

**GOVERNMENT OF ASSAM
FINANCE DEPARTMENT**

NO.FEC(I) 10/2009/2

Dated, 11th August 2010

OFFICE MEMORANDUM

It is observed that some Departments have been endorsing files to the Finance Department for concurrence to sanctions for procurement of goods and services at rates/estimates fixed on the basis of a single quotation from agencies like AGMC/AMTRON/ARTFED/PSUs etc without going through the required competitive bidding process. the practice of issuing supply orders based on a single quote offered by such agencies is not in conformity with established financial procedures, rules, CVC guidelines for public procurement etc. it also violates the statutory provisions contained in section 7 (2) of the Assam Fiscal Responsibility and Budget Management Act, 2005.

After careful consideration of the matter, it is clarified that all Administrative Department/ Heads of Departments/ DDOs/ Project Directors and Chief Executive officers etc of the various Societies/Authorities/Agencies under the State Government should invariably follow the laid down procedure of Purchase Committee including normal competitive bidding process for purchase/procurement of goods and services involving public funds of Rs. 50,000 and above in accordance with established financial procedures, CVC guidelines, technical specifications and quality standards, issue of open NIT, finalization of lowest rate etc., where agencies like AGMC/AMTRON/ARTFED etc may also participate. However, in cases of routine procurement of essential office items, consumables etc involving amounts below Rs.. 50,000, the Departments/DDOs may first ascertain lowest market rates by obtaining at least three quotations from genuine manufacturers, dealers, supplier firms, before issue of supply orders for such purchases. If any doubt arises about the reasonableness of the price offered in either case the Administrative departments/ HODs/ DDOs etc may confirm the actual market price from the Commissioner of Taxes, Assam or from the local Superintendent of Taxes.

All Departments/DDOs as well as Societies/Authorities/Agencies etc. under the Government of Assam using public funds for procurement of goods and services for public purposes are requested to take necessary action accordingly. This shall be without prejudice to the statutory provisions contained in the Assam Preferential Stores Purchase Act 1989.

(R. S. Prasad)

Commissioner & Secretary to the
Government of Assam, Finance Department