

**GOVERNMENT OF KARNATAKA**

NO.FD 737 FC III/2003

Karnataka Government Secretariat,

Vidhana soudha,

Bangalore, dated 27<sup>th</sup> November 2003.**CIRCULAR**

**Subject:** Nomination of officers of the Finance Department to committees relating to procurement of goods and services to be avoided Reg – Instructions regarding.

The Karnataka Transparency is Public Procurement Act 1999 and the rules thereunder, have prescribed the procedure to be followed in procurement of goods and services by the Government Departments, Panchayat Raj Institutions, Urban Local Bodies under the government, State Public Sector Undertakings, and the Statutory Boards and Corporations constituted by the government. The departments, Statutory Boards and Corporations are required to follow the provisions under the Act, the rules and the guidelines issued from time to time in their procurements. It is observed that departments, Statutory Boards and Corporations are including the representative of the Finance Department as a member of the Tender Scrutiny Committee, which is required to scrutinize and evaluate the tenders and recommend to the Tender Accepting Authority to consider the recommendation regarding acceptance of the tender.

Principal Secretaries and Secretaries to Government have been empowered to accept the tender presuming the concurrence of the Finance Department vide GO.No. FD1 TFP 2002 Dated: 20.1.2003. Accordingly the tenders have to be accepted by the authorities/officers by duly following the procedures prescribed in the KTPP Act.

The Tender Scrutiny Committee and Tender Acceptance Committee, constituted to go into processes of procurement like prequalification of vendors scrutiny of tenders, shortlisting of agencies, Tender acceptance etc., are meant to ensure scrupulous adherence to the provisions of the KTPP Act and rules thereunder, Involvement of officers of Finance Department in these committees is not required since at times the finalized procurements are sent to Finance Department, which may go through the process of scrutiny, pre-audit and adherence to provisions of KTPP Act. In that case, the representative of Finance Department who has participated in scrutiny/Evaluation/acceptance of tenders as the case may be, will be reviewing the earlier decisions, which is not contemplated in the Act.

The Departments, Statutory Boards and Corporations are equipped with the necessary technical and financial personnel to aid and assist them in effective appraisal of the proposals. The services of these officials should be utilized for effective appraisal of the proposals for decision-making and inclusion of representatives of the Finance Department in different Committees of the departments relating to procurements should be avoided.

**(B.K. DAS)**ACS and Principal Secretary to Government,  
Finance Department