**Annexure - 7**

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| logo ICFRE.gif | **PURCHASE WITHOUT QUOTATION FORM****(For Direct Purchase upto Rs.25,000/-)****(Refer Para 4.9.2)** | frilogo1.bmp |
| Ref. No. | Date |  |

**CERTIFICATE**

I/We am/are personally/jointly satisfied that the goods (described below) purchased are of the requisite quality and specification and have been purchased from the reliable supplier/contractor at a reasonable price.

|  |  |
| --- | --- |
| **Item:** |  |
| **Quantity:** |  |
| **Indenter:** |  |
| **Unit Rate:** |  |
| **Taxes/Duties:** |  |
| **Other Charges:** |  |
| **Total Unit Price:** |  |
| **Total Price:** |  |
| **Source of Fund:** |  |
| **Purchased from: M/S** |  |
| **Vide Bill No.:** |  |
| **Justification:** |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Signature** | **(Concerned Store)****Optional** | **(Indenter)****Optional** | **(HOD)** |
| **Name:** |  |  |  |
| **Division/Sec.** |  |  |  |

**Sanctioned Rs…………….…………………….from ……………..……………………………………………………………**

**(Sanctioning Authority)**

**Accounts Officer/S.O. (Admin./Project)**

**Enclosure:** Invoice (with stock entry certificate)

**Terms & Condition**

(para 4.9 of MPG-2017)

1. Direct procurement of goods without formal quotations is normally done for the smallest value procurements. This is also called petty purchase. It should be used for off-the-shelf goods of simple and standard specifications. Examples of procurement are day-to-day needs of the office and field units, and so on.
2. Procurements do not exceed the threshold (for each requirement) of Rs. 25,000 (Rupees Twenty-Five thousand) for each case.
3. The competent officer of the Procuring Entity can initiate and complete this purchase after diligent enquiries from the market and filling the certificate prescribed (Annexure 7). Such powers to a limited extent can also be given to various user sections for operational needs.
4. Selection of seller by diligent market enquiry is of essence of this mode of procurement; v) In larger cities, the presence of reputed Shopping Malls may also be included in the market survey. Reputed internet shopping portals may also be explored.

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| **Risk.** | **Mitigation.** |
| The main risk is splitting of demand to avoid higher approvals or higher modes of procurements.  | Supervisors should carry out periodic review of such procurements to ensure that the demand is not split into small quantities for the sole purpose of avoiding the necessity of getting an approval from the higher authority required for sanctioning the purchase of the original demand or for avoiding LTE or OTE mode of procurement. An annual review of such procurements shall be carried out to ensure that future anticipated requirements are clubbed and procured through LTE/OTE/RC. To keep a better control, an annual ceiling may be fixed for each office for such a mode of procurement say Rupees five Lakh for each office per year Each office should maintain records to monitor such limits.  |
| Over a period of time intentionally or otherwise, the due diligence of enquiries from market may degenerate into a mechanical obtaining of quotations leading to development of nexus and crony suppliers. Vendor selection may actually be manipulated with fake supporting vouchers. Since such small value materials do not undergo accounting and inventory control the risk of development of a nexus leakages and fake procurements and payments are there. The same set of vendors may get patronised repeatedly for a wide variety of requirements. Since only cursory visual inspections are done, quality may be at risk. | Supervisors should cross check a percentage of cases in the market for prices fake vouchers and so on. Supervisors should also check that the same vendor(s) is not being patronised repeatedly. For the sake of transparency payments should be made by cheque or through Electronic Clearance Service except that cash payment may be allowed up to Rs. 5000 (Rupees Five thousand). Staff involved with such procurements should not continue in the same role for long and should be rotated frequently. |