

**GOVERNMENT OF ANDHRA PRADESH**

**ABSTRACT**

INDUSTRIES - STORES PURCHASE - Purchase of goods manufactured within the State by Government Departments, Undertakings (Statutory or otherwise), Corporations, Quasi Government bodies e.g., Zilla Parishads, Panchayat Samithis, Municipalities, Land Development Banks etc., - Orders - Issued.

**INDUSTRIES & COMMERCE (SSI) DEPARTMENT**

**G.O.Ms.No. 1020**

**Dated: 30-11-1976**

**Read against.**

1. G.O.Ms.No.769, Ind. dt.23-05-1961.
2. G.O.Ms.No.1691, Ind. dt.21-11-1962.
3. G.O.Ms.No.994, Ind. dt.14-07-1964.
4. Govt.Memo.No.483-D/65-19, Industries Dept., dt.18-08-1965.
5. G.O.Ms.No.1269, Ind. dt.13-09-1965.
6. G.O.Ms.No.558, Ind. dt.10-05-1967.
7. Govt.Memo.No.6431-D/67-1, Ind.dt.08-01-1968.
8. G.O.Ms.No.323, Ind. dt.06-04-1968.
9. G.O.Ms.No.1694, Public Works Deptt., dt.19-11-1968.
10. G.O.Ms.No.407, H.H.M.A., dt.06-05-1969.
11. G.O.Ms.No.466, Panchat Raj, dt.30-08-1970.
12. G.O.Ms.No.823, Ind. dt.10-09-1971.
13. Govt.Memo.No.5889-D/71-1, Ind. & Com. Dept., dt.02-02-1972.
14. Govt.Memo.No.4747-D/71-2, dt.12-11-1971.
15. Govt.Memo.No.1472/68-80/70-10, Ind. & Com. Dept., dt.14-03-1972
16. Govt.Memo.No.5110-D/70-10, Ind. & Com. Dept., dt.14-03-1972.
17. G.O.Ms.No.96, General Administration Deptt., dt.14-02-1976.
18. Govt.Memo.No.4247/SSI/75-1, dt.03-02-1976.
19. From the Director of Industries Lr.No.1893/MAR.Dsk.20/76, dt.27-09-1976.

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**ORDER:**

The Government have been issuing instructions from time to time to the Government Departments to purchase their requirements from the local manufacturers with a view to giving fillip to local Industries. In the Memo 7<sup>th</sup> Read above the various instructions of the Government were reiterated in a consolidated form indicating the price preferences to be allowed for the various categories of Industries. In spite of these instructions, complaints are being frequently received from the local manufactured in other states. Government therefore, re-examined the whole matter and issued instructions in the G.O. 8<sup>th</sup> Read above that all Departments should obtain prior approval of the Government Before placing orders for products manufactured outside the State when similar products are being



manufactured within the State. The Director of Industries, who was charged with the responsibility of watching the implementation of these instructions by the various Departments concerned and bringing to the notice of Government cases of violation, has brought to the notice of the Government that some of the Government Departments continues to purchase from outside the State even though similar good of requisite quality are produced within the State. It has also been brought to the notice of the Government that Government Undertakings, Corporations and quasi-Government Bodies have not been following the instructions issued by the Government in the matter of price and purchase preferences to the products made within the State on the ground that they were autonomous bodies and were not bound by the Government's instructions, thus ignoring the fact that much of the work higher to attended by the various Government Departments stood transferred to these Corporations Undertakings, & Quasi-Government bodies set up consequently much of the buying activity has gone to these orders making applicable all the Government orders issued in the matter of price and purchase of preference of stores by the Government Department to all Government Undertakings (Statutory or otherwise) Corporations and Quasi-Government bodies.

**2.** In order to ensure that all Government Departments/ Corporations, Undertakings and Quasi Government bodies implement the orders issued on the subject from time in letter and spirit without any violation the Government have examined the matter and issued the following orders:

- i) That products made in the Government Centres, Workshops and Training-Cum-Production Centres, should be given first preference by all Government Departments Undertakings (Statutory or otherwise), Corporations and Quasi-Government Bodies without calling for tenders. If there is any dispute in the matter of price, it should be settled by a 'Price Fixation Committee' consisting of representative of purchasing department organization, selling department and the Director of Industries or his nominee.
- ii) Products made by the fully owned Government undertakings and Corporations, should be given second preference in the matter of purchases. The Government Undertakings and Corporations shall draw up a list of standard items with complete specifications at the beginning of each year. The prices for such standard items shall be fixed a Committee with Director of Industries a Chairman, Managing Director of the Corporation or Undertaking producing the goods and a Cost Account from any of the Sate Undertaking or Government Company to be nominated by the Director of Industries as Members. The Committee can co-opt Department etc., The price fixation shall be done before 31<sup>st</sup> March of each year. All Government Departments, Undertakings, Corporations, and Quasi-Government Bodies shall



purchase their requirements of these standard items at the price fixed without calling for tenders.

The Government Undertakings and Corporations shall, however, participating the tenders along with other tenders in respect of non-standard items product by them. This supercedes G.O.Ms.No.558, Industries Department, dated 10-05-1967.

