution sanction is generally attributed to incomplete Superintendent of Police report, which may not be adequately supported by convincing documentary evidences. Sometimes there are delays in taking decision by the concerned competent authority who may choose to enter into correspondence with other authorities including the CVC and by considering representations of the accused officer.

14. In order to ensure that cases for grant of sanction for prosecution are disposed of quickly, the Government has issued an OM No.399/33/2006-AVD-III dated 6.11.2006 clearly laying down the time limits at each stage of processing and also fixing responsibilities on deliberate delays.

15. The Prevention of Corruption Act, 1988 contains specific provisions for conducting speedy trials. Section 4(4) of the Act provides that “Notwithstanding anything contained in the Code of Criminal Procedure, 1973, a Special Judge shall, as far as practicable, hold the trial of an offence on day-to-day basis”. Similarly, Section 6 provides for summary trial of cases. In spite of specific provisions, there have been instances in which High Courts have been granting stay on trial under the PC Act either directly or indirectly by summoning the records. Even the appeals filed in High Courts after conviction take a long time for disposal. As on 31.12.2010, about 9927 cases investigated by the CBI were pending for trial before the various Courts, which contain a large number of cases which are more than 10 years old.
16. The trials under all Statutes/Acts are conducted as per the provisions of the Cr.P.C. Time frame is usually not prescribed for completion of trial under any Statue/Act. Inserting a provision in the Prevention of Corruption Act for completion of trial in a time bound manner may not be of any help without systemic changes under the CrPC. Therefore, there is a need for bringing in systematic changes in the criminal justice system to make it effective. The recommendations of the Madhava Menon Committee are already being considered by the Government towards this end.

17. The GoM observed that Section 19 of the Prevention of Corruption Act, 1988 provides that prior sanction is necessary for prosecuting public servants and at present, there are 66 cases pending with the concerned authorities for grant of sanction for prosecution. This is being reviewed by the Department of Personnel & Training and all concerned Ministers were requested by Minister of State for Personnel, Public Grievances & Pension to dispose these pending cases expeditiously. The GoM felt that delay in deciding cases of sanction for prosecution undermines the vigilance administration and is definitely not in the interest of the Government. It is imperative that cases of sanction for prosecution should be decided expeditiously and within the prescribed time-frame of 3 months. The GoM, therefore, recommended that:

(a) In all cases where the Investigating Agency has requested sanction for prosecution and also submitted a draft charge sheet and related documents along with the request, it will be mandatory for the competent authority to take a decision within a period of 3 months from receipt of request, and pass a Speaking Order, giving reasons for this decision.
(b) In the event that the competent authority refuses permission for sanction to prosecute, it will have to submit its order including reasons for refusal, to the next higher authority for information within 7 days.

Wherever the Minister-in-charge of the Department is the competent authority and he decides to deny the permission, it would be incumbent on the Minister to submit, a copy of the order to the Prime Minister for his information within 7 days of passing the said order.

(c) It will be the responsibility of the Secretary of each Department/Ministry to monitor all cases where a request has been made for permission to prosecute. Secretaries may also submit a certificate every month to the Cabinet Secretary to the effect that no case is pending for more than 3 months. Wherever a case is pending for more than 3 months, the reasons for such pendency and the level where it is pending may also be explained.

18. The GoM noted that Government has approved setting up of 71 Special CBI Courts, of which only 10 Courts are operational. It was decided that the matter of setting up of Special CBI Courts already sanctioned, may be taken up actively with the State Governments, and reviewed on quarterly basis by Minister of State for Personnel, Public Grievances & Pensions.
19. The GoM noted that in view of the huge pendency of the trial cases, which are very old, a suggestion was received from the CBI that a Committee may be set up for studying cases which have been pending for trial for long time and such a Committee may make recommendation about the speedy disposal/withdrawal of such cases. There are reportedly more than 2400 cases which are pending trial for more than 10 years. **The GoM decided that such old cases may be reviewed by a Committee headed by a retired Judge of the Supreme Court and having as its Members, a retired CVC, retired Director of CBI and another person of impeccable reputation who could be drawn from the Civil Society. This Committee could look at cases pending for more than 10 years, particularly those under the PC Act and suggest ways for their speedy disposal, including withdrawal, if need be. The Department of Personnel & Training may frame guidelines for the Committee.**

