

# Store & Purchase Manual

Guidelines for Procurement of  
Goods & Services, Stores & Issue of Stocks  
Version 01/2020



Indian Institute of Management Jammu  
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## **Chapter 1: Introduction and Principles of Purchase**

### **1.0.0 Introduction**

#### **1.1.0 About the Manual**

The policy of the Indian Institute of Management Jammu is to make procurement of Goods & Services in such a way that efficiency, economy, and transparency in the processes of procurement can be envisaged and the human resource involved in the process can effectively exercise their financial powers for making procurements in all stakeholders' interest.

This procurement manual elaborates on the principles of segregation of responsibilities between requisitioning and procurement departments by specifying several of such separate and distinct functions within the overall procurement system. The procurement manual underlines the best practices available to help the institute to procure goods and services that meet the specifications at the best value for money and within the required time frame. This manual should be used as the definitive guide for procurement rules and should be followed in letter and spirit.

All rules as mentioned in General Financial Rules 2017 (GFR 2017) and Manual for Procurement of Consultancy and Other Services 2017 along with amendments/modifications notified by the Ministry of Finance (Govt. of India) from time to time will be applicable for procurement of goods and services at IIM Jammu.

Nominated Purchase officer (AO Admin (S&P)) may propose an addition/alteration/modification of rule time to time to meet the compliance requirements as per the approval of the Director. Director of the Institute may relax any rule for a particular purchase file in case to case basis provided that it is duly recommended by the concerned Institute Purchase Committee (IPC)/Institute Purchase Committee (IPC)/ Local Purchase Committee (LPC) with detailed justification. However, any such relaxation cannot be ground for relaxation in other purchase files / other cases.

These rules are not applicable in case of Works / Building construction/purchases of Books, Periodical, and Journal for the Institute Library/ special collaborative projects.

#### **1.2.0 Fundamental Principles of Public Buying**

Every authority delegated with the financial powers of procuring goods in the public interest shall have the responsibility and accountability to bring efficiency, economy, and transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement.

The procedure to be followed in making public procurement must conform to the following yardsticks:-

- (i) Public buying should be conducted in a transparent manner to bring competition, fairness, and elimination of arbitrariness in the system. This will enable the prospective tenderers to formulate competitive tenders with confidence.



- (ii) The specifications in terms of quality, nature of items, etc., as also quantity of goods to be procured, should be clearly indicated keeping in view the specific purpose/objective and needs of Lab/department/section of the institute. The specifications so worked out should meet the basic needs of the Lab/department/section without including superfluous and non-essential features, which may result in unwarranted expenditure. Care should also be taken to avoid purchasing quantities in excess of the requirement to avoid inventory carrying costs.
- (iii) The tender document should clearly mention the eligibility criteria to be met by the Tenderers such as minimum level of experience, past performance, technical capability, manufacturing facilities, financial position, ownership or any legal restriction, etc.
- (iv) Offers should be invited by following a fair, transparent, and reasonable procedure, relevant to the objective of the purchase.
- (v) The procuring authority should be satisfied that:
  - (a) The selected offer adequately meets the requirement in all respects.
  - (b) The price of the selected offer is reasonable and consistent with the quality required.
- (vi) Purchase should not be split to avoid obtaining approval of the appropriate competent financial authority.
- (vii) At each stage of procurement, the authorized procuring authority must place on record, in precise terms, the considerations which weighed with it while taking the procurement decision.
- (viii) Restrictions on who is qualified to tender should conform to the extent of Government policies and be judiciously chosen so as not to stifle competition amongst potential Tenderers.
- (ix) The procedure for preparing and submitting the tenders; the deadline for submission of tenders; date, time & place of the public opening of tenders; requirement of earnest money and performance security; parameters for determining the responsiveness of tenders; evaluating and ranking of tenders and criteria for full or partial acceptance of tender and conclusion of contract should be incorporated in the tender enquiry in clear terms.
- (x) Tenders should be evaluated in terms of the criteria already incorporated in the tender document, based on which tenders have been received. Any new condition, which was not incorporated in the tender document, should not be brought into consideration while evaluating the tenders.
- (xi) Sufficient time should be allowed to the Tenderers to prepare and submit their tenders.
- (xii) Suitable provisions should be kept in the tender document allowing the Tenderers reasonable opportunity to question the tender conditions, tendering process, and/or rejection of its tender and the settlement of disputes, if any, emanating from the resultant contract.

- (xiii) It should be made clear in the tender document that Tenderers are not permitted to alter or modify their tenders after the expiry of the deadline for receipt of tender till the date of validity of tenders and if they do so, their earnest money will be forfeited.
- (xiv) Negotiations with the Tenderers must be severely discouraged, however, in exceptional circumstances, where price negotiations are considered unavoidable; the same may be resorted to, but only with the lowest evaluated responsive Tenderer, and that too with the approval of the competent authority, after duly recording the reasons for such action.
- (xv) The name of the successful Tenderer to whom the supply contract is awarded should be appropriately notified by the purchase section for the information of the general public, including a display at the notice board, website for Purchases above Rs. 25.00 lacs.
- (xvi) **Efficiency, Economy, and Accountability:** Public procurement procedures must conform to exemplary norms of best practices to ensure efficiency, economy, and accountability in the system. To achieve this objective, the following key areas should be taken care of:
- (a) To reduce delays, each Department should prescribe an appropriate time frame for each stage of procurement; delineate the responsibility of different officials involved in the purchase process and delegate, wherever necessary, appropriate purchase powers to the lower functionaries with due approval of the competent authority.
  - (b) Each Department should ensure the conclusion of the contract within the original validity of the tenders. Extension of Tender validity must be discouraged and resorted to only in absolutely unavoidable, exceptional circumstances with the approval of the competent authority after duly recording the reasons for such extension.
  - (c) The specifications of the item required must be finalized before sending the queries. Efforts should also be made to use standard specifications that are widely known.
  - (d) Enquiry to the vendors can be sent through post or Email. Oral enquiries are not permitted and hence should be avoided. All copies of letters/ emails to the Vendors should be kept in the Purchase files.
  - (e) Informal correspondence with vendors is not permitted.
  - (f) All the correspondence should be made by the Store & Purchase Officer (SPO).
  - (g) In case, the item is of proprietary nature, the requisite certificate to that respect must be issued by the indenter and countersigned by the Chairman of the Purchase Committee. The Proprietary Certificate should not be Model Number Based and also should not be issued as routine. Proprietary feature(s) should preferably be mentioned.
  - (h) In case, a specific item/ equipment is required, the reason for this should be fully justified, rather than issuing a Proprietary Certificate for a specific model/item.
  - (i) The payment and other terms should be clearly mentioned in the Purchase Order and in case of any deviation; prior approval of the competent authority should be obtained.
  - (j) Training, demonstration, etc. of the equipment which is not part of the Purchase Order, are not allowed. In case, the provision for training, demonstration, etc. is provided in the P.O., it should be ensured that no hospitality is received from the Vendor or the Agent and the charges if any for the training/demonstration, if any,



must be clearly indicated in the P.O.

- (k) No commercial discussions can be carried out by any employee(s) other than the Purchase Committee approved for this purpose.

### **1.3.0 Objective and Functions of Store & Purchase Department**

#### **1.3.1 Objective**

- (i) To maintain the uninterrupted flow of goods and services to support the development schedules of the Institute.
- (ii) To procure goods and services economically at a cost consistent with the quality and service required. However, generally, all purchases may be attempted at the lowest cost.
- (iii) To maintain Organization reputation and credibility in the market by fair evaluation of bids and quotations, transparent, timely issue of purchase order or contracts, and timely payment of dues.

#### **1.3.2 Function**

- (i) Procurement of stores through indigenous and foreign sources as required in accordance with the rules in force.
- (ii) Checking of requisitions/purchase indents.
- (iii) Maintain the safety stock/minimum level of stock of consumable items. Certain factor needs to be considered while deciding safety stock/minimum level of stock such as lead time, rate of consumption, nature of material & re-ordering level for uninterrupted flow of consumable items.
- (iv) Monitoring and tracking of budgets and utilization of funds as per the Annual Budget.
- (v) Selection of suppliers for the issue of enquiries.
- (vi) Issuing enquiries/tenders and obtaining quotations.
- (vii) Preparation of comparative statement.
- (viii) Preparation of Sanction Sheet & Minutes
- (ix) Issue of Purchase Orders.
- (x) Follow-up of purchase orders for delivery in due time
- (xi) Verification and passing of suppliers' bills to see that payments are made promptly.
- (xii) Correspondence and dealing with suppliers, carriers, etc., regarding shortages, rejections, etc.,
- (xiii) Maintenance of purchase records.
- (xiv) Maintenance of progressive expenditure statement, sub-head wise.
- (xv) Maintenance of vendor performance records/data.



- (xvi) Clearance of foreign consignments.
- (xvii) Preparing reports and statements of Institute purchase for DSIR certificate for availing custom duty and excise duty exemption.
- (xviii) Maintenance of Central Stores.
- (xix) Annual Maintenance Contracts.
- (xx) Maintenance of records of Advance and settlement.
- (xxi) Serving as an information center on the materials' knowledge i.e. their prices, source of supply, specification, and other allied matters.

#### 1.4.0 Abbreviations and Definitions

##### 1.4.1 Abbreviations

AO	– Administrative Officer
AS	– Accounts Section
CA	– Competent Authority
CI	– Consultant In-charge
CS	– Consumable Stores
CFA	– Competent Financial Authority
CPPP	– Central Public Procurement Portal
IPC	– Institute Purchase Committee
DOFP	– Delegation of Financial Powers
DORD	– Dean (R&D)
SAO	– Sr. Admin Officer
FC	– Financial Concurrence
GeM	– Government e-Marketplace
GFR	– General Financial Rules
HOD	– Head of the Department
IA	– Internal Audit
IPC	– Institute Purchase Committee
IR	– Inspection Report
LPC	– Local Purchase Committee
NCS	– Non-Consumable Stores
S&P	– Purchase & Stores
PC	– Project Coordinator

PI – Principal Investigator  
 PPF – Purchase Proposal Form (Indent Form)  
 PSO – Purchase & Stores Officer  
 AO R&D – Research and Development Office

#### 1.4.2 Definitions/Glossary

**Approved format:** At different places in this document reference is made to approve formats. All such formats shall be approved by the Director from time to time. The approved formats, as at present, are enclosed in Appendices I - XIII.

**Competent Authority:** The financial limits up to which the concerned person has the authority to approve purchases within the allocated budget of the department/ project/ financial area as specified in 'Financial Sanctioning Powers'.

**Department:** Department shall imply Department/Inter-Disciplinary Program/Centre/Central Facility/Section or any entity in the Institute which has a separately allocated budget.

**Indenter/ Purchaser:** The individual who initiates and signs the purchase proposal (Indent) form shall be referred to as an indenter.

**Project:** Project shall mean and include any sponsored research, a consultancy project, or any other activity which has a valid project number, given by the R&D office of the Institute.

**Program:** Program shall mean and include any Management Development Program, Advanced Management Program, Faculty Development Program or any Program under Executive Education

**Principal Investigator/ Project Coordinator:** An employee or any person authorized by the competent authority of the institute whose name is recorded as a Principal Investigator/ Project Coordinator in the records pertaining to the project in the R&D office.

