
	<p style="text-align: center;">रक्षा लेखा महानियंत्रक Controller General of Defence Accounts उलान बटार रोड, पालम, दिल्ली छावनी-110010 Ulan Batar Road, Palam, Delhi Cantt – 110010 Ph No. 011 – 25665571, 25665572 (IFA WING) Nic mail id: cgdaifa.dad@gov.in</p>	
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No. IFA/02/DFPDS

Dated 07.04.2020

To,

All PCsDA/PCA(Fys)/PIFA
CsDA/CsFA(Fys)/IFAs

(Through CGDA Website)

Sub: Standard Operating Procedure on COVID-19 related procurements- reg

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Please find enclosed the copy of Ministry of Defence (Finance) letter No. Budget (DFPDS)/COVID-19/2020 dated 3rd April, 2020 forwarded herewith for your information, guidance and necessary action.

Encl: As above


(Swapnil Agrawal)
Sr. ACGDA

File No: Budget (DFPDS)/COVID-19/2020
Government of India
Ministry of Defence (Finance)

South Block, New Delhi
03rd April 2020

Subject: Standard Operating Procedure on COVID-19 related procurements –reg

Standard Operating Procedure on COVID-19 related procurements under Emergency powers by Indian Armed Forces is enclosed as Annexure A.

2. This issues with the concurrence of Secretary (Defence Finance) and approval of Raksha Mantri.



(Ambarish Barman)
Director (Budget)

Distribution

O/o Raksha Mantri

O/o Raksha Rajya Mantri

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All JS & Addl FAs in MoD(Fin)

Ministry of Defence (Finance)

STANDARD OPERATING PROCEDURE

COVID-19 RELATED PROCUREMENT UNDER EMERGENCY POWER

General

1. The Govt of India, keeping in view the spread of COVID-19 virus in India and the declaration of COVID-19 as a pandemic by the World Health Organization (WHO), by way of a special one-time dispensation, has already notified it as a 'Disaster.' The Indian Armed Forces are involved in establishing and running Quarantine/ Isolation Facilities as requisitioned by the Civil Administration, as well as for creating facilities for own troops. Ministry of Defence Govt of India has invoked Emergency Powers under DFPDS 2016 in the wake of COVID 19 pandemic. The Emergency Powers are to expedite the procurement/ repairs for establishing and running quarantine/ isolation facilities by the Indian Armed Forces.

2. To avoid any issues in interpretation of these emergency powers by the paying authorities a Standard Operating Procedure (SOP) is prepared giving out guidelines for procurement of stores, equipment, rations, hygiene & chemicals, medicines and also transportation of the same by Armed Forces Formations/ Units for COVID -19 operations. MoF vide order No. F6/18/2019 -PPD dated 27 March 2020 has issued orders relaxing the provisions of GFR for COVID-19 related procurements for certain Ministries. Similar relaxation in existing procurement provisions for DPM-2009 as given below have been approved by Hon'ble RM for operationalising the emergency powers.

Procurement

3. The prevailing health emergency requires immediate procurement of certain items in quantities which may not be available with a single supplier and/or within the time frame in which they are needed. Certain items of equipment are currently in global short supply and are effectively in a 'sellers' market'. There are also variations in specifications within the same category of item and hence price differences may sometimes reflect differences in specifications or quality. Being a national health emergency of unprecedented and historic scale, delays in procurement will result in loss of lives of citizens. Hence there is a paramount public interest in ensuring that the necessary supplies are procured in the fastest possible manner and financial procedures have to adapt accordingly.

4. As per Para- 2.4.13 of DPM-2009 , the provisions of DPM are not applicable in the event of natural calamities and disaster. The provisions of DPM-2009 are enumerated below -

" Provisions of this Manual will not be applicable in the case of procurements made under delegated financial powers of certain specified authorities in the Defence Services which are exercisable by them without IFA's concurrence during period preparatory to war, hostilities, special operations, natural calamities and disasters. Provisions of this paragraph should be invoked only as and when the aforesaid eventualities are notified by the Government."

5. Keeping in view the above the following relaxations are permitted for undertaking procurement for COVID-19 emergency:-

(a) **Dispensation of procurement from GeM** : MoF vide order No. F6/18/2019 - PPD dated 27 March 2020 has issued orders giving dispensation to buy from GeM for certain ministries involved in COVID-19 operations. As per the MoF order in the present situation of lock down, vendors under GeM, even if orders are placed, may not always be able to effect deliveries of supplies on time and desired locations, due to closure of factories, stoppage of transportation services and general disruption of normal life. In view of the urgency involved in the procurement of medical and other essential supplies, where time is of the essence and delay may result in loss of life, the provisions of Rule 149 GFR to procure items from GeM will not be applicable for any emergent purchases related to COVID-19 operations. Procurement may be simultaneously undertaken from more than one source if the entire quantity required is not available, or is not immediately available from one source. Such procurement may, if unavoidable, be at different rates. The above dispensation is extended to the Armed Forces involved in emergent procurement for COVID-19 operations.

(b) **Exemption from bidding procedure** : In relaxation of the Para-4.1.1 of the DPM-2009 , the normal procedure of obtaining bids may be dispensed with. Due to the emergency in procurement of the items, it will not be necessary to receive the bids through e procurement portals. The bids may be received by email/ fax subject to verification of authenticity of the firm. The bidding time may also be reduced by the CFA as per the emergent requirements. Further, LTE/STE can be resorted to irrespective of the amount of the tender.

(c) **Advance Payment** : Due to very limited availability of suppliers for items required for COVID-19 emergency, the suppliers may ask for full advance. In relaxation of Para 7.4.2/7.4.3 of DPM-2009 the CFA procuring any item required

for COVID-19 emergency is empowered to decide the quantum of advance based on the merit of the case. In case of procurement through Govt PSUs or ICMR notified entities, 100 % advance may be given if the PSU agrees to deliver in a time bound manner. In case of Private vendors, the advance may be decided at the discretion of the CFA to meet the emergent requirement. Safeguards in the form of bank guarantee etc. if so required, may be dispensed with by the CFA, if deemed fit.

(d) **Post-Audit Accounting** : To preclude delays in procurement, all public funds for COVID-19 related procurements, outsourcing and transportation under various heads of all schedules shall also be available on post-audit system of accounting to the formations and units of the Armed Forces. Cash Assignments shall be permitted accordingly.

Applicability of the SOP

6. The proposed SOP will be applicable for all procurements including medicines, stores and medical equipment being done for establishing and running of quarantine/ isolation facilities for meeting requirement of COVID 19 outbreak.

7. For the purposes of the COVID-19 emergency, the emergency powers devolved on the various appointments shall be applicable across all relevant schedules of DFPDS-16. Besides, with due consultation of affiliated Armed Forces Medical Authorities these powers shall extend across to Medical Schedule of Powers.

Validity of the SOP.

8. The SOP will be applicable till validity of Emergency Powers given to various authorities under Ministry of Defence exists. The validity of the SOP will automatically be extended in case the emergency powers are extended by the Govt.

Conclusion

9. These guidelines have been made to expedite the procurement/ repairs for establishing and running quarantine/ isolation facilities for meeting the requirement of COVID -19 outbreak and provisions for support services as brought out in para 2 above.

10. While exercising these emergency powers for incurring the expenditure, due diligence and financial propriety shall be followed scrupulously. CFA shall be personally accountable to ensure the same.