



FINANCE DEPARTMENT  
GOVERNMENT OF SIKKIM  
SECRETARIAT, BLOCK-B  
GANGTOK

No. GOS/ FIN/ ADM/ 02

Dated: 24 / 08/ 2021

NOTIFICATION

The State Government has been procuring most of its requirements either through the State Trading Corporation of Sikkim or Sikkim State Co-operative Supply & Marketing Federation Ltd. The basic aim of procurement through these Public Sector Undertakings is to achieve just the right balance between cost and the requirements following five parameters viz: right quality, right quantity, right price, right time and place and right source. For this, the PSUs are given free hand to procure materials from the various sources. The State government has also authorized the release of **Fifty Percent Advance** against any order placed with them on submission of Proforma Invoice.

However, on scrutiny of various proposals of the departments submitted for concurrence, it has been observed that these PSUs are not obtaining bank guarantee from the Manufacturer/ Distributers, Dealers and Supplier against the advances given to them.

Now, in order to protect the interest of the State Government and to avoid any probable misuse of public funds, it has been decided that no advances shall be released to these State Public Sector Undertakings and the Cooperatives without submission of valid **Bank Guarantee** for equivalent amount from any scheduled bank located at Gangtok. Similarly, the State Trading Corporation of Sikkim and Sikkim State Co-operative Supply & Marketing Federation Ltd. shall also in turn obtain Bank Guarantee for equivalent amount before they release any advances to the suppliers and shall ensure its validity till the closure of the contract agreement. The Finance Department shall scrutiny and checks all relevant documents and bank guarantee at the time of concurrence of the proposal for drawal of advance.

Further, the State Trading Corporation of Sikkim and Sikkim State Co-operative Supply & Marketing Federation Ltd shall not divert any of the funds placed at their disposal either inter department or intra department to enable the advancing units to settle the advance drawn against each advance at a stipulated timeline.

By order and in the name of Governor

  
(V.B.PATHAK) IAS 24/8/2021  
ADDITIONAL CHIEF SECRETARY  
FINANCE DEPARTMENT

Memo No / Fin/ Adm /02-13

Dated 24.08.2021

Copy to:

1. Secretary to Hon'ble Governor of Sikkim
2. Secretary to Hon'ble Chief Minister, Government of Sikkim
3. Private Secretary to all Hon'ble Ministers, Government of Sikkim
4. Staff Officer to Chief Secretary- Government of Sikkim
5. P S to all Additional Chief Secretary
6. All Heads of Departments
7. Registrar General of High Court of Sikkim
8. Principal Accountant General of Sikkim, Lekha Pariksha Bhawan, Deorali
9. Managing Director- STCS
10. Managing Director- SIMFED
11. All District Collectors, East/West/South/North
12. All officers of Finance Department
13. Jt. Secretary- Home Department for publication in the Official Gazette
14. Deputy Director ( IT) for publication in website
15. Office Copy & Guard file

  
Secretary cum Controller of Accounts  
Finance Department