**Temporary Contingent Advance:** It is an advance that can be taken to meet contingent expenses on NCS/CS/Miscellaneous items. This should normally be taken from the appropriate budget head.

#### 1.5.0 Classification of Stores

Types	Non-Consumable Stores (NCS)	Consumable Stores (CS)
	a) stores which are intended to be used over prolonged periods before becoming unusable/ unserviceable/beyond economic repair or obsolete, b) stores having a significant disposal value, c) stores which are sub-systems or parts of equipment, which can be potentially	a) stores which exhaust with the lapse of time, b) stores which are rendered unusable due to normal wear and tear, c) stores which do not have significant disposal value, and

	repaired and reused, and d) Stores that are either fabricated or assembled equipment or which if bought as a single item would have been classified as Non-Consumable Stores. e) stores which have significant value when purchased but rapidly lose their value/relevance with the lapse of time and have very little or negligible disposal value, and/or f) stores which can be upgraded either by replacing components/parts or which can be rendered obsolete by the release of new versions or editions.	d) Spares of equipment which do not fall either in the NCS category.
<b>Stock Entry</b>	Asset Register of the institute and the NCS Stock Register of the appropriate department	CS Stock Register of the appropriate department. For projects, the CS shall be entered in the CS Stock Register for the project.

- (i) All Permanent Assets have to be entered into the Assets Register of the Institute and the NCS Stock Register of the appropriate Department. Examples: plant machinery, equipment, fabricated equipment, instruments, assembled instruments, motors, gas cylinder, workshop machines, furniture, computers, laptops and other peripherals like computer accessories, software, printers, monitors, UPS, mobiles, etc. (examples are indicative and not exhaustive).
- (ii) The CS shall be entered in the CS Stock register of the appropriate department. For projects, the CS shall be entered in the CS Stock register. Examples: chemicals, Glassware, plastic wares, Hardware, stationery items, printer ribbons and cartridges, External Hard drive, Pen drive, RAM, CD ROMs, chips and electronic components like resistors, capacitors, connectors, electrical components like wire, switches, plugs, bulbs, cells, tool-bits, and hand tools, etc. (examples are indicative and not exhaustive).






## **Chapter 2: Pre-requisite for Purchase of Goods**

### **2.0.0 Stages of Procurement**

The procurement of material of the Institute can be generally divided into the following distinct stages:

- (i) The budget Provision.
- (ii) Prioritization of purchase of equipment, machinery, furniture, etc. during the financial year from the Institute budget based on the needs & priorities may be given to the sponsored projects.
- (iii) Preparation of specification/identification of the exact requirement by the indenting officer/faculty member or by Purchase Committee (PC) through Pre-Indent discussion/presentations or Conference (wherever required) in case of high-value purchases.
- (iv) Placing of the Indent by the faculty members and other officers concerned after verifying the non-availability of stock.
- (v) Consideration of the indents by the respective Purchase Committee, wherever required.
- (vi) Calling for tender/quotations wherever required and processing of tender papers by the Purchase Committee.
- (vii) Evaluation of the tenders/quotations by the Indenter/Purchase Committee (PC) and recommendations of the committee for the final decision.
- (viii) Submission of the proposal for financial sanction.
- (ix) Placement of orders/Award of contract.
- (x) Arrival of equipment and inspection,
- (xi) Installation and commissioning
- (xii) Certification by indenter
- (xiii) Bills processing, checking & verification with purchase/work order by SPO
- (xiv) Submission of the bill to the account department for payment

### **2.1.0 The Budget Provision**

Purchase will be made as per the approved annual/revised budget of the institute. All the department /activity head should adequately plan the procurement of goods & services while preparing the budget. No Purchase will be made by the departments unless there is a specific budget provision for such a Purchase.

Processing of indents for any purchase can be made by the departments even without specific budget allocation for the current year provided such cases are cleared for administrative processing by the Competent Authority but the final order shall be placed only after funds have become available.

### **2.1.1 Prioritization for Purchase of equipment, furniture, and other items.**

All purchases that are made during the year from the Institute funds will normally be in accordance with the finalized list. However, depending upon the exigencies of requirement, the priority list for the purchase of equipment/materials out of Institute funds may be amended with the approval of the Competent Authority.

The items mentioned in the project approval letter from the sponsoring authority will normally be taken up on a priority basis for sponsored projects. In order to meet emergency requirements and Purchases within the powers delegated, it would be desirable that a certain amount of the budget allocated is kept as a reserve and such Purchases should be made from within this reserve. However, this decision will be taken in consultation with the Finance Department and with the approval of the competent authority.

### 2.1.2 Indents and specification

#### Placing of the indent by the Indenter

Placing the indent by the Indenter: In order to buy the best product, it would be desirable that a rigorous pre-indent exercise is carried out by the concerned Indenter /Section/Division of the Institute. Whenever an indent is placed by the faculty/another concerned official, he has to ensure that the following details accompany it:

- (a) A detailed description of the equipment/material including a brief description of its function and detailed specifications including whether the requirement is fresh or additional or replacement along with a certificate that the specifications are complete and correct to meet the requirement fully. (As per the indent form attached at Appendix- I)
- (b) The details, such as availability of spares, arrangement for maintenance, etc.
- (c) The estimated cost of equipment/item including quantity required.
- (d) The list of available vendors, their addresses, past experiences if any, and their website address may be given by the indenter wherever available.
- (e) A description of space required for the equipment/material, the installation area, and other infrastructural requirements such as power, civil works etc. wherever applicable.
- (f) The approximate period required for the equipment/item to become operational from the date of its arrival.
- (g) Tentative inspection schedule.
- (h) Emergency Purchase Certificate, in case of purchase, is to be made on an emergent basis.
- (i) "Proprietary Article Certificate (PAC)", in case the purchase is to be made on the proprietary usage basis. The PAC Certificate as per Appendix II - needs to be given by the indenter.
- (j) Splitting of indents, in order to bring it outside the ambit of the open tender method is not desirable.
- (k) Demand should not be deliberately divided by the indenter to avoid the necessity of obtaining sanctions of higher Authority.
- (l) The indenting department must ensure that sufficient budgetary provision is available in the approved annual budget. The indenting department should be mentioned budget available, budget used till date, budget for intended goods/services (estimated cost), and the balance left. In case of insufficiency of budget availability for indented goods/services, prior approval of the Director is required.

**Approval of Indent** - The financial limits up to which the concerned person has authority to approve and sanction purchases within the allocated budget of the department/project/functional area is as per the financial limits as per 'delegation of powers (DOP)'.



**Blocking of Budget** - Finance & Account Department will block the required fund for the proposed indent, which is called Financial Concurrence. Before initiating any purchase, the concerned Head must ensure the availability of the required budget/fund i.e. Financial Concurrence (FC) should be obtained. In the absence of FC, the purchase procedure must not be initiated. An indent should be considered by the final indent approving authority only after ensuring of fund availability and FC. FC should normally be accorded for 5% above the estimated cost.

### 2.1.3 Specifications

While framing specifications of the conformity of the indented item to the following points must be ensured:

- (a) The specifications of the required goods should be framed giving sufficient details in such a manner that it is neither too elaborately restrictive as to deter potential tenderers or increase the cost of purchase nor too sketchy to leave scope for sub-standard product.
- (b) The specifications must meet the essential requirements of the user department.
- (c) Specifications should aim at procuring the latest product and avoid procurement of obsolete goods.
- (d) Specifications should have emphasis on factors like efficiency, optimum fuel/power consumption, use of environmental-friendly materials, reduced noise and emission levels, low maintenance cost etc.
- (e) The specifications should confirm to the latest BIS standards. In cases where Indian Standards do not exist or, alternatively, decision needs to be taken to source the foreign markets also, International Standards (like ISO etc.) may be adopted. Where no widely known standards exist, the specifications shall be drawn in a generalized and broad-based manner to obtain competitive bids from different sources.
- (f) The indenting officer while formulating the specifications should ensure and also certify that the specifications are complete and correct to meet the requirement fully.
- (g) All dimensions incorporated in the specifications shall be indicated in metric/ SI units. If due to some unavoidable reasons, dimensions in (Foot-Pound-Second (FPS) units are to be mentioned, the corresponding equivalents in the metric/ SI system must also be indicated. The specifications/ technical details should be expressed with proper clarity without any ambiguity or double meaning. Wherever necessary, the written specifications should be supplemented with drawings for additional clarity.
- (h) **Specifications for purchase of high value equipment and materials** - The specification of these materials may be finalized (wherever felt necessary) by the Purchase Committee (PC) through a Pre-Indent discussion, presentations, conference with prospective vendors or with the help of external expert.
- (i) **Recording of no-stock certificate by the Stores Department** - If the stock position is available on intra net and updated regularly the Indenter himself may certify the non-availability of stores. Otherwise the indent together with its enclosures will be sent to the Stores Department which will verify its stock and render a no-stock certificate wherever applicable.
- (j) **Processing of Indents** - The relevant/approved indents shall be thoroughly checked and processed as per rules. Faulty or incomplete indents may be returned to the indenter normally within three working days. Minor defects in the indents, however, should be set

right by discussions with the indenters.

- (k) The Purchase Officer shall check that items sought to be imported do not fall within the restrictive list contained in the EXIM policy of Government of India.
- (l) Since speed is the essence of any Purchase, during pre-audit vetting of the indents must play a facilitating role. This role is to guide the Indenter in order that the right item is bought at the competitive price. If necessary, he could help the indenter raise the indent in the correct manner by giving him relevant inputs.
- (m) SPO should combine as many items of same type as possible in one tendering process is expected.

#### **2.1.4 Pre-Indent Conference (PIC)**

The pre-Indent conference involves formal interaction with prospective manufacturers/suppliers before framing specifications. The IPC/ DPC/PPC as the case may be shall hold a pre-indent conference to finalize the specifications (if felt necessary) of the required item as per following:

- (a) On an assigned date the prospective manufacturers, their authorized channel partners or agents/suppliers and system integrators, may be called for discussion with the committee. Copy of the Manufacturer's Authorization Form is enclosed in Appendix III
- (b) If need is felt, separate demonstration/presentation can also be sought from the prospective vendors at convenient time and interval at the Institutes or in rare cases demo can be seen by the chairman or some members of the committee at suppliers' premises or any other installation in India for which approval of the Sanctioning Authority may be necessary.
- (c) The indent raised on the basis of specification finalized will be sent to purchase Section who will invite quotations/tender from the recommended parties in two bid mode as per rules.
- (d) For the sake of transparency and in order to ensure that genuine parties participate in the PIC, Expression of Interest (EOI) can be sought from reputed firms.
- (e) Proper records of the participants who attended the PIC, minutes of meeting is to be kept by the indenting department.





