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भारतीय  
खाद्य  
निगम  
आइ.एस.ओ. 9001:2000 प्रमाणित



FOOD  
CORPORATION  
OF INDIA

मुख्यालय  
नई दिल्ली  
Head Quarters  
New Delhi

16-20, बाराकम्बा लेन, नई दिल्ली - 110011. टेलीफोन: - 011-23413871, 23414872, 23414880  
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E-4(51)/Stg IV/PEG-09/Odisha/Vol. III/2015

Dated: 13.01.2021

कार्यकारी निदेशक (अंचल),  
भारतीय खाद्य निगम,  
आंचलिक कार्यालय,  
नोएडा(उत्तर प्रदेश)/ गुवाहाटी(असम)/  
मुंबई(महाराष्ट्र)/ चेन्नई(तमिलनाडू)/  
कोलकाता(पश्चिम बंगाल)

महाप्रबंधक (क्षेत्र),  
भारतीय खाद्य निगम,  
क्षेत्रीय कार्यालय, चंडीगढ़, जयपुर, जम्मू,  
पंचकूला, लखनऊ, देहरादून, शिमला, हैदराबाद, अमरावती  
बेंगलुरु, तिरुवनंतपुरम, चेन्नई, मुंबई, अहमदाबाद, रायपुर,  
भोपाल, पटना, भुवनेश्वर, कोलकाता, रांची, गुवाहाटी, एन.इ.एफ  
(शिलांग), ।

**Sub:** Modification/ Ammendment regarding inclusion of Arbitration Clause (AMRCD) in PEG Agreement with Nodal Agency.

**Ref:** Ministry of Heavy Industries & Public Enterprises, DOPE, Govt. of India letter no. F.NO.4(1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018

Sir,

Please refer to FCI, Hqrs, Legal Division's letter no. 19(1)/89-Legal dated 06.07.2018 on the subject mentioned above. In this regard, the matter has been examined in this office and Competent Authority has directed that the relevant Clause of PEG Agreement with Nodal Agency may be modified to incorporate Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) as provided vide Ministry of Heavy Industries & Public Enterprises, DOPE, Govt. of India letter No. F.NO.4(1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018

This is for your information and further necessary action please.

(Encl.as above)

Yours faithfully,

(Vinod Kumar)  
Dy. Genl. Manager(S&C)

**Copy to;**

The General Manager(R), Food Corporation of India, Regional Office, Odisha with respect to your office letter no. Stg./PEG-09/Ph-II Corresp. /2017-18 dated 03.12.2020

Dy. Genl. Manager(S&C)

गोपनीय अधि निगम मुख्यालय  
16-20, बाराकम्बा लेन, नई दिल्ली - 110001  
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FOOD CORPORATION OF INDIA,  
HEADQUARTERS  
16-20, BARAKHAMBA LANE,  
NEW DELHI - 110001

No 19(1)/89-Legal

Dated: 06.07.2018

**CIRCULAR NO. 05/2018**

**Sub: Settlement of commercial disputes between Central Public Sector Enterprises (CPSEs) inter se and CPSE(s) and Government Departments/Organizations- Administrative Mechanism for Resolution of CPSEs Disputes (AMRCd).**

In supersession of this Office Circular No.14/2013 dated 17.7.2013, Circular No. 16/2014 dated 22.4.2014, 17/2014 dated 23.9.2014, 18/2014 dated 23.9.2014 on settlement of commercial disputes between Public Sector Enterprises inter se and Public Sector Enterprise (s) and Government Department (s) through Permanent Machinery of Arbitration (PMA), please find enclosed OM dated 22.6.2018 enclosing therein OM dated 22.5.2018 issued by Govt. of India, Department of Public Enterprises replacing the PMA with a new mechanism namely Administrative Mechanism for Resolution of CPSEs Disputes (AMRCd) having two level (tier) structure has been evolved by Govt. of India, Department of Public Enterprises. The existing PMA mechanism stands wound up from the date of OM i.e. 22.5.2018.


The para-7 of the aforesaid OM dated 22.5.2018 provides that all pending cases with the Sole Arbitrator-PMA and Appellate Authority shall stand transferred with immediate effect to the concerned Administrative Ministries/Departments to be dealt with as per the laid down mechanism of dispute resolution under OM dated 22.5.2018.

It is advised to take immediate steps in respect of the pending cases with PMA/Appellate Authority in terms of these instructions.

