

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE  
LOK SABHA  
UNSTARRED LOK SABHA QUESTION NO. 1461  
TO BE ANSWERED ON 1<sup>st</sup> July, 2019/ Ashadha 10, 1941 (Saka)  
“PUBLIC PROCUREMENT SYSTEM”**

**1461. SHRI BHARTRUHARI MAHTAB, SHRI RAHUL RAMESH SHEWALE:**

**Will the Minister of Finance be pleased to state:**

- a) whether the United Nations office on Drugs and Crime has pointed out that India's public procurement system regulated by the General Financial Rules 2005 seldom attract penalties for violations of such rules;
- b) if so, the details thereof along with the reaction of the Government thereto;
- c) whether the Government has received complaints regarding irregularities in the public procurement system of various Government bodies during each of the last three years and the current year;
- d) if so, the details thereof along with the action taken on such complaints; and
- e) the steps taken by the Government to bring transparency in the public procurement, promotion of competition and to ensure fair and equitable treatment to suppliers?

**ANSWER  
THE MINISTR OF FINANCE  
(SMT. NIRMALA SITHARAMAN)**

- (a) & (b) :** Yes, United Nation Office on Durgs and Crime in their report “India: Probity in Public Procurement” issued in 2013 had stated that the violations of the General Financial Rules (GFRs) 2005 do not attract much penalty. Government has revised GFRs in 2017 and as per Rule 151 of GFRs, 2017 provisions for debarment from bidding has been introduced.
- (c) & (d) :** The complaints regarding irregularities in public procurement are received by Central Vigilance Commission, respective Vigilance Organisation of Ministries/Departments/Organisations and action is taken on them after investigation as per laid down procedure.
- (e) :** In order to enhance transparency in public procurement, promotions of competitions and to enhance fair and equitable treatment of supplier, GFRs were comprehensively revised in 2017. Transparency and competition is also being achieved by digitalization of public procurement through Central Public Procurement Portal (CPPP) and Government e-Marketplace (GeM).

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