*Strengthening the Vigilance Organizations*

20. There is an elaborate internal vigilance set-up in the Government of India as well as in the States. There is a great deal of variation in the structure as well as the resources at the disposal of the anti-corruption institutions across states. Corruption prevention and enforcement in an increasingly electronic environment both in government institutions and outside, require specific measures to equip the investigating agencies with electronic investigating tools and capability to undertake such investigation. Systematic training of officers in this area more particularly at the state level is essential. In view of the complexities involved in investigating modern-day corruption, the investigating agencies should be equipped with economic, accounting and audit, legal, technical, and scientific knowledge, skills and tools of investigation.
21. The GoM decided that vigilance administration of the Central Ministries/Departments may be strengthened. In particular, the vigilance wing of DOPT may be strengthened with requisite manpower to ensure effective monitoring of the vigilance matters.

**Amendment to Article 311 of the Constitution to provide for summary proceedings in cases of grave misdemeanor/act of blatant corruption by public servants**

22. The GoM noted that the Hota Committee has made recommendations for summary proceedings in case of grave misdemeanor or blatant corruption by public servants. A following formulation in the form of Article 311-A suggested by the DoPT was also discussed:-

“Notwithstanding anything contained in Article 311, if the President or the Governor, as the case may be, is satisfied that continuation in service of a person who is a member of a civil service of the Union or an All India Service or a civil service of a State or holds a civil post under the Union or a State, is detrimental to public interest and upholding good governance, on the ground of blatant corruption and/or grave misdemeanor, the President or the Governor shall pass an order dismissing or removing the person from the service, pending trial/inquiry.

Provided that no such dismissal or removal shall be made unless an Advisory Board with a person who is or have been or is qualified to be appointed as a Judge of Supreme Court as Chairperson and with such other members as provided in the
relevant acts/rules, recommends dismissal or removal on the basis of evidence gathered by the investigating agency and after taking into account representation of the accused.”

23. After deliberation, the GoM expressed that there is a need to strike a balance between fundamental rights of individuals and administrative exigencies. As such, instead of amending the Constitution, the remedy against blatant corruption/grave misdemeanor would lie in a strict and effective implementation of existing laws (rather than framing new laws).

Consideration of relevance/need for the Section 6A of the Delhi Special Police Establishment Act, 1946.

24. Section 6(A) of the DSPE Act, 1946 was inserted on the basis of recommendations of the Select Committee of Parliament and it is considered necessary for safeguarding senior public officials, who are policy makers, against undue harassment by lower level functionaries of the investigating agency. However, in order to ensure that these requests are examined on priority and with objectivity, the following suggestions were placed before the GoM by the DoP&T for consideration:-

(i) The competent authority shall decide the matter within one month of receipt of request.

(ii) The competent authority will give a Speaking Order, giving reasons for its decisions.
(iii) In the event a decision is taken to refuse permission, the reasons thereof shall also be put up to the next higher authority for information within one week of taking the decision.

(iv) Since Section 6A specifically covers officers of the Central Government, above the rank of Joint Secretary, the competent authority in these cases will be the Minister-in-charge in GOI. In such cases, intimation of refusal to grant permission, along with reasons thereof, will have to be put up to the Prime Minister through the DOPT. It is pertinent that DOPT is already a nodal authority for examining all cases of disagreement between the Administrative Ministry and the CVC/UPSC.

25. The GoM in its meeting on 16/3/2011 recommended that -

(i) The competent authority shall decide the matter within three month of receipt of request accompanied with relevant documents.

(ii) The competent authority will give a Speaking Order, giving reasons for its decisions.

(iii) In the event a decision is taken to refuse permission, the reasons thereof shall also be put up to the next higher authority for information within one week of taking the decision.

(iv) Since Section 6A specifically covers officers of the Central Government, above the rank of Joint Secretary, the competent authority in these cases will be the Minister-in-
charge in GOI. In such cases, intimation of refusal to grant permission, along with reasons thereof, will have to be put up to the Prime Minister.