This is for information and necessary action.

Encl: As above.

Yours faithfully,

  
(George Kuriakose)  
General Manager (Law)

**Distribution:**

1. All Executive Directors, Hqrs/Zone, FCI.
2. All CGMs, FCI,
3. All GMs (Region), FCI,
4. All Heads of Divisions, FCI, Hqrs, New Delhi.
5. All Law Officers, Hqrs/Zone/Region, FCI
6. Director, IFS, Gurgaon, FCI.

**Copy to:**

PS to CMD, FCI, Hqrs, New Delhi.

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F. No. 4(1)/2013-DPE(GM)/FTS-1835  
Government of India  
Ministry of Heavy Industries & Public Enterprises  
Department of Public Enterprises  
\*\*\*\*\*

Public Enterprises Bhawan  
Block No. 14, CGO Complex,  
Lodhi Road, New Delhi-110003  
Dated: 22<sup>nd</sup> May, 2015

OFFICE MEMORANDUM

**Subject: Settlement of commercial disputes between Central Public Sector Enterprises (CPSEs) *inter se* and CPSE(s) and Government Department(s)/Organization(s) - Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).**

The undersigned is directed to refer to Department of Public Enterprises guidelines issued vide OM No. 4(1)/2011-DPE (PMA)-GL dated 12.06.2011, No. 4(1)/2011-DPE(PMA) dated 24.03.2014, No. 4(1)/2011-DPE (PMA) dated 21-03-2014 and No. 4(1)/2013-DPE(PMA)/FTS-1835 dated 11-04-2013 regarding the resolution of commercial disputes between Central Public Sector Enterprises (CPSEs) *inter se* and also between CPSEs and Government Departments/Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments) through PMA (Permanent Machinery of Arbitration) mechanism.

2. To make the mechanism more effective and binding on the disputing parties, a new mechanism namely Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) having two level (tier) structure has been evolved in consultation with various stakeholders to replace the existing PMA mechanism which stands wound up from the date of issue of this OM.

**3. Applicability**

in the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Trusts *inter se* and also between CPSEs and Government Departments/Organizations (excluding disputes concerning Railways

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Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for its resolution through AMRCD.

4. As per the approved new mechanism to resolve the commercial disputes the following structure and procedure shall be followed by the concerned disputing parties:

**A. Structure:**

- i. At the First level (tier), such commercial disputes shall be referred to a Committee comprising of Secretaries of the Administrative Ministries/Departments to which the disputing CPSEs/Parties belong and Secretary-D/o Legal Affairs. The Financial Advisors (FAs) of the two concerned Administrative Ministries/Departments will represent the issues related to the dispute in question before the above Committee. In case the two disputing parties belong to the same Ministry/Department the above said Committee will comprise Secretary of the administrative Ministry/Department concerned, Secretary-D/o Legal Affairs and Secretary-Department of Public Enterprises. In such a case, the matter may be represented before the Committee by the FA and one Joint Secretary of that Ministry/Department.

Further in case of a dispute between CPSE and State Government Department/Organization, the above said Committee will comprise the Secretary of the Ministry/Department of the Union to which the CPSE belongs and Secretary-D/o Legal Affairs and a senior officer nominated by the Chief Secretary of the State concerned. In such a case, the matter will be represented before the Committee by the FA of the concerned administrative Ministry/Department and the concerned Principal Secretary of the State Government Department/Organization.

- ii. In case the dispute remains unresolved even after consideration by the above Committee, the same will be referred at the Second level (tier) to the Cabinet Secretary, whose decision will be final and binding on all concerned.

**B. Procedure:**

At the First level(tier), the claiming party(Claimant) will approach the FA of its administrative Ministry/Department for representing the dispute before the Secretary of its administrative Ministry/Department. The Secretary of administrative Ministry/Department of claiming party will intimate the same to the Secretary of administrative Ministry/Department of responding party (Respondent) and Secretary-D/o Legal Affairs and thereafter meetings will take place in the administrative Ministry/Department of the claiming party to examine the facts and resolve the dispute on merit. The FAs of the concerned administrative Ministries/Departments will represent the issues related to the dispute question before the above Committee. After arriving at a decision by the Committee, the Secretary of the administrative Ministry/Department of the claiming party will write down the decision and it will be signed jointly by both the secretaries and secretary- D/o Legal Affairs. A copy of the decision will be distributed by the secretary of the administrative Ministry/Department of the claiming party to each party to the dispute implementation.

