



भारतीय खेल प्राधिकरण

Sports Authority of India

**125th Meeting of the Finance Committee
20.06.2025 (Friday) at 11.30 A.M.**

**Supplementary
Agenda Papers**

Supplementary Agenda Item No. 1

Procedure for Award of Contract for Procurement of Goods through Proprietary Article Certificate (PAC)

Finance Committee during its 92nd Meeting held on 08th September 2020, while discussing the agenda for Procurement of Sports Science Equipment for National Centre of Excellence (NCOE), instructed that, it would be appropriate that a general-purpose notice may be put on website of SAI for fifteen days informing the items being procured with the specifications, name of the manufacturer and cost (**Minutes enclosed**).

The Central Vigilance Commission (CVC), through its circular dated 06.04.2021, reiterated the need for strict adherence to its guidelines on ensuring transparency in the award of works, purchases, and consultancy contracts on a nomination basis. In compliance with these directions, the Chief Vigilance Officer (CVO) of the Sports Authority of India (SAI) issued a circular, which subsequently led to the issuance of an official SAI circular outlining the procedures for procurement of goods and services on a nomination basis vide dated 03.06.2021 (**Copy enclosed**). As per the issued procedure,

"a Notice inviting comments on the PAC nature of the item along with details like Name of manufacturer, name of the agent (if any) and quoted price may be published on CPP portal and/or website for 15 days, open for submission of objections, comments, if any"

Though, the above instructions are not as per the guidelines issued by the CVC and/ or Manual of Procurement of Goods, issued by Department of Expenditure, Ministry of Finance, Government of India; the instructions were followed by SAI till date. However, adherence to these provisions has resulted in significant delays in awarding contracts, even after the tender process has been finalized.

As per the recent changes in the manuals of procurement, for the sake of uniformity and to avoid multiplicity of authorities for issuance of guidelines on procurement related issues, CVC vide its circular dated 11.07.2022, stated that Manual may be issued by Department of Expenditure only, after taking into consideration the guidelines issued by the commission. Subsequently, Department of Expenditure, till date has issued two versions of manual of procurement of Goods, first in 2022 and second in 2024. With the Manual of Procurement of Goods 2024 being the latest one.

Accordingly, as per the instructions available in Manual of Procurement of Goods, 2024 for procurement of Goods through Proprietary Article Certificate (PAC), there is no provisions to seek objections, comments, if any from General Public for procurement through PAC, instead as per the Mitigation plan for risk for PAC, the NIT and the Award of Contract should be put on GeM- CPPP (formerly CPP) and Procuring Entity websites.

Further, in order to ensure transparency, quarterly list of all the procurement made may also be placed on SAI Website.

Further, initially all the PAC tenders were invited through email only, however, at present, all tenders including PAC is sought only through e-procurement portal (i.e., GeM/ GeM-CPPP). Thus, in line with the provisions available in the latest edition of Manual of Procurement of

Goods, 2024, only the details of award of contract may be put on GeM-CPPP and on SAI website and hence provisions for placing a notice seeking objections/ comments on PAC procurement may be discontinued henceforth for all procurement undertaken by SAI on PAC basis. Further the award of contracts for all PAC Mode may be placed on SAI Website, e-published on GeM – CPPP and a quarterly report of all the procurement undertaken may be placed on SAI Website. Hence, the proposal for amending the provisions of the circular issued by SAI dated 03.06.2021 is being submitted for concurrence of Finance Committee.

Concurrence of Finance Committee is solicited for amending the provisions issued by SAI w.r.to placing of a notice seeking comments/observation from general public before award of PAC Contracts and issue the guidelines in line with the manual of procurements issued by the Dept. of Expenditure, Ministry of Finance, Govt. of India.



*Finance Division
SAI Head Office,
J. N. Stadium Complex (East Gate),
Lodhi Road, New Delhi- 110 003*

F. No. 6(28)/SAI/B&F/92nd FC/2020-21

Date: 9th September 2020

Sub: 92nd Meeting of Finance Committee of SAI

Enclosed herewith is a copy of the Minutes of 92nd Meeting of Finance Committee of Sports Authority of India held on September 8, 2020 under the Chairmanship of Secretary (Sports), Ministry of Youth Affairs & Sports.