- iii) that all Government departments, Undertakings, Corporations and Quasi-Government Bodies should co-opt a nominee of the Director of Industries on their purchase committees, constituting such Committees wherever necessary at the level of the Head of the Department/Organization, Region and District. The Director or his nominee need not, be present on the purchase Committee, when the purchases are made from local manufacturing units only or whenever the purchases are of an ad-hoc nature of value not exceeding Rs.25,000/- at a time.

This Committee will also look into the cases of under quoting etc.,

- iv) that whenever there is a difference of opinion in the purpose committee between the nominee of the Director of Industries and the other members about the quality or suitability of a product offered by a local manufacturing concern, a technical committee consisting of representatives of buying organization, Department of Industries, Small Industries Service Institute and the Indian Standards Institution, Hyderabad branch, shall examine and make suitable recommendations to the purchase committee.
- v) that the Director of Industries and the Director of Medical and Health Services should periodically review the items procured by the Medical and Health Department from these Central Medical Stores Department, with a view to de-link the items taking into account the availability and suitability and suitability of such items from local manufacturing concern.
- vi) that the purchasing departments/organizations, should enter into annual rate contract with the local Industries wherever possible.
- vii) that Government departments, Undertakings, (Statutory or otherwise) and Quasi-Government Bodies undertaking construction of building and civil works should arrange departmental supply of the following items procuring the same from local manufacturing concerns, subject to suitability of the locally available products, at the time of the award of contracts for civil works. Alternately, it should be made obligatory on the contracting firm to purchase the products from registered local manufacturing concerns.



- a. Paints
- b. Door and Windows
- c. Steel Windows and Trusses
- d. Store-ware Pipes
- e. Sanitary-ware
- f. Mosaic Tiles
- g. C.I. Pipes and Specials
- h. R.C.C. Pipes
- i. Builder Hardware
- j. Iron Clad Switches. (As per G.O.Ms.No.515, Inds. & Com. (SSI&SP) Dept., dt.05-12-1985)

viii) that all Government Departments, Undertakings (statutory or otherwise), Corporation and Quasi-Government bodies should exempt Small Scale Industries having a valid SSI Registration Certificate issued by the Department of Industries from payment of Earnest Money Deposit and Security Deposit, in so far as the items of manufacture registered with the Dept. of Industries are concerned.

ix) that in a view of objectives of the Leather Industries Development Corporation of Andhra Pradesh that Government Departments, Undertakings (Statutory or otherwise), Corporations and Quasi-Government Bodies shall continue to purchase their requirements of foot-wear and other leather articles, from the Leather Industries Development Corporation of Andhra Pradesh without calling for tenders in accordance with the procedure laid down in G.O.Ms.No.1145, Home (ptg) Department., dt.20-08-1974.

x) that all purchasing officers of the Government Department shall amend the certificate to the contingent bills of purchases, that orders issued in this G.O. are strictly complied with.

xi) these orders will not apply to trading and will apply to items manufactured within the State.

xii) the Director of Industries shall take suitable steps to promote such industry for which there is a demand but which are not now being manufactured within the State.

xiii) the Director of Industries shall take suitable steps to promote such industry for which there is a demand but which are not now being manufactured within the State.

xiv) Non-availability certificate shall be issued by the Director of Industries.



3. In clarification of the orders issued in the G.O. 17<sup>th</sup> read above, the Government direct that hereafter the subject "Scores purchase" shall be dealt with by the Home Department along with the subjects "Printing and Stationery".

4. The Director of Industries is charged with the responsibility of Watching the implementation of Government instruction by the various Departments Undertakings and Quasi-Government Bodies and for bringing to the notice of the Government in the Home Departments, Undertakings Corporations and Quasi-Government Bodies should furnish to the Director of Industries any particulars that he may ask for regarding the purchase of any goods affected by them. The Government Department Undertakings, Corporations and Quasi-Government bodies are advised to seek the advice of the Director of Industries whenever they find any difficulty in securing their requirements of goods from the local manufacturers.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**N. BHAGAWANDAS**  
**CHIEF SECRETARY TO GOVERNMENT**

- (i) that in a view of objectives of the Leather Industries Development Corporation of Andhra Pradesh the Government Department, Undertakings (Statutory or otherwise), Corporations and Quasi-Government bodies shall continue to purchase their requirements of foot-wear and other leather articles, from the Leather Industries Development Corporation of Andhra Pradesh without caring for orders in accordance with the procedure laid down in G.O. Ms.No.1147, Home Department, dt.20-08-1974.
- (ii) that all purchasing officers of the Government Department shall exercise the discretion to the contingent bills of purchase, the orders issued in the G.O. are strictly complied with.
- (iii) these orders will not apply to tanning and will apply to items manufactured within the State.
- (iv) the Director of Industries shall take suitable steps to promote such industry for which there is a demand but which are not now being manufactured within the State.
- (v) the Director of Industries shall take suitable steps to promote such industry for which there is a demand but which are not now being manufactured within the State.
- (vi) non-availability orders shall be issued by the Director of Industries.