## Chapter 3: Purchase of Goods

### 3.0.0 Modes of Procurement

S. No.	Goods Value	Disposing End	Process
1	Upto Rs. 25000 (GFR: 154)	Department/ Section	Purchase from relevant source without indent and quotations with valid GSTIN invoice. Invoice to be sent after stock entry and certification to Account Section for payment / reimbursement.
2	Rs. 25,000 – Rs. 2,50,000 by market survey through LPC (GFR: 155)	Department/ Section	The LPC as approved by as approved by the Director shall be responsible to carry out purchase. The LPC will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. The LPC will certify the quality and price reasonability.
3	Rs. 25,000 – Rs.2,50,000 through bidding		The IPC as approved by Director responsible to carry out purchase by inviting quotations from at least three bidders through email/hard copy and issue the PO to L1 responsive bidder subject to availability of fund and Sanction of CFA.
4	Rs. 2.5 Lakhs – Rs. 25 Lakhs through bidding	Purchase Section	The IPC as approved by Director will recommend the indent for approval by CFA. After the approval of Indent, S&P section will invite quotations (in two bid system as applicable and prepare the checklist and Comparative Statement to be sent to IPC for further recommendation to issue the PO to responsive L1 bidder subject to availability of Fund (FC), Internal Audit Clearance and Sanction by CFA.
5	Rs. 25.00 Lakhs and Above (a) Advertised Tender Enquiry (b) Limited Tender Enquiry (c) Single Tender Enquiry (GFR 158 and 160)		The IPC as approved by Director will recommend the indent for approval by CFA. After the approval of Indent, S&P section will invite quotations (two bid system except single tender enquiry) as applicable and prepare the checklist and Comparative Statement to be sent to IPC for further recommendation to issue the PO to responsive L1 bidder subject to availability of Fund (FC), Internal Audit Clearance and Sanction by CFA.
6	Purchase of Goods from GeM (GFR 149)	Individual/ Department/ Section/ Purchase Section	As per section 4.3 of purchase manual following Institute directives/GFR

*M. Hasad*

*[Signature]*



### **3.1.0 Purchase of Goods/services through Government e-Marketplace (GeM) (GFR : 149)**

Procurement of Goods and Services available on GeM are required to be procured mandatorily through GeM as per the directive from GoI as amended from time to time. The GeM portal may be utilized by institute for direct on-line purchases as under:

- (i) Up to Rs. 25,000/ through any of the available suppliers on the GeM, meeting the requisite quality, specifications and delivery period.
- (ii) Above Rs. 25,000/- and upto Rs.5,00,000/- through the GeM seller having lowest price amongst the available sellers, of at least three different manufacturers, on GeM, meeting the requisite quality, specifications and delivery period.
- (iii) Above Rs. 5,00,000/- through the supplier having lowest price meeting the requisite quality, specifications and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM. (excluding Automobiles where limit is Rs. 30,00,000)

Appropriate directive from the competent authority at Institute will be issued to the Departments/Sections as applicable.

### **3.2.0 Purchase of goods without quotations (GFR : 154)**

Purchase of goods up to a value of Rs. 25,000/- (Rs. Twenty-Five Thousand only) on each occasion may be made without raising indent and inviting quotations/bid subject to approval of competent authority (PI/PC/CI/ Head of the Department/ Centre/Section/ Unit) on the basis of a certificate recorded by him/her. The format of the certificate attached as Appendix-IV Such purchases shall fulfill the following requirements.

- (a) The requirement is urgent but was not covered in the procurement plan.
- (b) The competent officer of the Procuring Entity can initiate and complete this purchase after diligent enquiries from the market.
- (c) Selection of seller by diligent market enquiry is of essence of this mode of procurement
- (d) The procured items shall be entered in the appropriate Stock Register/Assets Register maintained by the concerned Department.
- (e) After checking with recommendation for payment, the invoice may be sent to the Accounts Section for payment to the supplier.

### **3.3.0 Purchase of goods by Local Purchase Committee (GFR : 155)**

Purchase of goods costing above Rs. 25,000 (Rupees twenty-five thousand only) and upto Rs.2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee (LPC) consisting of three members of an appropriate level as decided by the Head of the Department/Section.

The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate attached as Appendix-V The Indent for purchase of goods by LPC must be approved by the competent

authority.

- (i) Purchase of good up to Rs. 2,50,000/- will be taken up at the departmental level.
- (ii) All stores of value more than Rs. 2,50,000/- need to be indented through a Institute Purchase Committee (IPC).
- (iii) The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier;
- (iv) Purchase of goods up to Rs. 2,50,000 by the LPC by calling quotations through e-mail/written enquiry and placing formal purchase order to L1 responsive bidder. At least 3 quotations are required.
- (v) Selection of suitable product and supplier by actual market survey (not by calling of tenders like a mini LTE) is of essence of this mode
- (vi) No Purchase will be made without obtaining Finance Concurrence from the respective budget head.
- (vii) The Director/CAO vested with financial powers will be the sanctioning authorities for the expenditure within the limits of this clause including advance payments if required.

### **3.3.1 Constitution of LPC:**

- (a) Chairperson
- (b) Co-Chairperson
- (c) Head of Intending Department – Member
- (d) One Officer
- (e) Senior staff members – Member
- (f) SPO will act as member secretary to the committee.

#### **Note:**

- (i) In project/program related purchase, PI/PC/CI shall be one of the members of LPC
- (ii) Quorum–Minimum three members (Chairman or Co-Chairperson, one member as at sl. no.- d or e and Indenter are compulsory). In the absence of Head, the official having charge of Head may convene the LPC meeting.
- (iii) Each LPC will be constituted with the approval of Director.

### **3.3.2 The function of LPC shall be:**

- (a) to examine the need of purchase,
- (b) to suggest complete specification of the store indented, and
- (c) to indicate available source of supply in case of scientific/ technical / sophisticated/made to order equipment's,
- (d) To examine the authenticity of proposal wherever required,
- (e) To examine the Techno-commercial / technical bids / EoI / price bids and give suitable and logical recommendation
- (f) To review its recommendation in response of Internal Audit section if any
- (g) LPC will be fully responsible for item procurement justification, price justification, and justification about proprietary nature of the item.
- (h) LPC will be fully responsible for any kind of query / observation / para of CAG audit or internal audit or CVC and any kind of lapses in purchase procedures etc.

### **3.3.3 The recommendation of the Committee would be put up for approval of the competent**



authority by the Indenting Department/ Section. After getting approval, the proposal will be forwarded to the Purchase section for taking procurement action.

#### **3.4.0 Purchase of goods by obtaining bids at Purchase Section**

- (a) Purchase of all stores above Rs.2,50,000/- will be taken up by the Purchase Section based on the requisition/indent received from the Heads of the Department/Centre/PC/CI along with the recommendations of the IPC and approval of Competent Authority (CA).
- (b) SPO will prepare the draft tender in consultation with the intending department and submit it before IPC for review purpose.
- (c) All bids will be obtained through e-procurement system of CPPP in electronic/physical mode or mode suggested by MHRD only. However, quotations can be called either electronically or by registered post/ speed post/courier service in sealed covers by recording the reason for such decision and approval of competent authority to be obtained., in the latter NIT must be published/hosted on the CPPP.
- (d) All bids will be obtained in two-bid system (simultaneous receipt of separate technical and financial bids) through e-procurement system in electronic mode or other mode only.
- (e) The Notice Inviting Tender (NIT) shall be hosted on the institute's website and Central Public Procurement Portal (CPPP).
- (f) For procurement of goods of estimated value of Rs. 25 Lakhs (Rupees Twenty-Five Lakh) and above, advertisement for NIT should also be made in the Central Public Procurement Portal (CPPP) and GeM.
- (g) There should be minimum 21 days from the date of floating of the tender for submission of bids by the prospective bidders. However, in exceptional circumstances or urgency, after recording the reasons of doing so, minimum no. of days can be reduced not less than 7 based on the recommendation of IPC and approval of competent authority.
- (h) Bid opening dates will be kept two days after the bid submission deadlines for all e-procurement modes and same day for hard-copy sealed tender mode. Bid submission deadline and its opening date must be a working day only. If these dates fall under any holiday or weekend day, then these dates will be re- scheduled suitably by S&P section.
- (i) The bidders may be informed the date, time and venue of tender opening for their attending the same, if interested.
- (j) In case of number of submitted bids are less than three, then S&P section will extend the bid submission deadline by another one/two weeks. Even after this extension, total number of bids is less than three, and then bids will be opened irrespective of number of bids (even if one bid is received) on this extended scheduled date & time.
- (k) If total number of submitted bids is zero, then the purchase process will be closed and the indent will be cancelled.
- (l) After opening of bids, the techno-commercial / technical bids will be forwarded to IPC for evaluation.
- (m) IPC will evaluate all the bids and submit its recommendation.
- (n) If any query / clarification are sought from the bidder by IPC, then the same will be communicated to the bidder by the Indenter. All the required communication with the bidders will be made by SPO. Bidders are required to submit clarifications / replies of queries within ten days. If Bidder(s) will fail to submit the clarifications / replies within given time, then IPC may take decision in this regard and may declare such bid(s) non-responsive.
- (o) The decision of IPC will be forwarded to S&P section.

- (p) Based on the final decision of IPC, price bids will be opened by S&P section.
- (q) Negotiation - Negotiation with bidders after opening of bid should be severely discouraged. However, in exceptional circumstances where price negotiation against ad-hoc procurement is necessary due to some unavoidable circumstances, the same may be resorted to only with the lowest evaluated responsive bidder /single proprietary bidder with the prior approval of Director, IIM Jammu.
- (r) Based on Lowest (L-1) offer and recommendation of IPC, S&P section will place purchase order subject to clearance of Internal Audit and sanction of the competent authority.
- (s) All draft P.O. is required to be duly checked by Designated Purchase officer and vetted by the Indenter before placement of purchase order.
- (t) After placement of order, Indenter/SPO will coordinate with supplier for supply / delivery and installation of the item / complete the works on time as per purchase order.
- (u) Limits of purchases as laid down above can be amended by Director from time to time taking into account of GFR.

#### **3.4.1 Constitution of Institute Purchase Committee (IPC):**

- (a) Chairperson
- (b) Co-Chairperson
- (c) Head of Intending Department - Member
- (d) Chief Administrative Officer - Ex-Officio
- (e) One Officer - Member
- (f) Senior staff members - Member
- (g) SPO will act as member secretary to the committee.

#### **Note:**

- (i) In project/program related purchase, PI/PC/CI shall be one of the members of IPC
- (ii) Quorum—Minimum Four members (Chairman or Co-Chairperson, two members as at sl. no.- d, e or f and Indenter are compulsory). In the absence of Head, the official having charge of Head may convene the IPC meeting.
- (iii) Each IPC will be constituted with the approval of Director.

#### **3.4.2 The function of IPC shall be:**

- (a) to examine the need of purchase,
- (b) to suggest complete specification of the store indented, and
- (c) to indicate available source of supply in case of scientific/ technical / sophisticated/made to order equipment's,
- (d) To examine the authenticity of proposal wherever required,
- (e) To examine the Techno-commercial / technical bids / EoI / price bids and give suitable and logical recommendation
- (f) To review its recommendation in response of Internal Audit section if any
- (g) IPC will be fully responsible for item procurement justification, price justification, and justification about proprietary nature of the item.
- (h) IPC will be fully responsible for any kind of query / observation / para of CAG audit or internal audit or CVC and any kind of lapses in purchase procedures etc.



