

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4135
ANSWERED ON:09.08.2002
GENERAL FINANCIAL RULES
ARUN KUMAR;RAMJI MANJHI

Will the Minister of FINANCE be pleased to state:

- (a) whether under the GFR it is mandatory to make purchase upto Rs. 10,000/- through quotation;
- (b) whether some Government Department have violated this mandate by not inviting quotations;
- (c) whether the Government propose to investigate into such cases of violation of GFR;
- (d) if so, the details thereof;
- (e) whether the exemption given from the conditions of GFR has since been reviewed; and
- (f) if so, the outcome thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE):

- (a) As per Note below Rule 2 in Appendix 8 [part-I] given in Annexure to Rule 102(1) of GFR, quotations are to be invited for all purchases of stores costing between Rs. 1000/- to Rs. 10,000/-.
- (b) to (d) It is for the individual Ministries/Department of the Government of India to strictly comply with the provisions/stipulations of GFRs.
- (e) and (f) 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 and instead following the provisions of GFRs. has been under active consideration and the DOP&T was requested to review their OM dated 14.7.1981 and adopt the provisions of GFRs, with suitable safeguards for protecting the interest of the three cooperatives.