**(Anjan Kumar Mishra)
Executive Director (Finance) &
Member-Secretary, Finance Committee**

To,

- 1 Shri Rajiv Ranjan, Additional Secretary (Expenditure), Ministry of Finance, North Block, New Delhi
- 2 Shri Sandip Pradhan, Director General, SAI
- 3 Shri Manoj Sethi, Financial Advisor, MYAS, J N Stadium Complex (East Gate), New Delhi
- 4 Shri L S Singh, Joint Secretary (Development), MYAS, Shastri Bhawan, New Delhi
- 5 Shri Rohit Bhardwaj, Secretary, SAI
- 6 Col Raj Singh Bishnoi (Retd.), Sr. Executive Director (Academics), NSNIS, Patiala.

Copy to: Senior PPS to Secretary (Sports), Shastri Bhawan, New Delhi

SPORTS AUTHORITY OF INDIA
Finance Division

Minutes of the 92nd Meeting of the Finance Committee (FC) of Sports Authority of India held on September 8, 2020

The 92nd Meeting of the Finance Committee of Sports Authority of India (SAI) was held on September 8, 2020 at 11a.m. through Video Conference. The following officers joined the meeting:

- | | | | |
|----|--|---|----------|
| 1. | Sh Ravi Mital, Secretary(Sports) | - | Chairman |
| 2. | Sh Rajiv Ranjan, Additional Secretary(Expenditure.), MoF | - | Member |
| 3. | Sh Sandip Pradhan, Director General, SAI | - | Member |
| 4. | Sh Manoj Sethi, JS &FA | - | Member |
| 5. | Sh L S Singh, JS(Development), MYAS | - | Member |
| 6. | Sh Rohit Bhardwaj, Secretary, SAI | - | Member |
| 7. | Col Raj Singh Bishnoi, ED(Acad), Patiala | - | Member |
| 8. | Sh Anjan Kumar Mishra, ED (Finance), SAI | - | Member |
| | Secretary | | |

2. Executive Director (Finance), SAI welcomed the Chairman and members of the Committee. Thereafter, the agenda items were taken up for consideration. After deliberations the following decisions were taken:

Item No.1

Action taken Report on the decisions taken in the 91st Meeting of the Finance Committee of SAI held on June 4, 2020.

Noted.

Item No.2

Empanelment of Sports Agencies Specialized in preparing DPRs and Designs for SAI Infrastructure works.

The Finance Committee concurred in the proposal and recommended the same for the approval of the Governing Body. The Period of empanelment will be for two years.

The Chairman, FC advised that the standard design and estimates for regular sports infrastructure such as swimming pool, Block level sports complex, multipurpose hall and synthetic turfs for athletics, hockey and football etc. may be prepared and uploaded on the website. For this purpose also, the services of these empanelled agencies may be solicited by following the laid down procedure. Furthermore, the list of the empanelled agencies may be provided to the state governments, which may utilize the services of these agencies at their own cost, as per their prescribed procedures and applicable GFRs.

JS & FA advised that proper MoU must be signed with the agencies and there should be incorporated some provisions for de-listing the agencies if they do not participate in any pre-specified number of bidding.



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Item No.3

Empanelment of agencies for under taking original and repair works at North Eastern Regional Centres, Guwahati & Imphal under Sports Authority of India.

The Finance Committee concurred in the proposal and recommended the same for the approval of the Governing Body. The period of empanelment will be for the period of four years.

Item No.4

Procurement of Sports Science Equipments for National Centre of Excellence (NCOEs) of Sports Authority of India (SAI) at a cost of Rs. 10,76,45,314/-.

While discussing the above agenda items, AS, Department of Expenditure informed the Committee regarding process followed by AIIMS while procuring the PAC items which *inter-alia* consists of Tender on website, direct communication with OEM, certificate from OEM that they have not sold cheaper in India in the last three years and incorporation of AMC and consumable, wherever applicable as part of cost. It was intimated to the Committee that except for the first point all other process as indicated was followed.

However, since it was a PAC item the OEM was given RFT directly for quoting the price. It was decided that in view of the above, it would be appropriate that a general purpose notice may be put on website of SAI for fifteen days informing the items being procured with the specifications, name of the manufacture and cost. Subsequently, the agenda item may be put up again for consideration of the Committee.