CATEGORY-2

Relinquishing discretionary powers enjoyed by Ministers at the Centre

26. The GoM considered the information received from 50 Ministries/Departments and observed that in majority of the cases, the discretionary powers are in fact powers exercised by the Ministers in performance of their bonafide duties. It was felt that in such cases there is a need to ensure that such powers are exercised under prescribed guidelines/rules. It was decided in the 3rd meeting of the GoM that wherever the Ministers have discretion in discharging their official function, e.g. for making nomination to various bodies, suitable guidelines should be formulated by the Ministries and be placed in public domain.

CATEGORY-4.

Lokpal Bill.

27. The GOM briefly discussed the Lokpal Bill and also noted that a number of representations/suggestions have been received on the proposed Lokpal Bill. In the meeting held on 16.3.2011, it was decided to constitute a sub-committee of the Group to be headed by the Defence Minister and comprising of Minister of Law & Justice, Minister of Human Resource Development and Minister of State for Personnel, Public
Grievances & Pensions, to interact with individuals/organizations/NGOs which have given suggestions on the formulation of Lokpal Bill.

28. The GoM decided that the recommendation (at para 10, 11, 12, 17, 18, 19, 21, 23, 25 & 26) may be placed before the Government for further action.

Pranab Mukherjee,
Minister of Finance.
New Delhi, the 6th January, 2011

Subject: Constitution of a Group of Ministers (GoM) to consider measures that can be taken by the Government to tackle corruption.

It has been decided with the approval of the Prime Minister, to constitute the Group of Ministers (GoM) to consider measures that can be taken by the Government to tackle corruption.

2. The composition of the Group of Ministers (GoM) as approved by the Prime Minister, will be as under:-

- Shri Pranab Mukherjee,
  Minister of Finance;
- Shri Sharad Pawar,
  Minister of Agriculture and Minister of Consumer Affairs, Food & Public Distribution;
- Shri A.K. Antony,
  Minister of Defence;
- Shri P. Chidambaram,
  Minister of Home Affairs;
- Km. Mamata Banerjee,
  Minister of Railways;
- Shri M. Veerappa Moily,
  Minister of Law & Justice;
- Shri Kapil Sibal,
Minister of Human Resource Development; Minister of Science and Technology; Minister of Earth Sciences; and Minister of Communications and Information Technology; and

Shri M.K. Alagiri
Minister of Chemicals & Fertilizers.

3. The terms of reference of the GoM will be as follows:-

(i) to consider all measures, including legislative and administrative, to tackle corruption and improve transparency;

(ii) In particular, the GoM may consider and advise on the following:-

(a) State funding of elections;
(b) fast tracking of all cases of public servants accused of corruption;
(c) ensuring full transparency in public procurement and contracts, including enunciation of public procurement standards and a public procurement policy;
(d) relinquishing discretionary powers enjoyed by Ministers at the Centre;
(e) introduction of an open and competitive system of exploiting natural resources;
(f) amendment to Article 311 of the Constitution to provide for summary proceedings in cases of grave misdemeanor or blatant corruption by public servants; and
(g) consideration of relevance/need for section 6(A) of the Delhi Special Police Establishment Act, 1946.

4. The GoM will be serviced by the Department of Personnel & Training. The Legislative Department will assist the GoM in respect of the terms of reference at paragraph 3(ii) (a) and the Cabinet Secretariat in respect of paragraph 3(ii) (c) above.

5. GoM may submit its recommendations within 60 days of its constitution.

6. Department of Personnel and Training will ensure that agenda papers/minutes of the meeting etc. are expeditiously forwarded to the Prime Minister’s Office and the Cabinet Secretariat.

Sd/-
(Som Dutt Sharma)
for Cabinet Secretary
Tel No. 2379 2204

To
Shri Shri Pranab Mukherjee, Minister of Finance.
Shri Sharad Pawar, Minister of Agriculture and Minister of Consumer Affairs, Food & Public Distribution.

