

Yojana Bhavan, Parliament Street,
New Delhi, the 10th August, 2011.

ORDER

Sub: Revised Procedure and Guidelines for Outsourced / External Consultancy work in the Planning Commission

The Subject Matter Divisions may hire External Professionals / Consultancy Firms or Consultants (referred to as External Consultants hereinafter) for a specific job, which will be well defined in terms of content and timeframe for its completion. The scheme of Outsourced / External Consultancy work would be in addition to existing engagement of consultants in the Planning Commission being serviced by Administration – I Section (under the scheme "Expertise for Planning Process") and shall be serviced by Plan Coordination and Management Division and shall be regulated as per the following guidelines:

1. General Conditions for Outsourcing / External Consultancy Work:

1.1 Outsourced / External Consultancy work would be for providing high quality services to the Planning Commission for which in-house expertise is not available.

1.2 External Consultancy work could be awarded to individuals/ Academic Institutions/ Registered Consultancy Firms/ Reputed Non-Profit Organizations etc.

1.3 The Subject Matter Division may follow the relevant provisions as contained in the GFR 163 to GFR 177 and also the MoF's Manual of Policies and Procedure for Employment of Consultants.

2. Terms of Reference:

2.1 The period of Outsourcing / External Consultancy would depend on the job requirement to be clearly specified in the Terms of Reference by the Subject Matter Division with the approval of the Member concerned. It would generally not exceed one year.

2.2 The Terms of Reference should clearly indicate in simple and concise language the requirement, objective, scope of the assignment, schedule for completion of tasks, support or inputs to be provided by Subject Matter Division and the final output required of the Consultant. The eligibility and pre-qualification criteria to be met by External Consultants should also be clearly identified.

3. Procedure : The procedure to be followed for selecting the External Consultant / Outsourcing Work is as follows:

3.1 For all cases having financial implication of more than Rs. 10 lakh, a Consultancy Evaluation Committee (CEC) consisting of Adviser-in-charge of Subject Matter Division, representative of the PCMD and representative of Internal Finance Division shall be constituted to carry out the consultant selection process. The mandate of the CEC would be as defined in para 1.6 of the Manual referred to in para 1.3 above. The CEC shall carry out the consultant selection as mentioned in para 3.2 and 3.3 below and will submit its recommendation to the Subject Matter Division which will put up cases with financial implication upto Rs. 25 lakh through AS&FA and Secretary/Member Secretary to the Member concerned for her/his approval. The cases with financial implication exceeding

Rs. 25 lakh will be put up by the Subject Matter Division along with CEC's recommendations through AS & FA, Secretary/Member Secretary and the Member concerned to the Deputy Chairman for his approval. While it is not mandatory to constitute a CEC in cases where the estimated cost of Consultancy is below Rs. 10 lakh, the Subject Matter Division if considered necessary may constitute CEC with the approval of Member concerned for such cases also.

3.2 For consultancy work upto Rs. twenty-five lakh, empanelment of a list of potential consultants should be done on the basis of an advertisement on the website of Planning Commission, and formal or informal enquiries from other Ministries or Departments or Organisations involved in similar activities, Chambers of Commerce & Industry, Association of consultancy firms etc. On the basis of the responses received from the interested parties, persons meeting the technical requirements and other eligibility criteria would be empanelled for a period up to three years. Thereafter, limited tender enquiry amongst the empanelled consultants, through Cost Based Selection/Quality Based Selection/Quality and Cost Based Selection (para 1.5.2 of MoP Manual of Policies and Procedure of Employment of Consultants), would be used for final selection of a consultant for a particular assignment.

3.3 In cases, where the estimated cost of the work or service exceeds Rupees twenty-five lakh, in addition to procedure for empanelment of consultants as mentioned in para 3.2 above, an enquiry seeking 'Expression of Interest' from applicants should also be published in at least one national daily and the Planning Commission's web site. Enquiry seeking Expression of Interest should include in brief, the broad scope of work or service, inputs to be provided by the Planning Commission (Subject Matter Division), eligibility and the pre-qualification criteria to be met by the consultant(s) and applicant's past experience in similar work or service. The applicants may also be asked to send their comments on the objectives and scope of the work or service projected in the enquiry. Adequate time should be allowed for getting responses from interested applicants. On the basis of responses received from the interested parties, applicants meeting the requirements should be short listed for further consideration. Final selection of a consultant from amongst the so shortlisted applicants would be through cost based/ quality based/ quality and cost based selection as mentioned in para 3.2 above.