After detailed discussion, it was decided that after implementing this suggestion, the revised agenda may be placed in the next meeting. Accordingly, for items mentioned in 4(a) and 4(b) the agenda was deferred.

For items mentioned in 4 (c) i.e. procurement of Physiology Equipment through open tender, JS & FA observed that though on lower side but there has been huge variation between estimated price and tendered price in case of GPS Heart Monitor. Secretary, SAI explained that the budgetary quotations were taken from two reputed suppliers. However, when the item was tendered, a new entrant also submitted bid. This factor together with the strategic pricing by the bidders considering the market consideration resulted in the variation of the bid price as compared to the estimated price. However, it was confirmed by the technical experts that the bids are in compliance with the specification and standards.

The committee took note of this justification and concurred in the proposal and recommended the same for the approval of the Governing Body in case of the following items mentioned in the 4 (c) of the agenda:

Item No.5

Procurement of Sports Equipment for various NCOEs & Khelo India Academies under SAI at a cost of ₹ 6,57,60,658.47/-.

This agenda was deferred in view of the observation of Additional Secretary (Expenditure) in the agenda item 4 above.



After discussion, it was decided that after implementing this suggestion, the agenda may be placed before the Committee.

Item No.6

Empanelment of Event Management Agencies for SAI/Khelo India Games.

The Finance Committee concurred in the proposal and recommended the same for the approval of the Governing Body.

It was suggested by JS & FA that MoU should be signed with each empanelled agency and work may be allotted after competitive bidding.

Item No.7

Waiver off the irrecoverable loss of public money amounting to Rs. 1,08,958/- spent towards repair & maintenance works carried out in Flat No. 673, Asiad Village allotted to Shri M K Mishra, the then Executive Director(Finance).

The Finance Committee concurred in the proposal and recommended the same for the approval of the Governing Body.

Item No.8

Revision of wages of contractual employees.

The committee concurred in the proposal and recommended the same for the approval of the Governing Body.

JS & FA suggested that the period of the contract must be mentioned while revising the wages of the contract coaches.

Additional Secretary (Expenditure) suggested that a feedback system should be evolved for the contracted employees, in which the concurrent feedback from the people who are using the services may be taken at regular intervals.

Item No.9

Revision of wages of contract coaches working in SAI.

The Finance Committee concurred in the proposal and recommended the same for the approval of the Governing Body.

JS & FA suggested that the period of the contract must be mentioned while revising the wages of contract coaches.

3. Additional Secretary (Expenditure) also suggested that SAI may update information with regard to Annual Accounts etc on their website.

4. The meeting ended with a vote of thanks to the Chair.



(Anjan Kumar Mishra)
Executive Director (Finance) &
Member-Secretary, Finance Committee

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03.06.2021

CIRCULAR

- Sub: Transparency in Works/purchase/consultancy contracts awarded on nomination basis.
Ref: 1. CVC Circular dated 06.04.2021 (attached)
2. Circular by SAI CVO dated 27.05.2021 (attached)

This in reference to CVC circular and circular from CVO, SAI, referred above (copy enclosed) regarding transparency in Works/purchase/consultancy contracts awarded on nomination basis.

In extremely exceptional and inevitable circumstances, where there may be a requirement for contract to be awarded on Nomination basis, the same may be done after due diligence as defined in GFR 2017 and Procurement Manuals. As per Manual for Procurement of Goods, 2017 and Manual for Procurement of Consultancy & Other Services, 2017, the types of procurement usually undertaken on Nomination basis and the mandatory steps, procedures and cautions to be adhered to while opting for such procurement are detailed below:

1. Procurement of Goods (As per Manual for Procurement of Goods, 2017- 4.1)
a. Proprietary Article Certificate (PAC)-(As per Manual of Procurement of Goods, 2017- 4.6)

In this mode of procurement, where the required item is identified as a proprietary item of one manufacturer, the following steps are required to be followed:

- i. A PAC Certificate (as per Annexure 6 of Manual of Procurement of Goods, 2017) should be signed by the end user, certifying the proprietary nature of the item under procurement with proper justification and detailing the tangible/ intangible reason for procurement.
- ii. Proprietary items shall be purchased only from a nominated manufacturer or its authorised dealer as recorded in the PAC certificate. The initial enquiry should be made directly with the OEM to the extent possible.
- iii. Single tender on PAC basis (including consumables and CAMC if required), the NIT and the Award of Contract should be put on the website of CPPP and Procuring Entity. Before Award of Contract it is advisable that a Notice Inviting Comments on the PAC Nature of the item along with details like Name of the Manufacturer, Name of the agent (if any) and quoted price may be published on CPP Portal and/or website for a period of 15 days, open for submission of objections, comments, if any.
- iv. No item should be procured on PAC basis for more than three years, after which a mandatory OTE mode may be used, to test the market.
- v. The firm should be asked to certify that the rates quoted by them are the same and not higher than those quoted with other Government, public sector or private organisations;
- vi. The firm should be asked to accept a "fall clause" undertaking that, in case it supplies or quotes a lower rate to other Governments, public sector or private organisations, it would reimburse the excess. Negotiations may be called for to get prices reduced.
- vii. Details of such awards should be submitted to SAI HQ every quarter.

- b. Single Tender Enquiry (STE) without PAC- (As per Manual for Procurement of Goods, 2017- 4.7)

Tender invitation to one firm only without a PAC shall be resorted to with proper recording of the reasons for a STE and selection of a particular firm and with due approval of the Competent Authority as per the delegation of powers laid down at in Delegation of Financial Power, prior to issuance single tendering. This should be adopted only under following Scenarios:

- i. In a case of existing or prospective emergency relating to operational or technical requirements to be certified by the indenter, the required goods are necessarily to be purchased from a particular source subject to the reason for such decision being recorded and approval of the competent authority obtained with publishing of Award of Contract on the website of Procuring Entity.
- ii. If the required goods are to be purchased only from a selected firm, for standardization of machinery or components or spare parts to be compatible to the existing sets of

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SPORTS AUTHORITY OF INDIA

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- machinery/equipment (on the advice of a competent technical expert and approved by the competent authority).
- iii. All cautions as mentioned in v, vi and vii of I a. above shall be followed and ensured along with publishing of Award of Contract on the website of Procuring Entity and /or CPP Portal.

2. Procurement of Services

c. Direct Selection: Single Source Selection (SSS) (As per Manual for Procurement of Consultancy & Other Services, 2017-3.10)

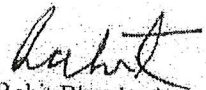
The selection of particular consultant/service provider may be only resorted in the following exceptional circumstances with adequate justification for such single source selection in the context of the overall interest of Procuring Entity and with the approval of Competent authority:

- i. tasks that represent a natural continuation of previous work carried out by the firm;
- ii. in case of an emergency situation, situations arising after natural disasters, situations where timely completion of the assignment is of utmost importance;
- iii. situations where execution of the assignment may involve use of proprietary techniques or only one consultant has requisite expertise;
- iv. At times, other PSUs or Government Organizations are used to provide technical expertise. It is possible to use the expertise of such institutions on a SSS basis;
- v. Under some special circumstances, it may become necessary to select a particular consultant where adequate justification is available for such single-source selection in the context of the overall interest of the organisation. Full justification for single source selection should be recorded in the file and approval of the competent authority obtained before resorting to such single source selection.

Procuring Entity shall ensure fairness and equity and shall have a procedure in place to ensure that:

- a) the prices are reasonable and consistent with market rates for tasks of a similar nature; Negotiations may be called for to get prices reduced.
- b) the required consultancy services are not split into smaller sized procurement.
- c) All cautions as mentioned in v, vi and vii of I a. above shall be followed and ensured along with publishing of Award of Contract on the website of Procuring Entity and /or CPP Portal.

All Procuring entities are directed to strictly follow the above steps in cases related to procurement through Nomination basis to ensure highest transparency and code of ethics in public procurement process.


Rohit Bhardwaj
(Secretary, SAI)

Encl: Documents stated in reference.

To,

1. All Heads of SAI Regional Centres/Academic Institutions
2. All Heads of Division / Directorate / Section of SAI HQ.

Copy to: AD to DG, SAI

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No. 12(360)/2006-Vig. Cell/


Dated : 12.05.2021
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**Sub:- Transparency in Works/Purchase/Consultancy contracts
awarded on nomination basis.**

Enclosed please find a copy of circular no 04/04/21 dated 06.04.2021 received from Central Vigilance Commission.