20
Shri A.K. Antony, Minister of Defence.
Shri P. Chidambaram, Minister of Home Affairs.
Km. Mamata Banerjee, Minister of Railways.
Shri M. Veerappa Moily, Minister of Law & Justice;
Shri Kapil Sibal, Minister of Human Resource Development; Minister of Science and Technology; Minister of Earth Sciences; and Minister of Communications and Information Technology.
Shri M.K. Alagiri, Minister of Chemicals & Fertilizers.

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Copy forwarded for information to:-

Secretary to the President
Secretary to the Vice-President
Principal Secretary to the Prime Minister.

Sd/-
(Som Dutt Sharma)
Deputy Secretary (Cabinet)

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Copy forwarded for information to:-

Member-Secretary, Planning Commission.
Secretary, Department of Personnel & Training.
Secretary, Department of Administrative Reforms & Public Grievances.
Secretary, Department of Legal Affairs.
Secretary, Ministry of Home Affairs.
Chairman, Railway Board.
Finance Secretary.
Secretary, Department of Expenditure.
Secretary, Ministry of Parliamentary Affairs.
Secretary, Ministry of Defence.
Secretary, Ministry of Environment & Forests.
Secretary, Ministry of Mines.
Secretary, Department of Commerce.
Secretary, Ministry of Coal.

Sd/-
(Som Dutt Sharma)
Deputy Secretary (Cabinet)
Secret/Most Immediate

No. 483/1/1/2011-Cab.

Government of India (Bharat Sarkar)

Cabinet Secretariat (Mantrimandal Sachivalaya)

Rashtrapati Bhawan

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New Delhi, the 21st February, 2011

Subject: Constitution of a Group of Ministers (GoM) to consider measures that can be taken by the Government to tackle corruption.

Reference Cabinet Secretariat Memo of even number dated 19.01.2011.

2. The portfolio of the members may be read as under:

Shri Pranab Mukherjee,
   Minister of Finance;
Shri Sharad Pawar,
   Minister of Agriculture and Minister of Food Processing Industries;
Shri A.K. Antony,
   Minister of Defence;
Shri P. Chidambaram,
   Minister of Home Affairs;
Km. Mamta Banerjee,
   Minister of Railways;
Shri M. Veerappa Moily,
   Minister of Law & Justice;
Shri Kapil Sibal,
   Minister of Human Resource Development and Minister of Communications and Information Technology; and
Shri M.K. Alagiri,
Minister of Chemicals and Fertilizers.

**Special Invitee**

Shri V. Narayanasamy,
Minister of State in the Ministry of Parliamentary Affairs; Minister of State in the Ministry of Personnel, Public Grievances and Pensions; and Minister of State in the Prime Minister’s Office.

3. The GoM will continue to be services by the Department of Personnel and Training.

4. There is no change in the terms of reference and other stipulations enumerated in the Memo under reference.

*Sd/-

(Som Dutt Sharma)
for Cabinet Secretary
Tel No. 2379 2204

To

Shri Pranab Mukherjee, Minister of Finance.
Shri Sharad Pawar, Minister of Agriculture and Minister of Food Processing Industries.
Shri A.K. Antony, Minister of Defence.
Shri P. Chidambaram, Minister of Home Affairs.
Km. Mamata Banerjee, Minister of Railways.
Shri M. Veerappa Moily, Minister of Law & Justice.
Shri Kapil Sibal, Minister of Human Resource Development and Minister of Communications and Information Technology.
Shri M.K. Alagiri, Minister of Chemicals & Fertilizers.
Shri V. Narayanasamy

Minister of State in the Ministry of Parliamentary Affairs; Minister of State in the Ministry of Personnel, Public Grievances and Pensions; and Minister of State in the Prime Minister’s Office

Copy forwarded for information to:-

Secretary to the President
Secretary to the Vice-President
Principal Secretary to the Prime Minister.