3.4 After the approval as mentioned in para 3.1 above, the Subject Matter Division will issue the Sanction Order along with the final Terms of Reference/Memorandum of Association/contract (wherever required) and comply with necessary contractual formalities. As regards processing of payments, Subject Matter Division will satisfy itself about compliance with the conditions of Sanction before issuing Orders for payment.

3.5 Under some special circumstances, it may become necessary to select a particular consultant where adequate justification is available for single-source selection in the context of the overall interest of the Planning Commission. Full justification for single source selection should be recorded in the file and approval of the competent authority as in para 3.1 obtained. Relevant provisions of GPR and Manual of Policies and Procedures on Employment of Consultants referred to in para 1.3 above in the matter would have to be followed.

4. **Facilities and Allowances:** The External Consultants shall work from their own residence / office. They shall not be provided any office space by the Planning Commission. Also, they shall not be entitled to any allowance such as dearness allowance, residential telephone, transport facility, residential accommodation, personal staff, CGHS, medical reimbursement, leave etc. No TA/DA shall be admissible for joining the assignment or on its completion. Consultants will not be allowed any foreign travel at Government expenses.

The fee paid would be all inclusive, except for the service tax, which if applicable, would be paid extra.

5. Release of Funds:

5.1 The full amount could be released in a single instalment on satisfactory completion of the job; or in two/three equal instalments or in instalments as per Table given below:

<u>Installment</u>	<u>Stage</u>	<u>Percent to Total</u>
1st	Mobilization Advance	30%
2nd	Presentation of Draft Report	50%
3rd	Acceptance of Final Report and payment of balance after checking of Expenditure.	20%
Total		100%

5.2 Income tax on professional services @ 10 % as prescribed under the Income Tax Act, Section 194(J) read with clauses (A) & (B) and Education Cess @ 2% and Secondary & Higher Education Cess @ 1% thereon shall be deducted at source by DDO, Planning Commission before releasing the amount as per the sanction order.

6. The sanction will also be subject to the following terms and conditions :-

- (i) The External Consultant will neither make available the contents of the assignment to any other person or agency, nor publish any part of it without the previous knowledge or permission of the Planning Commission.
- (ii) Data contained in the assigned Document shall not be used by the External Consultant or any other associates of the External Consultant for any kind of published material including any doctoral thesis or for any other degree / diploma etc.
- (iii) The External Consultant shall make suitable arrangements for the safe custody of material provided to the External Consultant for the work assigned and shall handover them to the concerned Subject Matter Division, Planning Commission after completion of the work.
- (iv) The External Consultant shall not, except with the prior sanction of the Planning Commission, or in the bona fide discharge of their duties as aforesaid, participate in a Radio/T.V. broadcast/telecast or contribute an article or write a letter to a Newspaper pseudonymously or in the name of any other person, if such book, article, broadcast/telecast or letter relates directly to the aforesaid, not only during the period of job contract, but also thereafter. Any information gathered during the course of the job contract as aforesaid shall not be divulged to anyone, who is not authorized to have the same.
- (v) Planning Commission will be at liberty to cancel the contract without assigning any reasons, in case, it is established that the above conditions are not being followed strictly.

7. The persons employed, if any, in the project will be treated as employees of the External Consultant and not of the Government and the conditions of their services will be governed in accordance with the rules and regulations of the firm.

8. The expenditure would be met from out of the following Budget Head:

Demand No.	:	74
Major Head	:	3475 Other General Economic Services
06	:	Expertise for Planning Process
06.00.28	:	Professional Services

9. The assignment will be enforced on acceptance of the terms and conditions mentioned in the Sanction letter and those contained in the Terms of Reference by the External Consultants. The External Consultant will sign the prescribed bond on a Rupee Ten Non-Judicial Stamp Paper and sign on copy of the Sanction Order, before its submission to the nodal Division in the Planning Commission, so as to process for release of funds.

10. This issues with the approval of Deputy Chairman, Planning Commission after obtaining the concurrence of IF Cell vide AS&FA ID No.7702 dated 26.7.2011.

11. The earlier order of even no. dated 25.05.2011 on the subject may be treated as withdrawn.


(Madan Mohan)
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All Divisional Heads of the Planning Commission.

Copy to PSs to DCH/MOS(Plg.)/Members/Member Secretary

(Circulated in Yojana Bhawan through e-mail)