

**Indian Institute of Information Technology,
Allahabad**

**Office of the Dy. Registrar (Finance & Accounts)
(Internal Audit Wing)**

F.No.: IIIT-A/DR(F&A)/Internal Audit/ 2017/31
Dated: 30/11/2017

CIRCULAR

Subject:- Piecemeal purchases – Regarding

It has been observed during internal audit of bills of expenditure that in some cases **splitting of procurement of items up to value of Rs. 15,000/- on single quotation**, which are required for the office / research activities of the Institute, are being done by the concerned persons **on the pretext of making emergent purchases** to avoid sanction of higher authority. This is incorrect in principle.

In this connection, General Financial Rules 2017, Rule 157 stipulates that, **“A demand for goods should not be divided into small quantities to make piecemeal purchases to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand”**.

Piecemeal purchases results in unfair competition and also deprives the Institute from the benefit of bulk purchases and quantity discount etc. Therefore, it should be ensured that all the purchases should be made in a transparent, competitive and fair manner. The requirements of various store items, lab items etc. should be foreseen sufficiently in advance to avoid the necessity of making emergent purchases at comparatively higher cost.

All concerned are hereby requested to scrupulously adhere to the aforesaid instructions in the best financial interest of the Institute.

Dy. Registrar (Finance & Accounts)

Copy to:-

- Director -- for information.
- All Faculty / Officers / Staff Members