

**GOVERNMENT OF INDIA
MINISTRY OF SHIPPING, ROAD TRANSPORT & HIGHWAYS
(DEPTT. OF ROAD TRANSPORT & HIGHWAYS)**

Transport Bhawan,
1, Parliament Street,
New Delhi – 110 001

No: RW/NH-34066/4/2007-S&B(B)

Dated, 14th August/2007

To

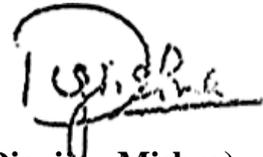
1. The Secretary of all States/UTs (in charge of PWD)
2. The Engineer-in-Chief and Chief Engineers of State PWDs and UTs (Dealing with National Highways)
3. The Director General (Border Roads), Seema Sadak Bhawan, Ring Road.
4. The Chairman, National Highways Authority of India, G-5&6, Sector – 10, Dwarka, New Delhi – 75.

Sub: Improving vigilance administration by increasing transparency through effective use of website.

Sir,

The Central Vigilance Commission (CVC) has requested time and again to improve vigilance administration by leveraging technology i.e. by increasing transparency through effective use of website. To fulfill the above objective, it has been decided that henceforth tenders / NITs for National Highway works costing **more than Rs. 5 crore and also tenders / NITs for procurement of Consultancy Services costing more than Rs. 50 lakh may be uploaded on the websites of the Executing agencies.**

Yours faithfully,



**(Digvijay Mishra)
Executive Engineer (NFSG) S&R(R)
For Director General (RD) & SS**

Government of India
Ministry of Shipping, Road Transport & Highways
Department of Road Transport & Highways
(Roads Wing)

*Transport Bhawan,
No. 1, Parliament Street,
New Delhi 110 001.*

No. NH-15015/31/2004-P&M

Dated: 13.10.2004

To

1. The Secretaries, PWDs of all States and Union territories dealing with National Highways and other Centrally financed schemes.
2. The Director General (Works), CPWD, Nirman Bhawan, New Delhi.
3. The Director General (Border Roads), Kashmir House, New Delhi.
4. The Chairman, National Highways Authority of India, G 5&6, Sector 10, Dwarka, New Delhi – 110 045.

Sub: Central Government Funded Highways Projects – reg. Transparency – Invitation of tenders.

Sir,

I am directed to say that in order to bring about greater transparency in the procurement and tendering processes, this Ministry has issued instructions vide letter No. RW/NH-11024/3/99-US(D.I.), dated 9th March, 2000 for giving wide publicity for invitation of tenders for the execution of works on National Highways and other Centrally financed schemes. These instructions stipulate all such invitation to tenders may be published in the newspapers, Indian Highways/Indian Trade Journal according to the project cost.

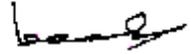
2. Central Vigilance Commission has also issued a series of instructions regarding increasing transparency in procurement/tender process etc through the use of website. In this connection attention is invited to the Chief Vigilance Commission's endorsement No. 98/ORD/1, dated 18th December, 2003 and their Officer Order of same number dated 2nd July, 2004 (copies enclosed for ready reference) which inter-alia, envisage uploading of tender documents in the website. The tenders for the work on National Highways are invited by the implementing agencies i.e. State Governments. The State Government may post the tenders details in the website of the Implementing agencies, if any. The Implementing agencies are, however, requested to provide the URL of their tenders' website to the Ministry so that hyper-link for these websites may be provided in the Ministry's website.

3. The Implementing agencies are also requested to give widest possible publicity for limited tenders also except for items of minor value. If the implementing agencies desire to limit the access of their limited tender documents to their registered contractors/suppliers, they can limit the access by issuing password to all the registered contractors/suppliers. It should be ensured that the password access is given to all the registered contractors/suppliers. Any denial of password to a registered contractor/suppliers will lead t a presumption of a malafide intention on the part of tendering authority.

