

GOVERNMENT OF ANDHRA PRADESH
INDUSTRIES AND COMMERCE DEPARTMENT

Memorandum No.1541/SSI-A2/93-6.

Dated 27-05-1994.

Sub: Purchase Preference to the Local SSI Units and purchase of Reserved items from A.P. Small Scale Industrial Development Corporation Ltd., - Instructions reiterated.

Ref: 1) G.O.Ms.No.1020, I&C, Dt. 30-11-1976.
2) Govt. U.O.Note No.4257/SSI/76-4, Dt. 15-12-1976.
3) G.O.Ms.No.437, I&C, Dt. 05-09-1983.
4) G.O.Ms.No.181, I&C, Dt. 09-04-1985.
5) G.O.Ms.No.204, I&C, Dt. 04-06-1992.

Orders have been issued in the G.Os 1st and 3rd cited, making it obligatory on the part of Government Department, State Public Sector Undertakings and the Quasi Government Organisations to purchase their requirements from local SSI Units and not to purchase from outside the State if such products are manufactured by local SSI Units and available within the State.

2. Subsequently, in the G.Os. 4th and 5th cited, Government have issued orders reserving 17 items for exclusive supply through A.P. Small Scale Industrial Development Corporation Ltd., to various Government Departments, Corporations etc.

3. It has been brought to the notice of the Government that the Government Departments / Undertakings etc., are not adhering to the instructions issued in G.Os. 1st and 3rd cited and they are calling for quotations and purchases are being made from outside the State also. The units located outside the State are quoting lesser rates, in view of the lower rates of sale tax there, when compared to the rates of tax in Andhra Pradesh State. Thereby, local SSI Units are not able to competes with them. The implementation of the above G.Os. has reviewed in a meeting convened by Chief Secretary on 24-03-1994.

4. The Government reiterate the provisions contained in the said G.O. with regard to the purchase preference given to the local SSI Units and that all the Government Departments / Corporations, etc., should purchase their requirements only from the local SSI Units and they should not buy any of their requirements from outside the State, if they are manufactured and available within the State, subject to the quality of the product, etc., being equal and there shall not be any price preference.

5. The A.P. Small Scale Industrial Development Corporation will continue to handle the 17 items already reserved for supply through the Corporation. In view of the above directions, Government have now decided that the Commissioner of Industries should give a 'No Objection Certificate' to permit any Government Departments / Corporations / Boards and other Government sponsored related organizations / Corporate Bodies for purchases outside the State.

6. All the Departments of Secretariat are therefore requested to bring these instructions to the notice of all concerned under their administrative control for strict compliance.

7. The receipt of this memorandum should be acknowledged.

K. Jayabharatha Reddy
Chief Secretary to Government

//f.b.o.//

// True copy//

Sd/-
SECTION OFFICER