

**GOVERNMENT OF INDIA  
PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS  
LOK SABHA**

STARRED QUESTION NO:97  
ANSWERED ON:01.03.2000  
POST BID NEGOTIATIONS  
RAM SAGAR

**Will the Minister of PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS be pleased to state:**

- (a) whether the Central Vigilance Commission has taken a decision to stop all post-bid negotiations;
- (b) if so, the details thereof;
- (c) whether post-bid negotiations are being continued in the Government departments, hospitals and Government sponsored co-operative institutions;
- (d) if so, the details thereof alongwith the reasons therefor; and
- (e) the corrective measures taken/proposed to be taken by the Government in this regard?

**Answer**

MINISTER OF STATE OF DEPARTMENT OF (SMT. VASUNDHARA RAJE) PERSONNEL AND TRAINING AND DEPARTMENT OF PENSION AND PENSIONERS' WELFARE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS.

(a) & (b): The Central Vigilance Commission (CVC) vide its instructions dated 18th November, 1998, has banned post tender negotiations except with the L1 (lowest tenderer). Subsequently, on the references received from some of the organisations following clarifications were issued by CVC on 15.3.1999:-

i. The ban on the post tender negotiations would not affect the policy of the Government of India for purchase preference for public Sector.

ii. However, the use of public sector as a shield or conduit for getting costly inputs or for improper purchases should be avoided.

iii. Where the quantity to be ordered is much more than L1 alone can supply, the quantity order in such cases might be distributed in such a manner that the purchase is done in a fair, transparent and equitable manner.

iv. Besides clarifying to individual institutions approaching Commission, the CVC vide communication dated 1st October, 1999 further clarified that its instructions would not be applicable to the World Bank Project and other international funding agencies such as IMF, ADB etc. However, the instructions will apply if purchases/sales are made by the departments within the country. The instructions will also apply if purchases are made with sources outside the country and if they are within the budget provisions and normal operations of the Departments/Organisations.

(c), (d) & (e): The information is not centrally maintained.