4. The application made on a form downloaded from the websites should be considered valid for participation in the tender process. Wherever there is a fee for sale of tender documents same should be collected at the time of submission of the application form and bid documents by draft/cheques etc.

5. All implementing agencies are requested to implement the direction of the Central Vigilance Commission in letter and spirit and send compliance report the Ministry at the earliest.

Yours faithfully,



(K.R. Gatti)

Under Secretary to the Govt. of India

Tel: 237710450

No. 98/ORD/1
CENTRAL VIGILANCE COMMISSION

Satarkta Bhavan, Block 'A'
G.P.O Complex, I.N.A.,
New Delhi – 110 023
Dated the 18th December, 2003

Subject: Improving Vigilance Administration : Increasing Transparency in Procurement /Sale etc.

The Commission is of the opinion that in order to bring about greater transparency in the procurement and tendering processes there is need for widest possible publicity. There are many instances in which allegations have been made regarding inadequate or no publicity and procurement officials not making available bid documents, application forms etc. in order to restrict competition.

2. Improving vigilance administration is possible only when system improvements are made to prevent the possibilities of corruption. In order to bring about greater transparency and curb the mal-practices mentioned above the Central Vigilance Commission in the exercise of the powers conferred on it under Section 8(1)(h) issues following instruction for compliance by all Govt. Departments, PSUs, Banks and other agencies over which the Commission has jurisdiction. These instructions are with regard to all cases where open tender system is restored to for procurement of goods and services or for auction/sale etc. of goods and services.

- (i) In addition to the existing rules and practices regarding giving publicity of tenders through newspapers, trade journals and providing tender documents manually through post etc. the complete bid documents alongwith application form shall be published on the website of the organisation. It shall be ensure by the concerned organization that the parties making use of this facility of website are not asked to again obtain some other related documents from the department manually for purpose of participating the tender process i.e. all documents upto date should remain available and shall be equally legally valid for participation in the tender process as manual documents obtained from the department through manual process.

- (ii) The complete application form should be available on the website for purposes of downloading and application made on such a form shall be considered valid for participating in the tender process.
- (iii) The concerned organization must give its website address in the advertisement/NIT published in the newspapers.
- (iv) If the concerned organization wished to charge for the application form downloaded from the computer then they may ask the bidding party to pay the amount by draft/cheques etc. at the time of submission of the application form and bid documents.

3. While the above direction must be fully complied with, efforts should be made by organizations to eventually switch over to the process of e-procurement/e-sale wherever it is found to be feasible and practical.

4. The above directions are issued in supersession of all previous instructions issued by the CVC on the subject of use of website for tendering purposes. These instructions shall take effect from 1st January, 2004 for all such organizations whose websites are already functional. All other organizations must ensure that this facility is provided before 1st April, 2004.



(P. Shanker)

Central Vigilance Commissioner

To

- (i) The Secretaries of All Ministries/Departments of Government of India.
- (ii) The Chief Secretaries to all Union territories.
- (iii) The Controller & Auditor General of India.
- (iv) The Chairman, Union Public Service Commission.
- (v) The Chief Executive of all PSEs/Pubic Sector Banks/Insurance Companies/ Autonomous Organizations / Societies.
- (vi) The Chief Vigilance Officers in the Ministries/ Departments / PSEs / Public Sector Bank/ Insurance Companies / Autonomous Organisations / Societies.
- (vii) President's Secretariat/ Vice-President's Secretariat/ Lok Sabha Secretariat / Rajya Sabha Secretariat / PMO.

**No. 98/ORD/1
CENTRAL VIGILANCE COMMISSION**

Satarkta Bhavan, Block 'A'
GPO Complex, INA,
New Delhi – 110 023
Dated the 11th February, 2004

Office Order No. 10/204

To

All Chief Vigilance Officers

Subject: Improving Vigilance Administration – Increasing Transparency in Procurement/Tender Process – use of website – regarding.