In case where one party (1<sup>st</sup> party) to the dispute is a Department/Organization of a State Government, the procedure for admitting the dispute will be same as above, however, all meetings in connection with resolution of the dispute will be held in the administrative Ministry/Department (Union) of other party(2<sup>nd</sup> Party) irrespective of the position of the 1<sup>st</sup> Party whether as a Claimant or Respondent. The presentation of the issues before the above Committee in this case will be done by the FA of the concerned Administrative Ministry/Department and concerned Principal Secretary of the State Government Department/Organization

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**B. Procedure:**

At the First level(tier), the claiming party(Claimant) will approach the FA of it's administrative Ministry/Department for representing the dispute before the Secretary of it's administrative Ministry/Department. The Secretary of administrative Ministry/Department of claiming party will intimate the same to the Secretary of administrative Ministry/Department of responding party (Respondent) and Secretary-D/o Legal Affairs and thereafter meetings will take place in the administrative Ministry/Department of the claiming party to examine the facts and resolve the dispute on merit. The FAs of the concerned administrative Ministries/Departments will represent the issues related to the dispute in question before the above Committee. After arriving at a decision by the Committee, the Secretary of the administrative Ministry/Department of the claiming party will write down the decision and it will be signed jointly by both the secretaries and Secretary-D/o Legal Affairs. A copy of the decision will be communicated by the Secretary of the administrative Ministry/Department of the claiming party to each party to the dispute for implementation.

In case where one party (1<sup>st</sup> party) to the dispute is a Department/Organization of a State Government, the procedure for admitting the dispute will be same as above, however, all meetings in connection with resolution of the dispute will be held in the administrative Ministry/Department (Union) of other party(2<sup>nd</sup> Party) irrespective of the position of the 1<sup>st</sup> Party whether as a Claimant or Respondent. The presentation of the issues before the above Committee in this case will be done by the FA of the concerned Administrative Ministry/Department and concerned Principal Secretary of the State Government Department/Organization.

- ii. The Committee of Secretaries at the First level(tier) shall finalise decision within 3 months after having received the reference/noticing writing regarding the dispute from the concerned aggrieved party.

#### 5. Appeal

Any party aggrieved with the decision of the Committee at the First level (tier) may prefer an appeal before the Cabinet Secretary at the Second level (tier) within 15 days from the date of receipt of decision of the Committee at First level through its administrative Ministry/Department, whose decision will be final and binding on all concerned.

#### 6. Arbitration Clause

- (i) The CPSEs will ensure inclusion of a clause in all the existing and future commercial contracts between CPSEs, *inter-se* and CPSEs and Government Departments/Organizations as under:-

"In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Trusts *inter se* and also between CPSEs and Government Departments/Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018".

- (ii) The on-going contracts shall also be suitably amended accordingly.

#### 7. Disposal of pending cases in PMA

All pending cases with Sole Arbitrator-PMA and Appellate Authority shall stand transferred with immediate effect to concerned administrative Ministries/Departments to be dealt with as per above mentioned laid down mechanism of dispute resolution. All cases in which the hearing has been completed

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by Sole Arbitrator, the award will be made by Sole Arbitrator. Appeal, if any, made against such cases will lie with the Cabinet Secretary at Second level(tier).

8. All the administrative Ministries/Departments concerned with Central Public Sector Enterprises/ Port Trusts etc. are requested to bring these guidelines to the notice of all CPSEs under their administrative control for strict compliance.

9. This issues with the approval of the Competent Authority.

21/05/2012  
(J. N. Prasad)  
Director  
Tel. 24360736

To.

1. Secretary of all Ministries/Departments of the Government of India.
2. Chief Secretary of all the States and Union Territories.

**Copy to:**

1. Sh. G. S. Yadav, Joint Secretary & Arbitrator-PMA, DPE.
2. Chief Executive of all CPSEs for information and necessary compliance.

**Copy forwarded for kind information to:**

- (i) The Prime Minister's Office, South Block, New Delhi.
- (ii) The Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
- (iii) PS to the Minister (HI&PE), Udyog Bhawan, New Delhi.
- (iv) Secretary(DPE), CGO Complex, New Delhi
- (v) Secretary (Law), D/o Legal Affairs, Shastri Bhawan, New Delhi.

21/05/2012  
(J. N. Prasad)  
Director  
Tel. 24360736