GOVERNMENT OF INDIA MINISTRY OF FINANCE DEPARTMENT OF EXPENDITURE

LOK SABHA

STARRED QUESTION NO.51

TO BE ANSWERED ON THE 26th February, 2016 / PHALGUNA 7,1937(SAKA)

Transparency in Public Procurement System

* 51. SHRIMATI MEENAKSHI LEKHI:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that the present public procurement mechanism is suffering from lack of transparency and corruption;
- (b) if so, the details thereof along with the reaction of the Government thereto;
- (c) whether the Government plans to introduce any scheme/measure to check corruption and to ensure the presence of a centralised authority to ensure accountability and probity in the procurement process, fair and equitable treatment of bidders, promote competition, enhance economic efficiency and maintain integrity and public confidence;
- (d) if so, the details thereof; and
- (e) if not, the corrective measures taken by the Government in this regard?

<u>ANSWER</u>

FINANCE MINISTER

(SHRI ARUN JAITLEY)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT AS REFERRED TO IN REPLY TO PARAS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. *51 FOR ASNWER ON 26TH FEBRUARY, 2016/ PHALGUNA 7, 1937(SAKA) RAISED BY SHRIMATI MEENAKSHI LEKHI REGARDING TRANSPARENCY IN PUBLIC PROCUREMENT SYSTEM.

(a) to (e): The public procurement is governed by Chapter 5 to Chapter 8 of General Financial Rules (GFR)'s, 2005 to ensure fair and equitable treatment of bidders, promote competition, enhance economic efficiency and integrity and public confidence. Further, Government of India has established Central Public Procurement Portal (CPPP) and instructions have been issued that it will be mandatory for all Ministries/Departments of the Central Government, their attached and subordinate offices, Central Public Sector Enterprises (CPSEs) and autonomous / statutory bodies to publish their tender enquiries, corrigenda thereon and details of bid awards on the CPP Portal. Further, all Ministries/Departments of the Central Government, their attached and subordinate offices and subordinate offices have been asked to commence e-procurement in respect of all procurement with estimated value of Rs.5 Lakhs w.e.f 01.04.2015 and to Rs.2 Lakhs w.e.f 01.04.2016.

In order to check corruption and to ensure accountability and probity in the procurement process, there are institutions of Comptroller of Auditor General (CAG), Central Vigilance Commission (CVC) & Central Bureau of Investigation (CBI).