In CPWD, MCD, Civil Construction Division of Post & Telecom departments and in many other departments/organizations, there is system of short term tenders (by whatever name it is called in different organizations), wherein work below a particular value are undertaken without resorting to publicity as is required in the open tenders. This practice is understandable because of cost and time involved in organizing publicity through newspapers. In all such cases, notice can be put on the website of the department as it does not taken any time compared to giving advertisements in the newspapers and it practically does not cost anything. This will benefit the department by bringing in transparency and reducing opportunities for abuses of power. This will also help the organizations by bringing in more competition.

2. In view of the reasons given above, the Commission has decided that instruction given in the Commission's circular (No. 98/ORD/1 dated 18.12.2003) for the use of website will also apply to all such works awarded by the department/PSEs/other organizations over which the Commission has jurisdiction.



**(Balwinder Singh)
Additional Secretary**

**No. 98/ORD/1
CENTRAL VIGILANCE COMMISSION**

Satarkta Bhavan, Block 'A'
GPO Complex, INA,
New Delhi – 110 023
Dated the 11th February, 2004

Office Order No. 43/7/04

Subject: Improving Vigilance Administration: Increasing Transparency in Procurement/Sales etc. – use of website – regarding.

The Central Vigilance Commission has issued a directive on the above subject vide its Order No. 98/ORD/1 dated 18th December, 2003 making it mandatory to use website in all cases where open tender system is resorted to. These instructions have been further extended vide Office Order No. 10/2/04 dated 11.2.2004 to tenders of short-term nature (by whatever name it is called in different organizations). Various organizations have been corresponding with the Commission seeking certain clarifications with regard to the above directives. The main issues pointed out by the organizations are as follows:

Issues 1: Size of Tender Documents

In cases of works/procurement of highly technical nature, tender documents turn into several volumes with large number of drawings and specifications sheets, etc. It may not be possible to place these documents on website.

Clarifications: These issues have been discussed with the technical experts and in their opinion, there is no technical and even practical difficulty in doing the same. These days almost all the organizations do their typing work on computers and not on manual typewriters. There is no significant additional effort involved in uploading the material typed on MS Word or any other word processing softwares on the website irrespective of the number of pages. The scanning of drawings is also a routine activity. Moreover if the volume of size of tender document is so large as to make it inconvenient for an intending tendering party do download it, they always have the option of obtaining the tender documents from the organization through traditional channels. The Commission has asked for putting tender documents on website in addition to whatever methods are being presently used.

Issue 2: Issues of Connected with Data Security, Legality and Authenticity of Bid Documents.

Certain organizations have expressed apprehensions regarding security of data, hacking of websites etc. They have also pointed out that certain bidding parties may alter the downloaded documents and submit their bid in such altered tender documents which may lead to legal complications.

Clarification: This issues has been examined both from technical and legal angles. Technically a high level of data security can be provided in the websites. The provisions of digital signatures through Certifying Authority can be used to ensure that in case of any forgery or alteration in downloaded documents it is technically feasible to prove what the original document was. There are sufficient legal provisions under IT Act to ensure that e-business can be conducted using the web-site. A copy of the remarks given by NIC on this issue are enclosed herewith.

Issues 3: Some organizations have sought clarification whether website is also to be used for proprietary items or items which are sourced from OEMs (Original Equipment Manufacturers) and OESs (Original Equipment Suppliers).

Clarification: It is clarified that Commission's instructions are with regard to goods, services and works procured through open tender system, so these instruction do not apply to proprietary items and items which necessarily need to be procured through OFMs and OESs.

Issue 4: Do the instruction regarding 'short term tenders' given in the CVC Order No. 98/ORD/1 dated 11th Feb., 2004 apply to limited tenders also?