**3.4.3** The recommendation of the Committee would be put up for approval of the competent authority by the Indenting Department/ Section. After getting approval, the proposal will be forwarded to the Purchase section for taking procurement action.

#### **3.4.4 Pre-Bid Conference (PBC)**

To ensure that bidders have understood the requirement or in order to have some more clarification on technical aspects or any other issue, a Pre-bid Conference (PBC) may be arranged at least two weeks prior to the due date of submission of tender.

- (a) In situations where the items required to be purchased are susceptible to rapid changes in technology or in case of turn key contracts or contracts of special nature for purchase of sophisticated and costly equipment then it is advisable to conduct a PBC so that the latest changes in specifications could be ascertained that shall serve the purpose.
- (b) Changes may be incorporated in the bidding documents after the PBC so that all the prospective bidders are given equal opportunity to submit their offers according to the revised specifications/requirements.
- (c) The changes made in the bidding document should be treated as amendment to the bidding document and the same should be hosted on the website of the Institute to enable all the bidders who could not attend the pre-bid conference to take care of the amendments.
- (d) Specifications finalized after the pre-bid conference cannot be changed further and consequently there shall be no occasion for revision of price bids.

#### **3.5.0 Emergency Purchases**

- (a) Emergency is defined as urgent purchases required to be made at short notice in the event of a break down or crisis.
- (b) The consequences of non-availability of the item shall also be spelt out in the indent form.
- (c) All Emergency purchase will be carried out up to an amount of Rs. 25.00 lakhs only based on the recommendation of the Committee constituted by the Director for the purpose.
- (d) Such purchase may be made on single/ limited quotation basis.
- (e) All such emergency purchase shall be approved and sanctioned by the Director of the Institute and the same be reported to the next Board for ratification.

The nominated purchase committee by Director for emergency purchases shall be of three members consisting of the Indenter/PI. However, such purchases can also be made on the spot from market by the committee. The committee shall endorse a certificate as per Appendix-VI and forward to the S&P Section.

#### **3.6.0 Purchase of aesthetic value items**

For the purchase of items especially required for Guest Houses, Canteens, Reception, Corridors, Conference/Training halls etc. like art, craft, furnishing, decorative items, crockery, cutlery, bed linens, curtains etc. where the aesthetic value, make, finish, pattern, color, design, quality, feel, appearance, etc dominate the decision making, the indent will be considered by the Department/Section Purchase Committee (LPC/IPC) which may constitute a committee for the

purchase of such items similar to the 03 members committee which shall render a certificate similar in line with "Appendix No. VII" irrespective of value. Proposal based on the recommendation by LPC/IPC needs to be placed before competent authority for approval.

### **3.7.0 Purchases from Government Organizations**

Stores manufactured by Public Sector Undertakings, Government Organizations like Khadi Bhandar, State Khadi Udyog, Coir Board of India, KVIC, NTC etc. and such other stores/materials the prices of which are controlled/fixed by the Government may be purchased without inviting quotations from the open market. In case of availability of more than one government organization for a particular item, purchase may be made after getting quotations from the government organizations. Whenever a new government organization approaches for making supplies, they may be asked to submit documents authorizing purchase from them.

### **3.8.0 Single Tender Enquiry [GFR 194]**

Purchase of items of a proprietary nature (i.e. item which do not have substitutes, or are spare parts of existing equipment for which substitute replacements are not available) can be done on the basis of a single quotation irrespective of the value of the item. In such cases, the Head of Indenting department must furnish a proprietary certificate as per Appendix II. If the total value of the item is more than Rs. 1.00 lac, a proprietary certificate must be obtained from the supplier stating that they are the only source of supply/manufacture.

Procurement from a single source may be resorted to in the following circumstances

- (i) It is in the knowledge of the user department that only a particular firm is the manufacturer/ provider of the required goods/services.
- (ii) In a case of emergency, the required goods/ services are necessarily to be purchased from a particular source and the reason for such decision is to be recorded and approval of competent authority to be obtained.
- (iii) For standardization of machinery or spare parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the competent authority), the required item is to be purchased only from a selected firm.
- (iv) Under some special circumstances, it may become necessary to select a particular consultant where adequate justification is available for such single- source selection in the context of the overall interest of the Ministry or Department. Full justification for single source selection should be recorded in the file and approval of the competent authority obtained before resorting to such single-source selection.
- (v) It shall ensure fairness and equity, and shall have a procedure in place to ensure that the prices are reasonable and consistent with market rates for tasks of a similar nature; and the required consultancy services are not split into smaller sized procurement.
- (vi) Quotations shall be called for by the Indenter without referring to Departmental Purchase Committee. Such quotations can be sent and received by FAX/e-mail/courier etc. irrespective of value. However, proper records of the enquiry so sent, should be maintained.
- (vii) In the case of purchase on proprietary basis, the Indenter after receiving the offers along



with Proprietary Article Certificate (PAC) and recommendation of the IPC may forward after getting approval of competent authority to the purchase Section for further purchase processes of the item/service. In the event, price negotiation is warranted, the IPC may be involved in the negotiation and the decision/minutes of the negotiations be recorded.

### **3.9.0 Repeat Orders**

In exceptional circumstances where the requirement of the purchaser is the same as to the specifications and quantity etc. of an already issued P.O., with the prior permission of the Competent Authority, purchase can be processed on repeat order basis subject to the following conditions: -

- (i) Proper purchase procedure (Invitation of quotations by limited/Advertised tender enquiry) has been followed for the original order.
- (ii) The repeat order can be made with no change in the rates, specifications as well as terms & conditions of supply. The quantities of the repeat orders can be lesser but in no case it can exceed the original order.
- (iii) The repeat order shall be placed within 6 months from the date of the initial placement of purchase order or 4 months from the date of satisfactory installation whichever is later.
- (iv) After ensuring that there is no reduction in the cost of the item(s).
- (v) No repeat order will be placed if buy-back is involved in the purchase.
- (vi) Any amendment of initial order shall not be considered for repeat order.
- (vii) There cannot be more than two repeat orders.
- (viii) Efforts to be made to obtained rebate (quantity discount) from the supplier on the previously ordered prices.

### **3.10.0 Purchase under buy back scheme**

- (a) When it is decided with the approval of the Competent Authority to replace an existing old item with a new and better version, the institute may trade the existing old item while purchasing the new one.
- (b) For above purpose, a suitable clause is to be incorporated in the bidding document so that prospective and interested bidders formulate their bids accordingly.
- (c) Depending upon the value and condition of the old item to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard suitably incorporated in the bidding document.
- (d) Further, a suitable provision should also be kept in the bidding document to enable the purchaser either to trade or not to trade the old item while purchasing the new one.
- (e) If any item is purchased under buy back scheme for old one, quotations are to be invited clearly mentioning the specifications of old and new item asking for the buyback offer from the vendor.
- (f) A condemnation report is to be filled up in GFR-17 form (Appendix VIII) for old item, signed by all members of condemnation / write-off committee, approved by the Director and finally to be sent to SPO along with purchase indent.

### 3.11.0 Purchase of Import Items

- i. Any category of stores can be purchased from foreign suppliers subject to restrictions on imports as imposed by the Government of India from time to time. Provision of exemption in customs duty must be availed.
- ii. Import should normally be made directly from the foreign principal manufacturers. In the event a purchase is made through an Indian agent of the foreign company, proof that the Indian agent is an authorized agent of the foreign company must be obtained and must be part of the documents pertaining to the purchase. Any commission of the agency which may be payable to the Indian agent can be paid only in Indian Rupees (unless there is a change in Government of India rules which may necessitate payment in foreign currency).
- iii. If a foreign company has opened an office in India then it can authorize any Indian agent to deal with IIM Jammu.
- iv. All imports shall be done through the S&P Section. The S&P Section shall ensure that the item being imported does not fall under the restricted /negative/banned category.
- v. Request for quotation for items to be procured through import may be sent through email, in addition to registered post /speed post/courier/fax.
- vi. The exchange rate should be considered on the date of opening of tender. This should be mentioned in the tender enquiry as well as documents clearly.
- vii. Term of shipment should be on FOB price of that country and not CIF, as institute has hired the services of a Freight Forwarder. However, CIF price may be accepted as a special case on case to case basis depending on the situation.
- viii. The Sr. AO/AO (S&P) will be responsible for placing orders, customs clearance, insurance and transportation of goods etc. The Accounts Section will arrange through bank the opening/amending or extending letters of credit.
- ix. Wherever required, the institute shall avail the services of clearing and forwarding agents for foreign consignments arriving by air/sea. Such clearing and forwarding agents shall be hired on the basis of agreed terms or single consignment basis; whichever may be advantageous to the institute.
- x. The Sr. AO /AO (S&P) shall maintain a stock register in which all imported items received shall be entered. Delivery of foreign consignment to the purchaser will be made against the signature in this register. All imported items shall be appropriately entered in the departmental stock register and asset register (if applicable).
- xi. Inspection Reports (IR) must be returned to S&P Section duly approved, or rejected, within three days of installation, failing which it will not be possible to lodge the claim of damage to the insurance company and it will be presumed that materials supplied are acceptable to the indenter.

### 3.12.0 Import of items through individual International Credit Card

- i. Limit of payment of individual credit card is up to US\$ 2000 or equivalent as per directives of the RBI. The indenter must take the approval from the CA in advance.
- ii. Indenter must ensure through S&P Section if the item is not banned/canalized.
- iii. Indenter should also declare that the item is not for sale, or profit and making it clear that it is exclusively for research purpose/ Academic purpose.
- iv. Indenter should ensure that the item is of proprietary nature and only this firm is manufacturing and simultaneously he/ she should also declare that the requirement will be fulfilled by this item only.



- v. If the item is not of proprietary nature then the indenter should declare the price quoted by the firm on the e-mail is quite reasonable in comparison with national/international market and that he/ she has assured himself/ herself by seeing the prices of different firms on the internet.
- vi. Indenter should get approval of CA before placing the order by credit card and inform S&P Section for recording the amount for onward submission to Ministry of Science & Technology, Department of Scientific & Industrial Research, Delhi, for the registration of exemption of customs duty. For this, one copy of order is to be sent to S&P.
- vii. Shipping mode and port of shipment must be clear in the order as to whether the shipment will be Ex-works/FOB/C&F/CIF/FAS etc.
- viii. Shipping details should be intimated by the indenter to the S&P before it is dispatched and shipping should be through institute authorized Freight Forwarder.
- ix. Each and every event development must be intimated to the S&P Section to avoid delay in release leading to demurrages for the material.
- x. After the receipt and installation / acceptance of the indented material, the stock-entry certificate must be given on the body of the invoice by the department tube submitted by the indenter to S&P Section for central stock entry along with the copy of the purchase order, approval of the purchase, sanction of expenditure, the Credit Card statement etc. The S&P Section after proper recording forward the claim to AS for necessary reimbursement.

