F.No. DPE-02/0001/2023-AMRCD-FTS-13578
Government of India
Ministry of Finance
Department of Public Enterprises

Public Enterprises Bhawan,
Block No, 14, CGO Complex,
Lodhi Road, New Delhi-110003.
Dated: 19.08.2026

Office Memorandum

Subject: Consolidated and Revised Guidelines on Settlement of Commercial Disputes between Central Public Sector Enterprises (CPSEs) inter se and between CPSEs and Government Departments/Organisations – Administrative Mechanism for Resolution of CPSE Disputes (AMRCD).

Reference:

1. DPE OM No. 05/0003/2019-FTS-10937 dated 14.12.2022
2. DPE OM No 05/0002/2023-AMRCD dated 25.07.2024
3. DPE OM No 02/0001/2023-AMRCD/FTS-13578 dated 17.12.2024
4. DPE OM No. 01/0001/2023-AMRCD-FTS/13577 dated 24.09.2025
5. DPE OM No. 02/0001/2023-AMRCD-FTS-13578 dated 08.12.2025

Whereas guidelines for the resolution of commercial disputes between Central Public Sector Enterprises (CPSEs) inter se and between CPSEs and Government Departments/Organisations were issued vide Department of Public Enterprises (DPE) OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018, followed by clarifications dated 04.07.2018 and 11.07.2018. These guidelines were further amended vide DPE OM No. DPE-GM-05/0003/2019-FTS-10937 dated 20.02.2020.

2. And whereas, DPE has issued various guidelines and instructions on the above subject from time to time, as reflected in the references cited above. In view of subsequent policy changes and amendments, and with a view to facilitating ease of reference and compliance, all such earlier guidelines and instructions are hereby consolidated in the succeeding paragraphs.

3. **Replacement of PMA and Applicability**

3.1 Permanent Machinery of Arbitration (PMA) stands wound up from the date of issue of DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018[1]. All pending cases with Sole Arbitrator, PMA and Appellate Authority stand transferred to concerned administrative Ministries/Departments.

3.2 A decentralized '**Administrative Mechanism for Resolution of CPSEs Disputes**' (AMRCD) having two level (tier) structures shall replace the erstwhile Permanent Machinery of Arbitration (PMA) mechanism of DPE.

[1] DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018.

3.3 Any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Authorities *inter-se* and also between CPSEs and Government Department(s)/Organization(s) (excluding disputes relating to Railways, Income Tax, Customs & Excise Departments) shall be taken up by either party for its resolution through AMRCD only.

3.4 AMRCD mechanism does not cover disputes involving private entities[2]. There may be a situation wherein a case initially registered between two (or more) CPSEs but later on one of the parties become a private entity or ceases to be a CPSE for any reason. In such situation the registered case may be allowed to be deleted by DPE from web portal of AMRCD on the request of the Administrative Ministry/Department of the claimant CPSE even after the constitution of the Committee of Secretaries (CoS).

3.5 The interpretation[3] and application of the provisions of commercial contract(s) in case of dispute(s) between the following Organization(s)/Department(s) shall be taken up under AMRCD only:

i. CPSE and CPSE;
ii. CPSE and Ministry/Department of Central Government;
iii. CPSE and Public authority/Organization of University under the Central Government;
iv. CPSE and State Governments/State PSUs/Public authority/Organization or University under any State Government.

3.6 No appeals are to be made to Cabinet Secretary in such matters, including those in which Sole Arbitrator has passed order before the date of notification of AMRCD, unless the resolution of the disputes has been considered at the level of Administrative Ministry/Department as per procedure prescribed below.

4. Procedure and Structure of Committees

4.1 At the First level (tier), the disputes shall be arbitrated upon by a Committee comprising of Secretaries of the Administrative Ministries/Departments to which the disputing CPSEs/Parties belong and Secretary, Department of Legal Affairs. 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, Department of Legal Affairs and Secretary, Department of Public Enterprises. In case of a dispute between CPSE and State Government Department/Organization, the matter shall be arbitrated through a committee comprising Secretary of the Ministry/Department of the Union to which the CPSE

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[2] DPE OM No 05/0002/2023-AMRCD dated, 25.07.2024

[3] DPE OM No - 05/0002/2023-AMRCD/FTS-13578 dated,17.12.2024

belongs, Secretary- Department of Legal Affairs and a Senior Officer (not below the rank of Secretary in the State Government) nominated by the Chief Secretary of the State concerned.

