

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:818
ANSWERED ON:21.02.2003
LOCAL PURCHASES
RAGHUNATH JHA

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether the information has since been collected;
- (b) if so, the details thereof;
- (c) the reaction of the Government thereto;
- (d) whether the action has been taken to review the relaxation of provisions of GFRs relaxed by his Ministry as asked for by C&AG in its Report No.8 of 1999; and
- (e) the details of the provisions that were relaxed of GFRs alongwith reasons for relaxing those provisions?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBAADSUL):

- (a) to (c) The Unstarred Question No. 5159 answered on 26th April, 2002 sought information regarding the sale of overhead projectors and computers at higher rates by NCCF. NCCF being under the administrative control of Department of Consumer Affairs, the responsibility of collecting the information as envisaged in Question No. 5159 was transferred to D/o Consumer Affairs, which has since been accepted by them.
- (d) and (e) With a view to promote cooperative movement, Department of Personnel & Training (DOP&T) in consultation with this Ministry had issued an Order dated 14.7.1981 which made it incumbent on all Central Government Departments, their attached and subordinate offices and other organisations financed and/or controlled by Government to make all local purchases of stationery and other items only from Kendriya Bhandar in relaxation of the procedure of inviting tenders/quotations prescribed in GFRs. Keeping in view the ongoing policy of liberalisation of the economy and the emphasis on making Govt. organisations competitive and self-striving, the question of reviewing the existing special dispensation given to Kendriya Bhandar, Super Bazar and NCCF has been considered and the DOP&T was requested to review their O.M. dated 14.7.1981 and issue revised instructions providing for adherence to the provisions of GFRs with suitable safeguards for protecting the interest of the three cooperatives. However, these revised instructions were not issued since DOP&T decided to hold Inter-Ministerial consultations. Any decision in the matter can be taken only after Inter-Ministerial deliberations and decisions thereon.