## **Chapter 4: Bid Security and Performance Security**

### **4.1.0 Bid Security (BS)/Earnest Money Deposit (EMD) (GFR : Rule 170)**

- 4.1.1 Bid Security (BS), also known as Earnest Money Deposit (EMD), is a form of monetary security obtain blacked from the bidder, in case of advertised or Limited Tender Enquiry, as a safeguard against withdrawal/alteration of bid during the bid validity period and more so showing earnestness in participating in tendering process.
- 4.1.2 Bid Security may be taken in cases for equipment/material costing above Rs. 2,50,000/-. The Sanctioning Authority i.e., Director of the Institute in the rare cases may waive off the condition of Bid Security on the recommendation of committee in case of highly reputed firms / artistic performance during events / Hotels/ catering during events etc. on case to case basis.
- 4.1.3 Bid security may be collected @ 2% - 5% of the estimated value in the form of Demand Draft in favor of "IIM Jammu" Payable at Jammu and it should be valid for a period of 45 days beyond the bid validity period. Option to make online payment may be given to bidders. All tenders received without Bid Security, wherever applicable shall be summarily rejected. The DD may be issued by any nationalized/scheduled commercial bank. In case the same is obtained in foreign currency, it should preferably be obtained in the shape of bank guarantee to avoid exchange rate variations / fluctuations and got confirmed by any scheduled/nationalized Indian bank.
- 4.1.4 The bid security may be forfeited if the bidder withdraws its tender during the bid validity period or fails to accept the contract.
- 4.1.5 Those who are registered with Central Purchase Organisation, National Small Industries Corporation (NSIC), MSME or concerned Ministry or Department is exempted from submission of Bid Security or as amended by the Government of India from time to time.
- 4.1.6 The BS furnished by all unsuccessful bidders should be returned to them without any interest whatsoever, at the earliest but not later than 30 days after award of the contract.

### **4.2.0 Performance Security (PS)**

- 4.2.1 Performance Security (PS) @ 5-10% of the total order value above Rs. 2.50 lakh shall be taken from the ordered firm. PS should be submitted within 15 days from the date of work awarded. PS shall be obtained before release of full payment (in case of indigenous stores) and before release of balance payment (in case of import purchase).
- 4.2.2 PS must be valid up to 60 days beyond the ordered warranty period. The quantum/percentage of PS may be increased /decreased or waived off with the approval of the Director on recommendation of committee in case of highly reputed firms / artistic performance during events / Hotels/ catering during events etc. on case to case basis.
- 4.2.3 Performance Security may be furnished in the form of Bank Guarantee only.
- 4.2.4 Purchase orders not honoured by the firm for any reason may be cancelled and EMD/PS submitted may be forfeited. The defaulting firm should not be considered for participation in



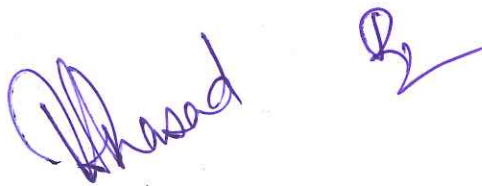
any kind of tendering by the Institute for the next Twelve months.

- 4.2.5 In normal circumstances when the L1 bidder backs out retendering should be done but in case of POs up to Rs.5.00 lakhs if the ordered firm backs out then order can be considered to be placed to the L2 firm with L1 price based on the sufficient reasons/justifications provided by the Indenter/IPC.
- 4.2.6 In rare cases where goods have been procured on proprietary basis or the companies supplying the goods are of international repute, the matter of non-furnishing of Performance Security, if any, may be brought to the notice of the Director of the Institute for final decision.

#### **4.3.0 Safeguards in respect of Bank Guarantees**

To avoid receipt of forged /fake bank guarantees submitted by supplier/contract the following points should be noted and ensured:

- (a) SPO should ensure that Bank Guarantees submitted by supplier are strictly as per the Institute's prescribed format. In case of any discrepancy, intimation should be given to vendor for necessary changes.
- (b) Copy of proper prescribed format on which BGs are accepted from the suppliers/contractors should be enclosed with the tender document and it should be verified verbatim on receipt with original document.
- (c) It should be insisted upon the contractors, suppliers etc. that BGs to be submitted by them should be sent to the organization directly by the issuing bank.
- (d) In exceptional cases, where the BGs are received through contractors, suppliers etc., the issuing branch should be requested to immediately send a copy of the guarantee directly to the organization with a covering letter to compare with the original BGs and confirm that it is in order.
- (e) As an additional measure all BGs should be independently verified by the organizations/banks, which do not receive directly from Bank.



## **Chapter 5: Tender Documents**

### **5.1.0 Tender documents**

5.1.1 The tender documents which comprise the detailed technical specifications, drawings, terms & conditions and Proforma in which the tender is to be submitted and such other material as may be sold at the uniform rate of Rs. 1000/- plus GST (as applicable currently 18%) irrespective of the estimated cost. In case tender document is downloaded directly by any prospective or interested bidder, then the bidder will submit tender document fee (Non-Refundable) in the form of Demand Draft/Online along with the tender.

5.1.2 Tender documents should preferably be sold up to one day prior to the date of opening of tenders and the same should be clearly indicated in the document.

5.1.3 All the terms & conditions are to be shown in the appropriate chapters of the Invitation for Bids as given below:

Chapter 1 - Instructions to bidders

Chapter 2 - General and special Conditions of Contract

Chapter 3 - Schedule of Requirements

Chapter 4 - Specifications and allied technical details

Chapter 5 - Price Schedule (to be utilized by the bidders for quoting their prices)

Chapter 6 - Qualification Requirements

Chapter 7- Other standard forms, if any, to be utilized by the purchaser and the bidders.

5.1.4 The text of the bidding document should be user-friendly, self-contained and comprehensive without any ambiguities. All essential information, which a bidder needs for sending responsive bid, should be clearly spelt out in the bidding document in simple language.

5.1.5 The basis of comparison between the indigenous/foreign bidders should be indicated clearly in the bidding documents. It may also be made clear whether overall lowest or item-wise individual lowest rates shall be the criteria for evaluation.

5.1.6 Tender document may also take care of pre-bid conference aspect if felt necessary.

### **5.2.0 Payment Terms**

5.2.1 Payments will be made through RTGS/NEFT mode only irrespective of amount.

5.2.2 Ordinarily payment for services rendered or supplies made, should be made only after the services have been rendered or supplies made with satisfactory installation certificate from indenter.

5.2.3 Payment terms against dispatch documents through bank may be allowed for the purchases made from Government Firms. In general, in such cases, 90% payment may be made against dispatch of documents and balance 10% on receipt of the consignment or the installation of the consignment as the case maybe.

5.2.4 Any advance payment to any private firm shall normally be discouraged. However, under exceptional circumstances, an advance payment may only be made against a bank guarantee of a scheduled commercial bank equivalent to the advance amount for an indigenous purchase.



#### 5.2.5 Payment for Import Purchase:

- (a) Payment for import shall normally be made through 90% irrevocable confirmed letter of credit (against submission of documents) and balance 10% on satisfactory installation report from the user department through wire transfer.
- (b) In case of purchase order value less than Rs.10 lakhs, 100% payment can also be made by a foreign demand draft after satisfactory installation report received from the user department. In this case demand draft will be prepared against Proforma Invoice (PI) and photocopy of the same will be forwarded to the foreign supplier.
- (c) Advance payment (other than (a) and (b) above) by a foreign currency draft/Telegraphic Transfer can be made up to a value of US\$ 10,000/- (or equivalent in foreign currency). For such payments, the advance payment will be treated as an advance against the purchase until it is adjusted. However, in such a case the credential of the supplier needs to be verified and recommended by the Indenter/HOD before release of payment.

5.2.6 All advance payments must have approval of Director on the basis of recommendation of the LPC/IPC.

5.2.7 If the payment term is against delivery/COD (cash on delivery)/ then after receiving the goods indenter shall inform S&P to release the payment after satisfactory installation.

5.2.8 In the case of part payment, balance payment will be released after receipt of satisfactory Inspection Report, the items must be entered in appropriate stock and asset register. The S&P will submit the necessary documents within two working days to Account Section for release of payment. The Account Section will ensure that the payment due are released within three working days through bank transfer directly to the seller.

5.2.9 Under exceptional circumstances, with specific request from the S&P Section the RTGS/NEFT can be made to the purchaser for onward transmission to the seller. In such a case the purchaser shall be responsible for submission of the receipt from the seller to AS. In all other cases, when payments are released by AS, intimation to this effect must be sent by the AS to the S&P section and S&P section will inform to supplier and to indenter for information.

#### 5.3.0 Liquidated Damages (Late Delivery)

5.3.1 There should be a suitable provision in the terms & conditions of the contract for claiming liquidated damages of appropriate amount from the supplier to take care of delays in supplies and performance, for which the supplier is responsible. Such recovery through liquidated damages should be without prejudice to the other remedies to the purchaser under the terms of the contract.

5.3.2 A penalty clause for a penalty of 1% of the delivered price of the delayed goods for each week or part thereof subject to a maximum of 5% of the delivered price is to be incorporated in the contract terms and S&P will forward the bills to accounts section after deducted amount from the bill of the supplier. However, the competent authority may relax the penalty clause under exceptional circumstances.

#### 5.4.0 Duties and Taxes

5.4.1 The applicable concessional custom duty for the educational institute is payable for imported

items. In case the order is on Ex-works or FOB basis, the institute may be required to pay freight/insurance charges as per the prevailing rate.

- 5.4.2 As per the prevailing taxation policy of the Government taxes shall be payable for all indigenous items. The taxes as appropriate shall also be applicable for service and the Annual Maintenance Contract (AMC).
- 5.4.3 The institute is partially exempted from paying custom/excise duty for all import and indigenous items, for which an excise/customs duty exemption certificate shall have to be provided by the institute.
- 5.4.4 Whenever any item is purchased through a high sea sale agreement, the concessional custom duty certificate will be issued to the supplier and the amount of custom duty paid by the supplier will be reimbursed by the institute. However, GST shall not be paid by the institute in such purchases.
- 5.4.5 Any concession on taxes and levies such as excise duty, custom duty and sales tax granted by the state/central Government in the procurement of any item must be availed. The S&P Section shall obtain all such information and apprise all concerned about the applicability of tax/levy rates and charges brought about, if any, from time to time.
- 5.4.6 The S&P Section shall issue the required declaration/certificate to this effect for all purchases on-demand and account for all such issues and furnish the required report in consultation with accounts department to the government agencies, as and when required.

#### **5.5.0 Pre-requisite of Firms & Blacklisting**

The following prerequisites shall be complied with by the firms for participating in the purchase of materials/services/ equipment /instruments etc.

##### **5.5.1 Local Firms**

The local firms should have GSTIN and PAN allotted to them, as applicable. The firm must maintain an office/shop/showroom registered in its own name, in the market/industrial area, or another suitable place and should have a bank account wherein the payments may be sent directly in the bank. Such firms shall be required to provide the aforementioned documents as and when required, by the institute.

Credentials including manufacturing capacity, quality control facilities, past performance, after-sales service, financial background, etc. of the firm shall be carefully verified by the institute.

##### **5.5.2 Outside Firms**

The firms hailing from outside (beyond Jammu district) must be manufacturing or authorized dealers/agents/stockists/suppliers/ service providers of manufacturers. Purchase can be made only from those reputed sellers who have GSTIN and PAN (Income Tax), wherever applicable, and should have a bank account wherein the payments may be directly sent. Such firms shall be required to provide the aforementioned documents as and when required, by the institute.



