

support small business units, mostly individual proprietorship, who run small manufacturing, trading or service businesses and help them to access formal systems of credit.

GFR provisions for procurement of goods

970. SHRI RAM KUMAR KASHYAP: Will the Minister of FINANCE be pleased to state :

(a) whether as per Rule 150 of General Financial Rules – 2005, invitation to tenders by advertisement is mandatory for procurement of goods of estimated value ₹ 25 lakh and above and if so, details thereof;

(b) whether in order to tackle corruption and to improve transparency in public procurement, e-procurement is mandatory, where the estimated value of the goods to be procured is five lakh and above and if so, the details thereof; and

(c) what are the circumstances under which goods worth more than ₹ 25 lakhs can be procured without inviting open tender?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) Yes Sir, as per the rule 150 of the General Financial Rules (GFR), 2005, invitation to tenders by advertisement is mandatory for procurement of goods of estimated value of ₹ 25 lakhs and above. This is subject to exceptions as mentioned in rule 151 and 154.

(b) Instructions have been issued to all the Ministries/Departments, that the Ministries/Departments, their attached and subordinate offices, autonomous bodies etc. need to commence e-procurement in respect of all procurements with estimated value of ₹ 5 lakhs or more *w.e.f.* 1st April, 2015. The limit of ₹ 5 lakhs will further come down to ₹ 2 lakh *w.e.f.* 1st April, 2016.

(c) Procurement of goods worth more than 25 lakhs may be made without inviting open tender under the following rules of the GFR :—

(i) rule 151 – Limited Tender Enquiry; and

(ii) rule 154 – Single Tender Enquiry.

Incentivizing States under GST regime

971. SHRI PREM CHAND GUPTA: Will the Minister of FINANCE be pleased to state:

(a) the prospect of revenue jolt for producing States with regard to Goods and Services Tax (GST); and