*Sd/-

(Som Dutt Sharma)
Deputy Secretary (Cabinet)
Copy forwarded for information to:-

Member-Secretary, Planning Commission.
Secretary, Department of Personnel and Training.
Secretary, Department of Administrative Reforms & Public Grievances.
Secretary, Department of Legal Affairs.
Secretary, Ministry of Home Affairs.
Chairman, Railway Board.
Secretary, Legislative Department.
Secretary, Department of Economic Affairs.
Secretary, Department of Expenditure.
Secretary, Ministry of Parliamentary Affairs.
Secretary, Ministry of Defence.
Secretary, Ministry of Environment & Forests.
Secretary, Ministry of Mines.
Secretary, Department of Commerce.
Secretary, Ministry of Coal.

Sd/-

(Som Dutt Sharma)
Deputy Secretary (Cabinet)
ANNEXURE-II

MOST IMMEDIATE

No. 483/1/1/2011-Cab.
GOVERNMENT OF INDIA (BHARAT SARKAR)
CABINET SECRETARIAT (MANTRIMANDAL SACHIVALAYA)
RASHTRAPATI BHAVAN

New Delhi, dated the 31st January, 2011.

ORDER

Several steps have been taken by the Government to bring efficiency, economy and transparency in matters relating to Public Procurement. With a view to further enhancing the accountability and promoting transparency in such matters, it is now proposed to put in place a Comprehensive Public Procurement Policy which would also help to avoid the possibility of complaints and vigilance cases.

2. In pursuance of the above, the Group of Ministers (GoM) constituted to consider measures that could be taken by the Government to tackle corruption, has in its meeting held on 21st January 2011, decided, inter-alia, to constitute a Committee to look into various issues having an impact on public procurement policy, standards and procedures. Accordingly, the Committee is constituted with the following composition:

Shri Vinod Dhall,
formerly Secretary, Ministry of Corporate Affairs - Chairman
Secretary, Department of Expenditure - Member
Additional Secretary, Department of Expenditure - do-
Financial Commissioner, Ministry of Railways - do-
Director-General, Supplies & Disposals - do-
Director-General, Acquisition, Ministry of Defence - do-
Director-General, Central Public
3. The Chairman of the Committee may co-opt additional members and engage short-term consultants, as considered necessary. Engagement of consultant(s) will be governed by the provisions of the General Financial Rules, 2005.

4. The Terms of Reference of the Committee will be as under:

(a) to suggest measures necessary to ensure full transparency in Public Procurement and Contracts including enunciation of Public Procurement Standards and Public Procurement Policy, keeping in views the existing legal and regulatory framework and rules and procedures applicable for Public Procurement and recent initiatives taken in this regard;

(b) to suggest legal, institutional and systemic measures necessary to strengthen Public Procurement practices so as to clearly demarcate the powers and responsibilities of various authorities;

(c) to suggest best domestic and international practices which can be adopted to promote transparency and enhance efficiency and economy in procurement including measures necessary for fair and equitable treatment of suppliers, promotion of competition as well as ethics and probity in Public Procurement; and

(d) any other issues(s) related to the above.

5. Logistics support including transport and secretarial assistance will be provided by the Department of Commerce. Requisite inputs for analysis and research, wherever required, will also be provided by the Department of Commerce.

6. The Committee will submit its report to the Cabinet Secretariat within a period of four weeks.

7. The Chairman of the Committee will be entitled to a lump sum remuneration of Rs. 3 lakhs and retired Government officers will get a lump sum remuneration of Rs. 1 lakh for this assignment. The details of entitlements for TA/DA, etc., of the Chairman and Members of the
Committee will be issued separately by the Department of Commerce. The entire expenditure in this regard will be borne by the Department of Commerce.

Sd/-

(S.D. Sharma)
Deputy Secretary to the Government of India.
Tel: 2379 2204.

To
Chairman and Members of the Committee

Copy to
Member-Secretary, Planning Commission.
Secretary, Department of Personnel and Training.
Secretary, Ministry of Corporate Affairs.
Secretary, Department of Commerce.
Secretary, Department of Expenditure.
Chairman, Railway Board.
Secretary, Department of Defence.
Secretary, Ministry of Urban Development.
Secretary, Department of Economic Affairs.
Secretary, Ministry of Road Transport & Highways.

Copy for kind information to:
Principal Secretary to the Prime Minister.