Credentials including manufacturing capacity, quality control facilities, past performance, after-sales service, financial background, etc. of the firm shall be carefully verified by the institute.

### **5.5.3 Blacklisting**

Black-listing of a firm can be done on the recommendations of the HOD/PC/CI/ Sr. AO (S&P)/AO (S&P) of S&P/ Accounts/IA and with the approval of the Competent Authority. The Sr. AO/AO (S&P) shall process all such cases reported by the departments. A committee specially constituted by the Director shall examine the case and shall submit its recommendations to the Competent Authority for the final decision. The information on such firms shall be promptly and widely disseminated by Sr. AO/ AO of S&P to all concerned.



## **Chapter 6: Receipt and Opening of Tenders**

### **6.1.0 Receipt of Tenders**

- 6.1.1 For tender through CPPP portal bids received on the CPP portal. In exceptional cases of tenders/quotations received either by post or courier or by hand (excepting for tenders received against Single Tender Enquiry) shall be dropped in the tender box, duly locked and sealed and its keys shall be with the designated officer of Stores & Purchase Section.

### **6.2.0 Late/Delayed Tenders**

- 6.2.1 Tenders received after the specified time and date of opening are treated as "Late" while tenders received after the last date specified for receipt of tender but before the date of opening of the tender are treated as "Delayed".
- 6.2.2 Such tenders shall be marked as late/delayed as the case may be. They shall not be opened at all and be returned to the bidders in their original envelope without opening.
- 6.2.3. Opening of Tender by Institute Purchase Committee:

Tenders for items where no bid security is applicable which are received in open condition or through FAX or email or telegram within the due date and time, shall not be rejected but shall be accepted at the risk of the bidder if the same is presented to any officer of the S&P Division before the scheduled date & time of opening of bids and caused to be deposited into the tender box for formal opening by the Tender Opening Committee.

There may be cases where the tenders are too bulky to be put in the tender box or the Purchase office is yet to install the tender box and, therefore, the tenders are to be submitted by hand. In such cases, it should be ensured that names and designations of at least two officers, who will receive the tenders, are prominently mentioned in the tender documents. The information about these officers should also be displayed at the entrance/reception of the premises where tenders are to be deposited. The officer receiving a tender is to give the bearer of the tender a receipt duly signed by him with the date and time of receipt of the tender. A separate register is to be maintained for keeping records of the bids, received by hand. Such bids will be kept in safe custody with the Purchase section till the date & time of bid opening and then such bids will be handed over to the IPC.

### **6.3.0 Postponement of the tender opening date**

- 6.3.1 Sometimes, situations may arise that may necessitate modifications in the tender documents already issued or already put on sale. Also, after receiving the documents, a tenderer may point out some genuine mistakes necessitating amendment in the tender documents. In such situations, it is necessary to amend/modify/extend the date of submission of tender documents.





## **Chapter 7: Evaluation of Tenders and Finalization of Contracts**

### **7.1.0 Introduction**

- 7.1.1 Evaluation of tenders is one of the most serious exercises in the process of procurement. Therefore, it needs to be done strictly based on the terms & conditions described in the tender documents. The process and basis for evaluation may be spelled out in the tender documents to leave out any ambiguity and keep the process transparent.

### **7.2.0 Preliminary Examination**

- 7.2.1 During the preliminary examination, the committee may also find some minor informality and/or irregularity and/or non-conformity in some tenders. The committee may waive the same provided it does not constitute any material deviation and financial impact and, also, does not prejudice or affect the ranking order of the tenderers.

### **7.3.0 Qualification Criteria**

- 7.3.1 The committee is to examine bids and find whether required qualification criteria incorporated in the tender enquiry document is met by the bids. The bids, which do not meet the required qualification criteria are to be declared unresponsive and not to be considered further and the grounds for their becoming unresponsive may be recorded.

### **7.4.0 Scrutiny of Responsive Bids**

#### **7.4.1 Single Bid/Tender**

In case of single bid / tender comparative statement of the qualified (meeting the stipulated terms & conditions of the tender) bidders may be prepared indicating the rates quoted including all taxes, discounts, freight charges etc. Normally, the lowest bidder (L1) should be the qualified for supply of goods. However, clarification may be sought from bidders who do not meet the specified criteria and those who do not respond within a time frame or are unable to clarify suitably may be rejected with justification.

#### **7.4.2 Two-bid System**

In case of two-bid system the technical bid will be opened first and will be evaluated by the committee with respect to the qualification criteria and the technical specifications as spelt out in the tender. The tenders meeting the qualification criteria and technical specifications will be short listed for financial evaluation. Then, the financial bids of the short-listed parties will be opened and evaluated for lowest responsive offer. After opening of the financial bids, L1 will be recommended for placing order.

### **7.5.0 Conversion of Currencies**

- 7.5.1 When bids are received in different currencies, the comparative statement shall clearly give the exchange rate as notified in the newspapers on the date of opening of the bid and the quoted price in rupees in the case of single bid system. However, when two-bid system is adopted,

then the exchange rate as notified in the newspapers on the date of opening the financial bid should be the basis for preparing the comparative statement. Website [www.xe.com](http://www.xe.com), [www.rbi.org](http://www.rbi.org) or any other website can also be seen for spot conversions of foreign currencies.

#### **7.6.0 Reasonableness of Prices (ROP)**

7.6.1 In the case of qualification of a single technical bid (including procurement under PAC), price of the bidder be evaluated to find its reasonableness as per following criteria:

- (i) Last Purchase price of same (or, in its absence, similar) goods in the Institute/other CFTIS and reputed Government R&D organizations.
- (ii) Current market price of same (or, in its absence, similar) goods / Company Price List or declared rates on the Net
- (iii) Receipt of competitive offers from different sources
- (iv) Quantity involved
- (v) Terms of delivery
- (vi) Period of delivery
- (vii) Economic indices of raw material/labour
- (viii) Other input cost and intrinsic Value.

## **Chapter 8: Contract Management**

### **8.1.0 Introduction**

- 8.1.1 Contract Management involves monitoring the implementation of a contract after it is placed to ensure timely completion of all the supplies and related services reflected in the contract as per terms & conditions incorporated therein.

### **8.2.0 Purchase sanction**

The sanction notes shall be prepared by the S&P Section for all types of purchases to be handled by S&P Section. The sanction note thus prepared along with all associated documents shall be sent for pre-audit to IA& FC prior to expenditure sanction by the CFA. Based on the sanction, the purchase order shall be placed by S&P Section within two to three working days.

Any increase in the price of item(s) ordered which is directly and entirely attributable to fresh imposition or increase in government levies and taxes may be allowed subject to furnishing of sufficient valid written proof by the supplier. If for any reason such a financial change in the purchase order is required, the request for such a change shall be thoroughly examined by IA and shall be approved by the CFA before the change is issued in the form of an amendment to the original purchase order by the S&P Section.

All purchases, except those listed above in serial no 3.2.0, shall be made through a purchase order placed on the seller by the S&P of the institute, who shall be responsible for receipt of goods and the subsequent dispatch of the receipted goods to the indenter along with copies of Inspection Report.

### **8.3.0 Procedure for Placement of Order**

Normally the order should be placed on the lowest rates with the tenderers whose offer meets the requirement and the technical specifications as specified by the indenter mentioned in the tender enquiry. Offers which do not meet the required specifications are to be rejected. In case an unknown/unregistered firm submits quotation, they may be given a trial order with security deposit clause.

The purchase order will invariably contain the following information:

- i. Name and address of the supplier along with the mobile/fax numbers, website and email address.
- ii. Date by which stores are to be delivered and also if part supply is acceptable to the institute. No stores will be accepted after expiry of delivery date without a written order of the competent authority extending delivery date.
- iii. Consignee's name and address to whom the stores are to be dispatched by the supplier along with full postal and telegraphic email address.
- iv. Instructions regarding dispatch of stores by rail/road/air/post and parceling instructions.
- v. Instructions regarding dispatch of documents.
- vi. Address of inspecting authority.
- vii. Officer deputed by the institute for inspection of stores and the place of inspection and the condition that acceptance or rejection of stores by the institute shall be final.



- viii. Terms of payment as also the mode of payment and if payment against part supply will be admissible.
- ix. Guarantee/ Warranty clauses.
- x. Penalty clause in case of failure to supply stores.
- xi. Full specification of the stores ordered, quantity rate and amount will be mentioned and if these include taxes or these are to be paid separately.
- xii. Liability for insurance of goods in transit, and any other incidental charges, agents' commission, brokerage etc.
- xiii. The head of account against which the expenditure is to be booked (to be given in the copies of order for internal distribution).

#### **8.4.0 Follow up of orders**

- 8.4.1 Once order has been placed, it is the duty of officer of the purchase Section to ensure that the vendors supply what has been ordered in time.
- 8.4.2 The Institute has to ensure that the suppliers receiving the contract furnish the required Performance Security in the prescribed form by the specified date, failing which necessary action including forfeiture of the Earnest Money Deposit is to be taken against the supplier.
- 8.4.3 The supplier should acknowledge and unconditionally accept the Purchase Order (PO) within maximum period of 15 days from the date of issue of contract. While acknowledging the Purchase Order, the supplier may raise some issues and/or ask for some modifications against some entries in the PO, such aspects shall be immediately looked into for necessary action and, thereafter, supplier's unconditional acceptance of the PO be obtained.

#### **8.5.0 Amendment to Purchase Orders/ Contracts**

- 8.5.1 Amendments to all purchase orders not involving financial implications and LC amendments without any change in purchase order price, specifications, ordered quantity and delivery period may be made directly by officer of the purchase Section in consultation with the Purchase Committee if required. Finally, the same will be approved by the appropriate authority.
- 8.5.2 It may be ensured that the amendments are in the overall interest of the Institute. Further, in the case of imports, where payment is through Letter of Credit (LC), the LC extension charges should be borne by the supplier, if the same is being extended on the request of the vendor. Sanctioning Authority may however waive such petty expenses in the overall interest of smooth execution of the contract.

#### **8.6.0 Receipt of materials**

- 8.6.1 The receipt of all ordered material has to be made in the stores Section and a report of such receipts must be sent to the Purchase, Indenter as soon as possible.
- 8.6.2 Stores should maintain a Daily Receipt Register (DRR) centrally which should include all relevant information about the receipt of materials.

#### **8.7.0 Payment to the Supplier**

8.7.1 Purchase organization shall ensure that all the payments due to the firm including release of performance security are made on priority basis without avoidable delay.

**8.8.0 Closure of Purchase File & Record Retention Schedule**

8.8.1 On completion of all activities against a contract, the purchase file should be preserved in the record room and destroyed after expiry of the applicable mandatory retention period.

8.8.2 For the above purpose, all records relating to purchases made out of both revenue as well as capital grant should be retained for a period of 05 years and thereafter they may be weeded out provided there is no vigilance or audit objections, in which case these should be preserved till such time the vigilance or audit objections are dropped. Retention of records should be as per GoI directives as amended from time to time.





