

F.No.20-35/2012/Desk U  
Government of India  
Ministry of Human Resource Development  
Department of Higher Education  
Desk U

...

New Delhi, dated: 21-05-2012

Subject: Transparency in Works/Purchase/Consultancy contracts  
awarded on nomination basis-regarding.

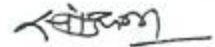
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The undersigned is directed to refer to the subject mentioned  
above and to enclose herewith a copy of Joint Secretary & CVO letter No.  
A-34014/3/2011-Vigilance dated 01.05.2012 along with enclosures.

It is requested that appropriate action may be taken as stipulated  
in the letter under reference.

Enclosure: As above

Yours Sincerely



(Ramji Pandey)  
Under Secretary to the Govt. Of India  
Tele No. 011-23384412

To

The Registrar,  
(40 Central Universities)

## PREVENTIVE VIGILANCE MATTER

No. A-34014/3/2011-Vigilance  
- Government of India  
Ministry of Human Resource Development  
Department of Higher Education  
Vigilance Wing

Dated, the 1<sup>st</sup> May, 2012

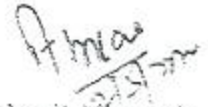
Subject: Transparency in Works/Purchase/Consultancy contracts awarded on nomination basis

Reference is invited to Vigilance Wing's Preventive Vigilance Circular of even number dated 28.4.2011 in the matter of procurement of goods and services etc. wherein Bureau Heads were advised to sensitize all Autonomous Institutions/Councils/Universities to the rules of financial propriety as laid down in GFR and various other Government and CVC instructions in the matter of such procurements. A copy of the same is enclosed for ready reference. Action taken in the matter may be advised to Vigilance urgently.

2. In this connection, attention is further invited to Central Vigilance Commission's Office Order No. 23/7/07 issued vide Commission's letter No. 005/CRD/19 dated 5.7.2007 on the aforesaid subject which lay down that tendering process or public auction is a basic requirement for the award of contract by any Government agency as any other method, especially award of contract on nomination basis, would amount to a breach of Article 14 of the Constitution guaranteeing right to equality, which implies right to equality to all interested parties. To reinforce this point, the said Office Order refers to a Supreme Court judgement, the relevant extract of which is reproduced below:-

*"The law is well-settled that contracts by the State, its corporations, instrumentalities and agencies must be normally granted through public auction/public tender by inviting tenders from eligible persons and the notifications of the public-auction or inviting tenders should be advertised in well known dailies having wide circulation in the locality with all relevant details such as date, time and place of auction, subject matter of auction, technical specifications, estimated cost, earnest money deposit etc. The award of Government contracts through public-auction/public tender is to ensure transparency in the public procurement, to maximize economy and efficiency in Government procurement, to promote healthy competition among the tenderers, to provide for fair and equitable treatment of all tenderers, and to eliminate irregularities, interference and corrupt practices by the authorities concerned. This is required by Article 14 of the Constitution. However, in rare and exceptional cases, for instance, during natural calamities and emergencies declared by the Government; where the procurement is possible from a single source only; where the supplier or contractor has exclusive rights in respect of the goods or services and no reasonable alternative or substitute exists; where the auction was held on several dates but there were no bidders or the bids offered were too low, etc., this normal rule may be departed from and such contracts may be awarded through 'private negotiations;."*

3. Bureau Heads are advised to sensitize all Autonomous Institutions/Councils/Universities under their charge to the rules of financial propriety as laid down in GFR and Central Vigilance Commission's guidelines including the one indicated above.



(Amit Khatre)

Joint Secretary & CVC

All Bureau Heads in the Ministry

All Directors/DS in the Ministry

Central Vigilance Commission (Ms. Lila Chandran, Deputy Secretary), Satarkta Bhavan, GPO Complex, INA, New Delhi

Chairman, University Grants Commission.

Chairman, All India Council for Technical Education.

Chairman, National Council for Teacher Education

Copy for information to PSO to Secretary (HE)/ Secretary (School Education & Literacy)

PREVENTIVE VIGILANCE MATTER

No. A-34014/3/2011-Vigilance  
Government of India  
Ministry of Human Resource Development  
Department of Higher Education  
Vigilance Wing

Dated, the 28<sup>th</sup> April, 2011

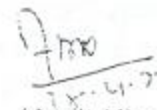
Subject. Preventive Vigilance Circular in the matter of procurement of goods and services etc. etc.

Vigilance Wing receives, from time to time, complaints alleging irregularities in the purchases, fresh award of contracts, maintenance contracts, new projects, and procurement, Civil Works etc. involving not only non-official but even public sources. Such complaints are more pronounced in respect of various Autonomous Institutions and Councils under the administrative control of the Ministry. Vigilance investigation in such complaints often reveals violation of procedures and laid down guidelines. In one of the cases, it was found that a separate account in the name and style of Management Activity Network was created to procure laptops and the money was found to have been drawn from the said account in violation of established norms of financial propriety and the procurement were made in contravention of CVC guidelines.

While anxiety of the authorities to procure or avail goods and services of better quality can be understood, care needs to be taken to ensure that rules of financial propriety as laid down in GFR are adhered to both in letter and spirit. Where an Institute has framed its own financial rules, it needs to be ensured that such rules are compatible and are in consonance with the General Financial Rules of the Government.

As a measure of preventive Vigilance, all Bureau Heads are advised to be careful while dealing with or taking decisions in the aforesaid matters to ensure that the extent guidelines and instructions of Central Vigilance Commission are scrupulously followed both in letter and spirit.

It is further advised that Autonomous Institutions/Councils/Universities may be sensitized that the rules of financial propriety as laid down in GFR and various other Government instructions may be scrupulously adhered to.

  
(Amit Khare)

JS & CVO/28.4.2011

All Bureau Heads in the Ministry

All Directors/DS in the Ministry


Central Vigilance Commission (Lila Chandran, Deputy Secretary), Satarkta Bhavan, GPO Complex, INA, New Delhi

Chairman, University Grants Commission.

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28.4.2011