Sd/-

(S.D. Sharma)
Deputy Secretary to the Government of India.
New Delhi, dated the 14th February, 2011.

ORDER

In partial modification of this Secretariat’s Order No. 483/1/1/2011-Cab. dated 31st January, 2011 constituting a Committee under the Chairmanship of Shri Vinod Dhall, formerly Secretary, M/o Corporate Affairs, to look into various issues having an impact on public procurement policy, standards and procedures, the revised composition of the Committee will be as under:

Shri Vinod Dhall,
   Formerly Secretary, Ministry of Corporate Affairs    - Chairman
Additional Secretary, Department of Expenditure  - Member
Financial Commissioner, Ministry of Railways   - -do-
Director-General, Supplies & Disposals     - -do-
Director-General, Acquisition, Ministry of Defence  - -do-
Director-General, Central Public Works Department - -do-
Shri M.P. Gupta, Formerly Additional Secretary,
   Ministry of Finance   - -do-
Shri S.C. Sharma, Formerly Director-General Roads Development -do-
Representative of planning Commission
   (not below the rank of Adviser)    - -do-
Shri J.S. Deepak, Joint Secretary, Department of Commerce - -do-
Smt. Ajanta Dayalan, Joint Secretary,
   Cabinet Secretary   - Member Secretary

Sd/-

(S.D. Sharma)
Deputy Secretary to the Government of India.
Tel.23792204.

To

Chairman and Members of the Committee

Copy to:

Member-Secretary, Planning Commission.
Secretary, Department of Personnel and Training.
Secretary, Ministry of Corporate Affairs.
Secretary, Department of Commerce.
Secretary, Department of Expenditure.
Chairman, Railway Board.
Secretary, Department of Defence.
Secretary, Ministry of Urban Development.
Secretary, Department of Economic Affairs.
Secretary, Ministry of Road Transport & Highways.

Copy for kind information to:

Principal Secretary to the Prime Minister.

Sd/-

(S.D. Sharma)
Deputy Secretary to the Government of India.
ORDER

In partial modification of this Secretariat’s Order No. 483/1/1/2011-Cab dated 31st January, 2011 and 14th February, 2011 constituting a Committee under the Chairmanship of Shri Vinod Dhall formerly Secretary, Ministry of Corporate Affairs to look into various issues having an impact on public procurement policy, standards and procedures, the Additional Member (Finance), Ministry of Railways has been nominated as a Member of the Committee, in lieu of the Financial Commissioner, Ministry of Railways.

Sd/-

(S.D. Sharma)
Deputy Secretary to the Government of India.
Tel.23792204.

To
Chairman and Members of the Committee

Copy to:
Member-Secretary, Planning Commission.
Secretary, Department of Personnel and Training.
Secretary, Ministry of Corporate Affairs.
Secretary, Department of Commerce.
Secretary, Department of Expenditure.
Chairman, Railway Board.
Secretary, Department of Defence.
Secretary, Ministry of Urban Development.
Secretary, Department of Economic Affairs.
Secretary, Ministry of Road Transport & Highways.

Copy for kind information to:
Principal Secretary to the Prime Minister.

Sd/-

(S.D. Sharma)
Deputy Secretary to the Government of India.
ORDER

In continuation of this Secretariat’s Orders of even number dated 31st January, 2011, 14th February, 2011 and 18th February, 2011 regarding Committee set up under the Chairmanship of Shri Vinod Dhall, formerly Secretary, Ministry of Corporate Affairs, to look into various issues having an impact on public procurement policy, standards and procedures, Shri Gajendra Haldea, Adviser to Deputy Chairman, Planning Commission has been nominated by the Planning Commission as a Member of the Committee as representative of the Commission.

Sd/-

(Mala Dutt)
Director
Tel: 23792357

To

Chairman and Members of the Committee.

Copy to:

Member Secretary, Planning Commission
Secretary, Department of Personnel and Training.
Secretary, Ministry of Corporate Affairs.
Secretary, Department of Commerce.
Secretary, Department of Expenditure.
Chairman, Railway Board.
Secretary, Department of Defence.
Secretary, Ministry of Urban Development.
Secretary, Department of Economic Affairs.
Secretary, Ministry of Road Transport & Highways.