## **Chapter 9: Inspection of Goods**

### **9.1.0 Inspection of goods**

- 9.1.1 The indenter shall inspect the materials as indicated in the tender documents as soon as it arrives. Normally the concerned department should ensure completion of inspection within three(3) to five (05) days of receipt of advice from the stores in case of Indigenous goods.
- 9.1.2 For imported items the packing may be opened in the presence of the Indian Agent to avoid short/damaged supply due to improper packing.
- 9.1.3 In all cases the inspection shall be completed within the validity period of the insurance policy so that the claims for shortage/damage if any can be lodged with the insurance company
- 9.1.4 With a view to ensure that the claims on the insurance companies are lodged in time, the Institute is advised to stipulate in the Purchase Order/Contracts, where Indian Agent is available, that he is responsible for the follow-up with his principals for ascertaining the dispatch details and informing the same to the Institute and he shall also liaise with the Institute to ascertain the arrival of the consignment after clearance so that immediately thereafter in his presence the consignment could be opened for inspection and insurance claim be lodged, if required, without any loss of time. The contract/purchase order may also indicate that any delay on the part of the Indian Agent would be viewed seriously and he shall be directly responsible for any loss sustained by the Institute on the event of delay.
- 9.1.5 In case a written complaint is received from the supplier disputing rejection of the goods by the Institute, the same should be jointly investigated by a team consisting of an authorized representative of the supplier and a team of the Institute as decided by the Director.

### **9.2.0 Bill Clearance Schedule**

- 9.2.1 Once the inspection is complete and the indenter certifies the inspection report, Stores should ensure that the bill containing the stock entry reference and copy of the inspection report is sent to purchase Section within 03 (three) working days after the inspection is over.

### **9.2.2 Passing of Bills**

Action with regard to passing of bills against supplies received should be taken expeditiously. Departments must ensure that bills are processed in such a way that the payment to party will be released within 10 working days; in case of any exception reasons must be recorded in writing by the concerned department duly acknowledge by the concerned department head. Internal Auditor should report the cases to Director/CAO where payment not released within ten working days from the date of satisfactory receipt of material. Following time schedule should be strictly followed:

- |      |   |                  |
|------|---|------------------|
| i)   | Verification & stock entry in the stock holding dept. | - 3 working days |
| ii)  | Stock taking in S&P Section                           | - 3 working days |
| iii) | Release of payment by Account Section                 | - 4 working days |
- 9.2.3 An intimation slip as per Appendix-IX should thereafter be sent to S&P by the indenting department.
- 9.2.4 A special point to be seen before passing a bill is that the triplicate copy of the challan does always contain the endorsement regarding the gate entry, entry of stores in the prescribed register. It should also be seen that the supply was made by the stipulated delivery date or by



the period as subsequently extended.

## **Chapter 10: – Stores & Issue**

### **10.1.0 General**

10.1.1 It is the responsibility of each store holding authority to make arrangements for safe custody, for keeping good and efficient condition and for protecting from loss, damages or deterioration, of all stores received by him and under his custody. The keeping of proper accounts with a view to prevent losses through theft, accident, fraud or otherwise and to make it possible at any time to check the actual balances with the book balances is also the responsibility of each store-holding authority.

10.1.2 The work of a stores section consists of the following:

- a) Receipt and inspection of stores,
- b) Storage, maintenance and issue of material,
- c) Maintenance of ledgers and accounting of stores,
- d) Recoupment of stocks, and
- e) Disposal of surplus stores and/or unserviceable materials.

### **10.1.3 Guidelines for Receiving Material**

- a) The authority issuing the PO shall be responsible for receipt of the materials and its inspection, with reference to the PO.
- b) While receiving materials, Gate Entry, PO reference, challan and invoice shall be checked.
- c) In case of perishable items, the supplier(s) may deliver the item(s) directly to the indenter and the indenter shall inform the Stores & Purchase Section or in-charge, store of Dept. as the case may be about such delivery.
- d) In the event of any shortage/damage/wrong supply, action will be initiated by the Stores & Purchase Section or in-charge stores at Dept. level to rectify the same on recommendation of indenter.
- e) Supplier / CHA needs to inform Purchase Section about delivery time and if any specific arrangement to be made for loading/unloading.
- f) If CHA is involved, loading/unloading charges will be paid by the CHA which can be reimbursed.
- g) If the material is received in damaged condition or it is observed that carton is broken/damaged, then the receiver should record the remark about nature of damage/defect or discrepancy on chalan itself.
- h) In case of large consignment/heavy shipment fork-lift may be hired and charges be debited to respective project/Dept. fund.
- i) In case of labour is needed to unload the equipment, then charges may be debited to the respective project / Dept. fund.
- j) When the material is received, either in Stores & Purchase Section or in department, an issue note (acceptance note) may be generated and sent it to the respective indenter along with the material.
- k) Indenter is required to send the issue note (acceptance note) within a week to the Stores & Purchase Section/department store for generating and sending payment note to the Account Section / SRIC.

- l) If supplier fails to rectify the shortage/damage/wrong supply in a reasonable time, the matter shall be referred to the legal cell to recover the full cost paid. Stores & Purchase Section shall lodge Insurance claim, and pursue for the same.
  - m) Once the purchase has materialized satisfactorily, the items must be entered in the appropriate stock register of the department/project and in the Asset Register of the Institute.
  - n) If Stores & Purchase Section/Dept. store do not get back the Issue Note within a week, then reminder is to be sent to the Dept. store/indenter to know the reason for the delay.
- 10.2.0 The responsibility for custody of stores should be that of a faculty/staff member, who should be responsible for physical receipt, custody and issue of stores of his section. The stores should also be applied with preservatives where there is possibility of deterioration due to long storage.
- 10.3.0 All transactions of receipts and issues of stores should be recorded strictly in accordance with the prescribed rules in the order of occurrence and as soon as they take place. There should be documentary authority in the form of issue voucher, challan, requisition, etc. for each and every transaction.
- 10.4.0 Stores received should be accompanied with the challans in quadruplicate of the supplying firm. Original and duplicate copies will be returned to the firm after recording thereon, over the signature of the officer-in-charge the acknowledgement of the receipt of the stores. Simultaneously necessary entries should be made in the Receipt Register/Stock Register and duly initialed. The endorsement "*Stores covered by the challan with the exception of received in good condition; entries made in the Stores Register/Stock Register as per page No....*" Should then be made on the triplicate and quadruplicate copies of the challan under the dated signature of the officer-in-charge. The quadruplicate copy should be retained as the office copy of the store holding authority.
- 10.5.0 The store holding authority shall intimate purchase section of the receipt/non-receipt (Appendix-I) of the stores by the prescribed date and in any case immediately on receipt of the stores.
- 10.6.0 All the stores shall be entered in the appropriate Stock Register of the concerned department. However, files of the stores procured through S&P section shall also need to be sent to the S&P Section through the HOD within three working days for entry in asset register (maintained by S&P section) and further processing. For the articles rejected, a rejection memo/report shall be prepared and sent to the S&P through the HOD within 5 working days.
- 10.7.0 The S&P Section will immediately take action and inform the supplier through fax/ email/ speed post with a copy to the concerned HOD/PC/CI. The unacceptable stores will be subject to removal/replacement at the risk, cost and responsibility of the supplier and related intimation may be sent to the seller by S&P Section within five working days.
- 10.8.0 All stock entries including purchases made in various sponsored projects shall be signed by the concerned HOD/HOC/Section Head as a rule. In case of purchase under projects, PI/PC/CI shall also countersign the stock entry in the register maintained for this purpose.



- 10.9.0 Where the Invoice/Bill of Lading/Railway Parcel Way Bill have been sent by the supplier through Bank, the S&P Section shall prepare an advance bill on receipt of the instruction from the bank and arrange to retire the documents within the shortest possible time.
- 10.10.0 The S&P Section shall be responsible for clearance of all consignments at railway stations, sea, airport, and transport godowns and safe transportation and storage. Insurance of items may be done before dispatch either by seller or by the authorized clearing and forwarding agent appointed by the institute.
- 10.11.0 In the event of any shortage/damage/wrong supply, prompt action will be initiated by S&P Section to rectify the same. In case the supplier fails to rectify the shortage/damage/wrong supply in a reasonable time, the matter shall be referred to the legal cell to recover the full cost paid. S&P Section shall lodge Insurance claims, and pursue them vigorously to realize the sum insured.
- 10.12.0 The Director may at his discretion permit deviations from any of the above provisions if he is satisfied that such deviation will be in the interest of the institute and that the insistence on the above provisions can cause inconvenience and delay.





## Chapter 11: Annual Maintenance Contract (AMC)

- 11.1.0 Preventive maintenance schedule should be prepared for all the machinery items including computers, generator, air conditioners, electric panels, water coolers, xerox machine, vehicle, projector etc. required periodical servicing & maintenance.
- 11.2.0 Due to normal tear & wear some of the machinery parts requires replacement after certain period of time. Schedule of part to be replaced should be prepared to avoid any sudden break down of machinery.
- 11.3.0 Amount of expenditure incurred on repair & maintenance should be recorded along with log book of machinery, to check & control over regular repair on a particular asset.
- 11.4.0 Depending on cost and nature of the goods to be purchased, it may also be necessary to enter into maintenance contracts for a suitable period either with the supplier of the goods or with any other competent firm, not necessarily the supplier of the subject goods.
- 11.5.0 Such maintenance contracts are specially needed for sophisticated and costly equipment and machinery. It may however be kept in mind that the equipment or machinery is maintained free of charge by the supplier during its warranty period or such other extended periods as the terms of contract may provide for. The paid maintenance should commence only thereafter. If required, the cost of AMC may be paid in advance.
- 11.6.0 The annual maintenance contract, repair contract, repair work from the manufacturer/ manufacturer's authorized supplier, in respect of various equipment in the department, may be entered into by the HOD for maximum of 10% of the equipment cost or within the delegated financial power whichever is less following the purchase rules.
- 11.7.0 In all other cases, quotations will be invited by the S&P Section and the normal purchase procedure shall be adhered to. However, preference may be given to award the AMC to the supplier who has originally supplied the machine / equipment for better maintenance after going through price negotiation if required.

In case of renewal of the Annual Maintenance Contract, the following points may be taken care of while sending the proposal for renewal of Annual Maintenance Contract;

- a) AMC should be from a prospective date. In order to ensure this, the HODs shall be required to initiate action for renewal of AMC at least 90 days before the expiry of previous AMC.
- b) In case of renewal, the service report /log book (of Xerox copier) should be sent along with the proposal.
- c) In case of any increase in the AMC cost when compared to previous AMC, necessary justification for increase in price may be obtained from the firm and enclosed along with the indent.
- d) In case of high-value AMC, the payment terms should be negotiated with the service provider and may be made either half-yearly or quarterly basis instead of annual advance payment.



## Chapter 12: General Instructions

### 12.1.0 List of Supplier

- 12.1.1 A list of suppliers/firms dealing with different items will be maintained by the S&P. This list will be up-dated periodically based on response given by the firms and also adding new firms entering the market for the particular items. A copy of the Industrial Directory, published by the Govt. of India Press must also be kept on record in the S&P.