In order to ensure transparency and to provide fair and equitable treatment to all interested parties in matters of public procurement, the commission has issued guidelines emphasizing the need to adopt tendering process, as a basic requirement before award of contract. It is specifically mentioned that any other method, especially, award of contract on nomination basis would amount to a breach of Article 14 of constitution which implies right to equality to all interested parties.

All Regional Heads and Heads of Division, SAI, are advised for strict compliance of instructions contained in enclosed circular of CVC.


(Vijay Kumar)
Chief Vigilance Officer

Encl: As stated

To,

1. All Heads of SAI Regional Centres/Academic Institutions
2. All Heads of Division / Directorate / Section of SAI HQ.

Copy to:

1. AD to DG, SAI
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सत्यमेव जयते

केन्द्रीय सतर्कता आयोग
CENTRAL VIGILANCE COMMISSION



सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,
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Satarkta Bhawan, G.P.O. Complex,
Block A, INA, New Delhi 110023

सं./No. 003/CV/10714/1/18.02.21

दिनांक / Dated 06.04.2021

Circular No. 04/04/21

Subject: Transparency in Works/Purchase/Consultancy contracts awarded on nomination basis.

Reference:

- | | | |
|-------|---------------------------------------|------------------|
| (i) | Commission's Circular No.15/05/06 | dated 09.05.2006 |
| (ii) | Commission's Office Order No.23/07/07 | dated 05.07.2007 |
| (iii) | Commission's Office Order No.19/05/10 | dated 19.05.2010 |
| (iv) | Commission's Circular No.18/12/12 | dated 11.12.2012 |
| (v) | Commission's Circular No.06/07/18 | dated 11.07.2018 |

Central Vigilance Commission, as part of its drive to ensure transparency, to promote healthy competition and to provide fair and equitable treatment to all interested parties in matters of public procurement, has issued guidelines from time to time emphasizing on the need to adopt tendering process as a basic requirement, before award of contract to any party.

2. Tendering process or public auction is a basic requirement for award of contract by any Government agency. Any other method, especially award of contract on nomination basis would amount to a breach of Article 14 of the Constitution guaranteeing right to equality which implies right to equality to all interested parties. The award of contracts/projects procurements on nomination basis without adequate justification amounts to restrictive practice eliminating competition, fairness and equity. Hence, award of contracts through open competitive bids should remain the most preferred mode of tendering.

- Circulate to all

to all

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3. However, in some exceptional and inevitable circumstances, the contracts may be awarded on nomination basis, for instance, during natural calamities and emergencies declared by the Government where procurement is possible from a single source only, where the supplier or contractor has the exclusive rights in respect of the goods or services and no reasonable alternative or substitute exists; where the auction was held on several dates but there were no bidders or the bids offered were too low etc. [Ref: SPL(Civil)No. 10174 of 2006 in case of Nagar Nigam, Meerut Vs AT Faheem Meat Export Pvt Ltd].

4. But, it has been observed that in some cases, the guidelines issued by the Commission are not being adhered to by the organizations. Therefore, the Commission would reiterate its earlier guidelines and direct that:

(i) All works/purchase/consultancy contracts awarded on nomination basis should be brought to the notice of following authorities for information:

a) the Secretary, in case of the ministries/departments;

b) the Board of Directors or equivalent managing body, in case of Public Sector Undertakings, Public Sector Banks, Insurance Companies, etc.;


c) the Chief Executive of the organization where such a managing body is not in existence.

(ii) The report relating to such awards on nomination basis shall be submitted to the Secretary/Board/Chief Executive/equivalent managing body, every quarter.

(iii) The audit committee or similar unit in the organization may be required to check at least 10% of such cases.

5. Details of all tenders awarded on nomination basis shall be posted on website of the organization concerned, in public domain, along with brief reasons for doing so.

6. The above guidelines may be noted for strict compliance.


(Rajiv Varma)
Officer on Special Duty

To

- (i) The Secretaries of all Ministries/Departments of GoI
- (ii) All Chief Executives of CPSUs/Public Sector Banks/Public Sector Insurance Companies/Autonomous Bodies etc.
- (iii) All CVOs of Ministries/Departments of GoI/CPSUs/Public Sector banks/Public Sector Insurance Companies/Autonomous Bodies etc.
- (iv) Website of CVC