Copy for kind information to:

Principal Secretary to the Prime Minister

Sd/-

(Mala Dutt)
Director
ANNEXURE-III

MOST IMMEDIATE

No. 483/1/1/2011-Cab.
GOVERNMENT OF INDIA (BHARAT SARKAR)
CABINET SECRETARIAT(MANTRIMANDAL SACHINVALAYA)
RASHTRAPATI BHAWAN

New Delhi, dated the 31st January, 2011

ORDER

With a view to enhance transparency, effectiveness and sustainability in utilization of natural resources, consistent with the needs of the country to achieve accelerated economic development, it has been felt desirable to adopt an open transparent and competitive mechanism for allocation pricing and utilization of the natural resources.

2. In pursuance of the above, the Group of Ministers (GoM) constituted to consider measures that could be taken by the Government to tackle corruption, has in its meeting held on 21st January, 2011 decided inter alia to constitute a Committee to deliberate on the above issues. Accordingly, the Committee is constituted with the following composition:

Shri Ashok Chawla
Presently Finance Secretary - Chairman
Secretary, Ministry of Petroleum & Natural Gas - Member
Secretary, Ministry of Environment & Forests - Member
Secretary, Ministry of Coal - Member
Secretary, Department of Telecommunications - Member
Secretary, Ministry of Defence - Member
Secretary, Ministry of Mines - Member
Secretary, Ministry of Water Resources - Member
Secretary, Department of Land Resources - Member
Additional Secretary, Department of Expenditure - Member
Representative of Planning Commission (not below the rank of Adviser) - Member
Shri Chandrajeet Banerejee
Director General, Confederation of Indian Industry - Member
3. The Chairman of the Committee may co-opt additional members and engage short term consultants, as considered necessary. Engagement of consultant(s) will be governed by the provisions of the General Financial Rules, 2005.

4. The Term of Reference of the Committee will be as under:

(a) to identify major natural resources which are allotted/allocated/distributed by the Government of India and the institutional framework for utilization of such resources;
(b) to examine the efficacy and suitability of existing legal and regulatory frameworks and rules and procedures in this regard;
(c) to suggest measures to optimize the benefits of such utilization for all stakeholders, while ensuring sustainability of the resources;
(d) to suggest measures for promoting transparency and enhancing effectiveness in allocation, pricing and utilization of these resources;
(e) to suggest changes in legal institutional and regulatory framework to implement the above recommendations; and
(f) any other issue(s) related to the above.

5. Logistics support including transport and secretarial assistance will be provided by the Department of Economic Affairs, Ministry of Finance. Requisite inputs for analysis and research, wherever required, will also be provided by the Department of Economic Affairs.

6. The Committee will submit its report to the Cabinet Secretariat within a period of four weeks.

7. The Chairman of the Committee will be entitled to a lump sum remuneration of Rs. 3 lakhs. The details of entitlement of TA/DA etc., of the Chairman and the Members of the Committee shall be issued separately by the Department of Economic Affairs, Ministry of Finance. The entire expenditure in this regard will be borne by the Department of Economic Affairs.

Sd/-

(S.D. Sharma)
Deputy Secretary to the Government of India
Tel. 23792204

To

Chairman and Members of the Committee
Copy to:

Member Secretary, Planning Commission.
Secretary, Department of Personnel and Training.
Secretary, Department of Economic Affairs.
Secretary, Ministry of Petroleum & Natural Gas.
Secretary, Ministry of Environment & Forests.
Secretary, Ministry of Coal.
Secretary, Department of Telecommunications.
Secretary, Ministry of Defence.
Secretary, Ministry of Mines.
Secretary, Ministry of Water Resources.
Secretary, Department of Land Resources.
Secretary, Department of Expenditure.

Copy also forwarded to:

Director-General, Confederation of Indian Industry
Director General, Federation of Indian Chambers of Commerce & Industry.

Copy for kind information to:

Principal Secretary to the Prime Minister

Sd/-

(S.D. Sharma)
Deputy Secretary to the Government of India