

## **GoM approves draft Public Procurement Bill**

The draft Public Procurement Bill, which seeks to regulate government purchases using a transparent bidding process, was today approved by a panel of ministers set up to tackle corruption.

"The Group of Ministers on Corruption has approved the Public Procurement Bill," minister of state for personnel V Narayanasamy told reporters after the meet. The draft bill was recently put up in public domain by the finance ministry to elicit opinion. A fresh draft incorporating public views was cleared by the GoM.

"It will now go to the Prime Minister (for approval) and then to the Cabinet (for final clearance)," Narayanasamy said.

He said the bill could come up during the Budget session of Parliament.

The proposed bill contains broad principles and would be supplemented by rules.

It also facilitates a grievance redressal mechanism and penalties for offences, including barring of bidders found to engage in corrupt practices.

According to the draft bill, there should not be any scope for price negotiations except in prescribed circumstances, with reasons to be recorded. Also there should not be any restriction on the number of bidders, other than on specified conditions.

Currently there is no overarching legislation governing public procurement by the central government and central public sector enterprises and the General Financial Rules, 2005, govern procurements made by the Centre.

The draft Bill is based on the recommendations of Committee on Public Procurement headed by former bureaucrat Vinod Dhall.

The GoM on corruption, formed in January last year, had among its terms of reference, formulation of a transparent public procurement policy.

The Bill intends to regulate public procurement by all ministries and central government departments. It also aims at ensuring transparency, fair and equitable treatment of bidders, and promote competition and enhance efficiency and economy in the procurement process.

It is learnt that the GoM also discussed the report of a committee set up to suggest ways of preventing corruption and increasing transparency while allocating natural resources.

The panel has already accepted some of the recommendations of the committee headed by former finance secretary Ashok Chawla.

*(Hindustan Times)*