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Info Capsule

THE UNION MINISTER OF STATE FOR FINANCE & SHIPPING, SHRI PON. RADHAKRISHNAN INAUGURATES THE TWO DAY THIRD GLOBAL PROCUREMENT SUMMIT IN NATIONAL CAPITAL¹

Says the Government of India Attaches Great Importance to Fairness, Transparency and Accountability in Public Procurement and It Has Raised the Citizen's Expectation In Terms Of Efficiency and Outcomes of Public Spending.

The Minister of State for Finance and Shipping, Government of India, Shri Pon. Radhakrishnan said that the Government of India attaches great importance to fairness, transparency and accountability in public procurement and it has raised the citizen's expectation in terms of efficiency and outcomes of public spending. He said that the present Central Government has a clear vision of transforming the procurement and public service delivery.

The Minister for State for Finance Shri Pon. Radhakrishnan was delivering the Inaugural Address after inaugurating the Third Global Procurement Summit in New Delhi. The Minister pointed-out that the Government procurement contributed nearly 20% of the GDP and said that public procurement was an important policy instrument. Highlighting the Central Government's focus on improving procurement, the Minister referred to the Government's e-marketplace (GeM) initiative. He highlighted the use of procurement to achieve economic inclusion of MSMEs and Start-ups to create jobs. He also mentioned the efforts of the Government of India to promote Sustainable Procurement especially in the case of promotion of LED lamps, electrification projects of Railways, etc.

The two day Summit is being organized by All India Management Association (AIMA), World Bank and the Government of India. It is being attended among others by the Senior External Resources Officers from the Government of India, Executives from public and private Indian companies and delegates from Asia, Africa, Europe and the US. Shri Ajay Narayan Jha, Secretary (Expenditure), Ministry of Finance, Govt. of India delivered the Keynote Address in the Inaugural Session of the two-day Summit.

Shri Radhakrishnan congratulated All India Management Association and World Bank for creating a knowledge platform for the procurement professionals and wished the Summit success.

In his Keynote Address on the occasion, Mr Ajay Narayan Jha, Secretary (Expenditure), Govt. of India said that the Central Government had brought in a paradigm shift in procurement to ensure that the Government procurement is fair and transparent and includes an accountability process covering the entire value chain. He said that the next year's infrastructure spending budget alone was about Rs 6 lakh crore.

Shri Nikhil Sawhney, Treasurer, All India Management Association (AIMA) and Vice-Chairman and Managing Director, Triveni Turbine Limited delivered the Welcome Address and Shri Vinay Sharma, Director, Global Governance Practice, World Bank set the context for the deliberations at the summit.

¹ Available at: <http://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1519773>

The theme of the two-day Summit is 'New Frontiers faced in the Transformation process of Procurement Today' and the discussions are aimed at addressing the changes in the nature and environment of the procurement function.

Changes are required in external resource management because of disruptive changes in technology, nature of public services, citizen's expectations and the reorganization of financial powers between the centre, the state and the local governments. The strategies, tools and organization of procurement have to be renewed and the procurement function has to change from delivering inputs to delivering outcomes.

To update the knowledge and skills of the procurement officers, the Summit involves focused session with experts on the key facets of strategic sourcing. The sessions at the Summit will cover application of digital technologies in procurement, achieving sustainability and inclusion, prevention contractual disputes and project delays and the latest global innovations in public procurement. The public private partnership (PPP) is also a key focus area at the event.

The peer-to-peer dialogue at the Summit hopes to achieve greater cooperation across nations and sectors in sharing procurement knowledge and skills. It hopes to make the participants more aware of the changes required in procurement management and to provide guidance for upgrading approaches, skills and tools to suit the digital economy and decentralized resource management.

More than 200 procurement officials from all over the world are attending the Global Procurement Summit. The speakers include government officials from India, US and UK besides senior leaders from World Bank, public and private sector companies and global consultants.

ENHANCING FUND GOVERNANCE FOR MUTUAL FUNDS²

A. Reference is drawn to SEBI circular dated November 30, 2017 on the captioned subject. Based on representations received from the Mutual Fund (MF) industry and in order to ensure smooth transition, the following has been decided:

1. Para A (1) (iii) (b) of the aforesaid circular permits existing independent trustees and independent directors, who have held office for 9 years or more (as on November 30, 2017), to continue in their respective position for a maximum of 1 additional year. The aforesaid provision may now be complied with, in a phased manner, within a period of 2 years.
2. Further, auditors who have conducted audit of the Mutual Fund for 9 years or more, in terms of clause B (2) (iii) (b) of the aforesaid circular, may continue till the end of F.Y. 2018-19.
3. All other provisions of the aforesaid circular remain unchanged.

B. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, read with the provisions of Regulation 77 of SEBI (Mutual Funds) Regulations, 1996, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Team ICSI

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² Available at: https://www.sebi.gov.in/legal/circulars/feb-2018/enhancing-fund-governance-for-mutual-funds_37737.html