Clarification: In many organization goods, services and works which as per laid down norms are to be procured/executed through open tender system many times due to urgency are done through short term tenders without resorting to wide publicity in newspapers because of time constraint. In all such cases sort term tenders (by whatever name it is called) etc. should also be put on the website of the dept. as it does not involve any additional time or cost.

Regarding applicability of these instructions to limited tenders where the number of suppliers/contractors is know to be small and as per the laid down norms limited tender system is to be resorted to through a system of approved/registered vendors/contractors, the clarification is given below.

Issue 5: Some organizations have pointed out that they make their procurement or execute their work through a system of approved/registered vendors and contractors and have sought clarification about the implications of CVC's instructions in such procurements/contracts.

Clarification: The Commission desires that in all such cases there should be wide publicity through the website as well as through the other traditional channels at regular intervals for registration of contractors/suppliers. All the required proforma for registration, the pre-qualification and criteria etc. should be always available on the website of the organization and it should be possible to download the same and apply to the organization. There should not be an entry barriers or long gaps in the registration of suppliers/contractors. The intervals on which publicity is to be given through website and traditional means can be decided by each organization based on their own requirements and developments in the market conditions. It is expected that it should be done atleast once in a year for upgrading the list of registered vendors/contractors.

The concerned organisation should give web based publicity for limited tenders also except for items of minor value. If the organization desires to limit the access of the limited tender documents to only registered contractors/suppliers they can limit the access by issuing passwords to all registered contractors/suppliers. But it should be ensured that password access is given to all the registered contractors/suppliers and not denied to any of the registered suppliers. A denial of password to a registered supplier/contractor will lead to malafide intention on the part of the tendering authority.



(Balwinder Singh)
Addl. Secretary

To

- (i) The Secretaries of All Ministries/Departments of Government of India.
- (ii) The Chief Secretaries to all Union territories.
- (iii) The Controller & Auditor General of India.
- (iv) The Chairman, Union Public Service Commission.
- (v) The Director, Central Bureau of Investigation.
- (vi) The Chief Executive of all PSEs/Pubic Sector Banks/Insurance Companies/ Autonomous Organizations / Societies.
- (vii) The Chief Vigilance Officers in the Ministries/ Departments / PSEs / Public Sector Bank/ Insurance Companies / Autonomous Organisations / Societies.
- (viii) President's Secretariat/ Vice-President's Secretariat/ Lok Sabha Secretariat / Rajya Sabha Secretariat / PMO.

CENTRAL VIGILANCE COMMISSION
Technical note form National Informatics Center
Solution fro Hoisting of Singed Documents

1. Integrity of Document:

The documents should be digitally signed by the persons submitting them. The web server to which the documents are submitted to hosting should verify the signature before hosting each.

2. Secure Hosting:

'HTTPS' should be used for both uploading and downloading of documents to avoid alteration of documents over the network.

3. Digital Signing the submission:

The documents submitted for hosting may be in PDF or MS-WORD format.

The document is digitally signed at the document submission end by a digital signing tool and by using a private key stored in a smart card. The detached (PKCS#) signature file generated.

The document and the signature are uploaded to the server. The uploading procedure may be automated through a program. This involves development effort.

The web server can verify the digital signatures programmatically when the files are uploaded.

The files and the verified signatures are hosted for downloading by end users.

This procedure will ensure that the signer is confident of what he/she is signing. The person involved in web hosting is sure that the documents are properly signed. The end users benefit that the document they are downloading is authenticated and that the integrity of the document is maintained.

4. Procedure:

- a. The user verifies the digital signature of the document on the website.
- b. User downloads both the documents and signature.
- c. User can verify the signature of the documents by using any standards Compliant Document Signing Tool which can verify a PKCS#7 detached signature.

5. Certificate for Digital Signature:

- a. The signature should be generated using a certificate issued by a Certification Authority (CA) trusted under Controller of Certifying Authorities (CCA). This is mandatory for legal validity of the digital signature.
- b. The end user should ensure that the certificate used for signing the document is issued by a trusted CA.