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

4.3 At the First level (tier), the claiming party (Claimant) will approach the FA of its administrative Ministry/Department for referring the dispute to the DPE through DPE web-portal. The FA of the administrative Ministry/Department of the claimant after initial scrutiny would intimate DPE through DPE web-portal for notification of the constitution of CoS. This may be done within 30 days of the receipt of the disputed claim. DPE will notify the constitution of the CoS to all members of CoS and FAs of the concerned administrative Ministry/Department within 15 days of receipt of FA's reference. The meetings of CoS will be organized by FA of claimant party and would be held in the Administrative Ministry/Department of the claiming party to examine the facts and resolve the dispute on merit. **In a situation where the Secretary of a Central Ministry or Department is unable to attend the meeting of the CoS, an authorised representative not below the rank of Joint Secretary, duly competent to take decisions, may be permitted to participate. In situations where the Chief Secretary of a State Government is unable to attend, a Secretary to the State Government, duly empowered to take decisions, may be nominated to represent the State in the proceedings.** 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 the two Secretaries and Secretary, Department of 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 and also uploaded on DPE web-portal (https://pesurvey.dpe.gov.in/amrcdlogin.aspx).

4.4 It is clarified that where both the parties have settled a case amicably[4], the concerned Ministry/Department shall upload a signed copy of the settlement, duly endorsed by both parties, on the AMRCD portal as the final decision, upon such uploading, the case will automatically stand removed from the list of pending cases before the Committee of Secretaries (CoS) and will be reflected under the "Decided Cases" category.

4.5 In case where one party (1st party) to the dispute is a Department/Organization of a State Government, the procedure for admitting the dispute will be the same as above. However, in such cases, all meetings in connection with resolution of the dispute will be held in the Administrative Ministry/Department (Union) of other party (2nd Party) irrespective of the position of the 1st party whether as a claimant or respondent. The presentation of the issues

[4] DPE OM No 05/0002/2023-AMRCD-FTS/13577 dated 24.09.2025.

before the above Committee in this case will be done by the FA of the Concerned Administrative Ministry/Department and the Nominated officer of the state Government Department/Organization.

4.6 The CoS at the first level (tier) shall finalise its decision within three months of the constitution of the Committee by DPE.

5. Appeal

5.1 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 30 days from the date of receipt of decision of the Committee at First level, through its administrative Ministry/Department on DPE web-portal. The appeal should be in the form of a concise self-contained Note which should invariably include the comments /views of the Opposite Party (Respondent) through its administrative Ministry/ Department.

5.2 Appeal in reference to resolution of the dispute as per Para 5.1 above is to be made to Cabinet Secretary only after exhausting the channel of dispute resolution at the first level (1st tier) of the Committee of Secretaries as per procedure prescribed ibid.

5.3 The decision of Cabinet Secretary will be final and binding on all concerned.

6 **Arbitration Clause**

6.1 All 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 Authorities inter-se and also between CPSEs and Government Departments/Organizations (excluding disputes relating to Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for its resolution through AMRCD as mentioned in DPE OM No. DPE-02/0001/2023-AMRCD-FTS-13578 dated 8th December, 2025 and the decision of AMRCD on the said dispute will be binding on both the parties."

6.2 The ongoing contracts shall also be suitably amended accordingly.

7 **Review of Progress**

7.1 DPE shall be the single point for capturing all details relating to AMRCD cases through its web-portal (https://pesurvey.dpe.gov.in/amrcdlogin.aspx). DPE shall also provide secretarial assistance to the Cabinet Secretariat in all matters relating to AMRCD including appeal cases.

7.2 The decision taken by the CoS/Appellate Authority will be implemented by the concerned CPSEs within one month from the date of the decision and action taken would be updated on web portal of DPE.

7.3 A monthly status report of pending cases will be sent to Cabinet Secretariat through DPE web-portal. The FA of the concerned Administrative Ministry/ Department of the claimant CPSE will get the position updated by 10th of the following month so that a consolidated report could be sent by 15th of every month to Cabinet Secretariat.

7.4 The administrative Ministry of the claimant CPSEs will also report the delay in disposal of the cases beyond the stipulated three months' time in their monthly D.O to Cabinet Secretariat with reasons of delay and the likely extended date for final disposal.

8 All the administrative Ministries/Departments concerned with Central Public Sector Enterprises/Govt. Organizations/Port Authorities etc. are requested to bring these consolidated guidelines to the notice of all CPSEs/organizations under their administrative control for strict compliance of the above guidelines including adherence to the timelines stipulated therein.

9. This issues with the approval of the Cabinet Secretary.

Dr. Sumantra Pal
Economic Adviser

To
Secretaries of all Ministries/Departments of the Government of India.

i. Chief Secretaries of all the States and Union Territories.

Copy to:
Chief Executives of all CPSEs for necessary compliance.

Copy forwarded for kind information to:

i. The Prime Minister's Office, Seva Teerth, New Delhi.
ii. The Cabinet Secretariat, Kartavya Bhawan, New Delhi.
iii. PS to the Finance Minister, Kartavya Bhawan, New Delhi.
iv. Secretary (DPE), CGO Complex, New Delhi.
v. Secretary (Law), Department of Legal Affairs, New Delhi.

Dr. Sumantra Pal
Economic Adviser