



# PROCUREMENT WITHOUT FEAR IN CSIR

3<sup>RD</sup> ANNUAL CONCLAVE OF STORES & PURCHASE OFFICERS

# Introduction

- ▶ Public procurement in CSIR operates under intense scrutiny from audit bodies, vigilance units, CVC, CAG, etc. This often creates hesitation among officers, leading to delays, defensive decision-making, and inefficiency.
- ▶ ***Procurement Without Fear means:***
- ▶ Taking well-reasoned, documented decisions
- ▶ Ensuring compliance and transparency
- ▶ Acting confidently without fear of post-facto scrutiny

# Why Fear Exists in Procurement:

## Structural Reasons

- Multi-agency scrutiny (CVC, CAG, CBI)
- Legal accountability under RTI and anti-corruption laws
- Personal liability of officers

## Operational Reasons

- Ambiguity in rules
- Frequent audit objections
- Lack of standardization

## Psychological Reasons

- Fear of vigilance cases
- Fear of being solely accountable for a decision
- Past precedents of punitive action

# Procurement Lifecycle in CSIR (MPG 2019)

<b>Stage</b>	<b>Key Activities</b>	<b>Governing Principle</b>
<b>Pre-Indent</b>	<b>Need assessment, budgeting</b>	<b>Financial propriety</b>
<b>Indenting</b>	<b>Specification, quantity</b>	<b>Justification &amp; necessity</b>
<b>Tendering</b>	<b>Mode selection, RFP</b>	<b>Transparency</b>
<b>Evaluation</b>	<b>Committee decisions</b>	<b>Objectivity</b>
<b>Approval</b>	<b>Competent authority sanction</b>	<b>Accountability</b>
<b>Contract</b>	<b>Order placement</b>	<b>Value for money</b>
<b>Post-Contract</b>	<b>Execution, payments</b>	<b>Performance monitoring</b>
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# Pressure Areas Across Procurement Stages

- **Pre-Tender / Indenting:** Fear of audit questioning, restrictive specifications → Solution: proper planning, market analysis, generic specs vetted by committees.
- **Tendering:** Fear of wrong tender type, restrictive RFP → Solution: transparent tender type selection, adequate publicity, documentation.
- **Bid Evaluation:** Fear of rejecting L1 or accepting non-L1 → Solution: pre-disclosed criteria, conflict of interest declarations, documented price checks.
- **Single Offer Situations:** Fear of lack of competition → Solution: process single offer if publicity was adequate and price reasonable (GFR Rule 149).
- **Approval & Award:** Fear of overstepping authority, cancellation risks → Solution: act within Delegation of Financial Powers, record reasons, obtain finance concurrence.
- **Post-Contract:** Fear of amendments, LD waivers, overpayments → Solution: competent authority approval, enforce LD, verify BGs, inspection reports before payment.

# Common Audit Objections

- **Procurement without sanction**
- **Splitting of tenders to avoid higher approval**
- **Restrictive specifications**
- **Inadequate publicity**
- **Negotiations without justification**
- **Non-renewal of BGs, LD not imposed**
- **Advance payments without security**
- ▶ **Payments without inspection certificate**

# Role of Committees & Coordination

- ▶ Committees like PC and T&PC distribute responsibility, reducing individual fear.
- ▶ Issues: lack of clarity in roles, diffused responsibility, defensive decision-making.
- ▶ Solutions: defined roles, collective responsibility, conflict of interest declarations.

# Use of GeM in Letter & Spirit

- ▶ **GeM ensures transparency and audit safety.**
  - **Direct purchase up to ₹1 lakh**
  - **L1 purchase between ₹1–₹10L**
  - **Mandatory bidding/reverse auction above ₹5L**
  - **Document non-availability if item not listed**
- ▶ **Misuse: Splitting orders below thresholds, avoiding GeM bidding — attracts CVC/CAG objections.**

# Solutions for Fearless Procurement

- ▶ **Systemic Solutions: SOPs, rule-based frameworks, strong documentation**
- ▶ **Process Improvements: Proper need assessment, balanced specifications, transparent criteria**
- ▶ **Documentation Culture: Record reasons for every decision**
- ▶ **Handling Single Offers: Wide publicity, price justification, documented efforts**
- ▶ **Strengthening Committees: Defined roles, collective responsibility, conflict declarations**
- ▶ **Leveraging Technology: GeM, e-tendering, e-payments, e-BG verification, geo-tagging, AI-based anomaly detection**



# Policy Suggestions

- ▶ **Clear guidelines on single bid acceptance**
- ▶ **Protection for bona fide decisions**
- ▶ **Standard templates for justification notes**
- ▶ **Risk-based audits instead of fault-based audits**
- ▶ **Annual Procurement Plan submission with quarterly review**

# Conclusion

- ▶ Procurement Without Fear is not about ignoring rules but about:
  - Transparency
  - Documentation
  - Objectivity
  - Collective decision-making
- ▶ Fear reduces when systems are strong, processes are clear, and decisions are recorded.
- ▶ *Key Message: Rules protect the honest officer. Fear protects no one.*

## Quick Reference Checklist DO's

- Obtain AA&ES before floating NIT
- Use standard, generic specs; get T&PC vetting
- Publish on CPPP, GeM, and lab website
- Document every decision with reasons
- Check price reasonableness before award
- Take Conflict of Interest undertakings from committee members
- E-verify Bank Guarantees before accepting
- Impose LD as per contract; document waivers properly
- Process single bids if procedure was sound
- ▶ Report anomalies to CVO proactively

# DON'Ts

- ▶ • Do not split indents to avoid thresholds or GeM
- ▶ • Do not use restrictive specs to favour a vendor
- ▶ • Do not process tenders without budget sanction
- ▶ • Do not modify evaluation criteria after bid opening
- ▶ • Do not accept a bid purely on lower price without quality check
- ▶ • Do not release PBG before defect liability period ends
- ▶ • Do not make payments without inspection certificate / GRIR
- ▶ • Do not grant extensions without recording hindrance register
- ▶ • Do not accept unverified BGs — always e-verify
- ▶ • Do not delay decisions out of fear — inaction is also a risk



**Thank You!**