### 12.2.0 Time limit from date of Indent to placing of Purchase Order

- 12.2.1 To avoid delay in processing of orders, the following time schedule will normally be adhered to:

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i)	Inviting tender (S&P Section)	3 working days (after receipt of administrative approval)
ii)	Receipt of tender (from tenderers)	21-30 * working days
iii)	Opening of tenders and preparation of (S&P Section)	3 working days comparative statement
iv)	Department/Indenters recommendations department/section)	2 – 4** working days (concerned)
v)	Internal Audit-(AS)	1 working day
vi)	Purchase Committee (IPC)	2 working days recommendation
vii)	Financial Approval (CFA)	2 working days
viii)	Placing of Purchase Order	2 working days

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Total 36 - 50 working days

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\* 21 working days required in case of Open Tender

\*\* 2-4 working days required for IPC recommendation under two-bid system (inclusive of technical and commercial evaluation, and intimation to suppliers by S&P for opening of price bid). In case of urgent indent, the purchase order should be placed quickly – say within 7 working days.

- 12.2.2 The S&P Section shall be the nodal agency to guide the departments/PC/CI as to the procedure for procurement of stores, compliance of GFR, allotment of Asset Identification no. each individual asset and maintenance of Stock Registers etc. S&P will, as a part of his duty, shall inspect the stock books of the Department/Centers and guide the departments in the physical verification of stores annually. S&P Section will also help/guide them regarding procedure for disposal of unserviceable items of stores.

### 12.3.0 Maintenance of Record

This section describes the records pertaining to stores that must be maintained by S&P Section, departments, sections, units so as to facilitate proper stock verification, write-off and revaluation of stores, besides the transfer of stores from one department to another.

- 12.3.1 The institute shall maintain a record of all purchases in the NCS category in the Asset Register of the institute. Each entry must contain at least the following information:



- i. purchase order number and date,
- ii. brief specification of the item,
- iii. date of entry in the Asset Register,
- iv. name of the department,
- v. name and address of the supplier,
- vi. Invoice number and date
- vii. cost and project number (if applicable)
- viii. Location of Asset
- ix. Asset Identification No.

The total value of all the assets entered in the Asset Register during the financial year shall indicate the value of the assets to be capitalized in the balance sheet of the corresponding financial year. For this purpose, the indenter and HOD shall submit a separate statement in duplicate to maintain a Central Assets Register in the institute while forwarding invoice for payment.

- 12.3.2 Each department shall maintain the following two separate registers. NCS Stock Register and Consumables Stock Register. Items in the different categories purchased by the Department shall be entered in the appropriate register.
- 12.3.3 Each project shall maintain a project consumable register. All CS items purchased from the project shall be entered in this register. All NCS items must be entered in the NCS Stock register of the associated department. Project investigators, if they wish, may maintain separate NCS stock register for their project, but it is necessary to enter NCS items as the case may be in the stock register of the associated department. Each register must have consecutively numbered pages after the certificate page and the index, which shall be at the beginning of the register.
- 12.3.4 The S&P Section shall maintain a Purchase Register in which all orders placed will be entered chronologically. The Register will also show, name of supplier, description of goods, date by which the supplier is required to supply goods, date of receipt of good, accepted/rejected, date on which bills forwarded to finance section for payment etc.
- 12.3.5 At the close of financial year, a list of outstanding orders, with their likely cost, will be sent to the finance section.
- 12.3.6 The Asset Register for NCS and all others as per the requirement shall be maintained by AS of the institute.
- 12.3.7 All the required registers should have following certificate on the first page;

“Certified that this register contains a total of ----- pages and each page has been consecutively numbered on both sides from ----to”.

Date:

Signature of HOD:

- 12.3.8 The S&P Section shall be the custodian of all stores, purchase records pertaining to NCS items of the institute (including those for projects). All original documents related to any such purchase (including for enquiries, report of purchase committee, sanction note, purchase



order, invoice/bill, delivery challan, and inspection reports etc) shall remain with S&P after purchase is complete. These records /documents will be maintained for such periods as stipulated by the office procedure of the institute. After the stipulated period, the record / documents may be destroyed with the specific approval of the Director.

12.3.9 All HODs/PIs shall appoint a committee to conduct an annual stock verification of all items on the previous stock register of the department/ project at the end of financial year. The committee shall submit a report in the approved format to the HOD/PI/PC/CI for onward transmission to S&P. The S&P shall be responsible for issuing a notice for annual stock verification every year. It is essential that the annual physical verification is completed by 30th April of every year.

12.3.10 Once a year the HODs/HOCs/PC/CI shall constitute a Stores Survey and Physical Stock Verification committee of not less than three members. This committee shall survey all the NCS stores and recommend write-off for NCS items which are not useable and not serviceable and revaluation for items which have become obsolete. For NCS the committee shall record the reason for recommending write-off. HODs/PC/CI shall forward the report to the Director for approval. This report subsequently shall be sent to SPS for necessary action.

#### **12.4.0 Code structure for the Fixed Assets**

The following code structure will be used for Fixed Assets of the institute: -

“IIMJ / Financial Year / Main Head / Sub Head / Location/ Item No. “

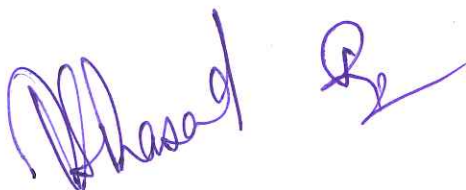
IIMJ / XXXX-XX / XX /XXXX / XXX / XXX

Eg. IIMJ/2018-19/FF/CHR/LIB/07

The above code will comprise maximum Four digit for Sub Head and Six digit for Item No. as the case may be

#### **12.5.0 Records of items received through gifts, donations and samples by the Institute (CS antics)**

A consolidated record of these items shall be maintained by the S&P Section on the basis of the information initially recorded and subsequently supplied by different departments/ units. The concerned departments/user sections are, therefore, required to maintain the inventory/details of such items/gifts/samples in their own records and a confirmation to this effect is to be sent to the S&P Section in one month of receipt of such items/gifts/samples, and S&P Section will forward it to AS for record in Asset Register.



## Chapter 13 : Type of Stock

### 13.1.0 Dead stock

- 13.1.1 Every independent holder of the dead stock should maintain an "Inventory of Dead-stock" (Appendix-X) such as furniture, fixture, plants, equipment and machinery. Only one item should be written on each page; each page should be numbered and each register will have an index showing contents arranged in alphabetical order with relevant page numbers. Pagination certificate should be signed by the officer-in-charge of the S&P Section.
- 13.1.2 As soon as an item of dead stock is received, it should be entered in the inventory of dead stock; simultaneously arrangement should be made to inscribe or otherwise affix a distinct number on every item, so as to facilitate its identification.
- 13.1.3 It should be remembered that the issue of any item of dead stock to individuals belonging to the same office/department will not reduce the stock balance and as such need not be exhibited in the Register of Dead Stock, but proper acknowledgement should be taken in respect of issues so made. Sub-registers/location registers may be maintained to indicate the issue.

### 13.2.0 Consumable Stores

Consumables stores are those which are used up completely or lose their separate identity as such in the course of particular operations for which they are meant, e.g., chemicals, paints, lubricant, wood, nails, screws, etc. The term also include those stores which are not ordinarily expected back after issue from stock, e.g. glass tumblers, bulbs, minor laboratory glass wares like test tubes etc. The definition is not however absolute. Each divisional head should prepare a list of consumable stores handled by his division.

### 13.3.0 Consumable Stores Ledger

- 13.3.1 There shall be one ledger folio for each item of consumable stores. These folios should have a serial page number. On completion of a page, balance may be transferred to a new page; closing of new page and opening of a new page should bear the initials of the concerned stock holding authority. The ledger may have the following information.

#### CONSUMABLE STORES LEDGER FOLIO

##### Section: Description of stores:

Unit :

Item Code:

#### RECEIPT SIDE

Date	Reced. From	Receipt Vr.No.	Qnty	Rate	Value
------	----------------	-------------------	------	------	-------

#### ISSUESIDE

#### BALANCE SIDE

Issued I/V On No.	Qnty Rate of store Keeper	Value	Initials	Remarks
----------------------	------------------------------	-------	----------	---------



- 13.3.2 All issues should be made on written requisitions and should be signed by an officer. Where the stores are collected by the representative of the indenting officer from the stores, he will bring an authorization letter from the indenting officer and sign the issue vouchers with a remark "received the above quantity issued in good order". These issue vouchers which are the authority for making entries on the issue side of the stores ledger, should be numbered serially, arranged chronologically and stitched suitably in bundles and retained with care.

#### **13.4.0 Return of Stores**

- 13.4.1 All the stores which are not required by the consumer whether new, serviceable, second-hand, repairable or unserviceable should be returned on the return voucher (R/V) (Appendix-XI) to the S&P Section wherefrom it has been issued on the return vouchers should be prepared for each class and for new, second-hand and unserviceable stores. This voucher should be prepared in 3 foils; first foil may be retained by the official returning the stores and 2<sup>nd</sup> and 3<sup>rd</sup> foils will be submitted to the S&P along with the items returned; the S&P Section should check the stores, arrange to post the ledgers and return one copy (3<sup>rd</sup> foil) duly acknowledged to the Returning Officer and 2<sup>nd</sup> foil should be retained by the S&P Section for its record. If there is a loss or deterioration in condition of stores due to reasons other than normal wear and tear, the reference of competent authority's sanction for write-off of loss should be given.
- 13.4.2 The official returning the stores may reduce the balance from his ledgers after recording the Return Voucher number and date and reasons for the return.
- 13.4.3 The Return Vouchers should be serially numbered and stitched together at periodical intervals and preserved with care.
- 13.4.4 A red line should be drawn across the pages of the stores ledger after the last entry for a particular financial year has been made. A little gap also should be left below this line before making entries pertaining to the next year.

#### **13.5.0 Stores other than Dead Stock and Consumable Stores**

- 13.5.1 This category of stores mainly comprises of those articles which are ordinarily meant to be issued on loan to officers and staff for the due performance of their duties and are as such returnable on fulfillment of the purpose for which they were taken or on the expiry of certain prescribed period.
- 13.5.2 While posting issues in the Stores Ledger, simultaneous entries should be made in the Register of Loans of Stores (Appendix-VI). A number of consecutive pages should be set apart for each person to whom stores are issued. Receipts should be posted exactly against corresponding issues. Un-squared issues would thus show the stores outstanding against a particular individual on any date.
- 13.5.3 The Register of Loan of Stores should be reviewed in the first week of June each year and lists prepared there from showing the stores outstanding against each individual. The lists should thereafter be forwarded to the respective persons with the request to acknowledge their correctness. Discrepancies if any pointed out should be regularized. The process of forwarding lists should be completed by the 30<sup>th</sup> June of every year.



- 13.5.4 Issue for repairs/fabrication / printing: Issues made to private parties for repair or for fabrication or printing etc. for embodiment /incorporation of certain modifications in the original equipment or samples given to guide fabrication will all be made only against suitable security deposit safeguarding the interest of IIM Jammu. While asking for the expenditure sanction in these cases, the approval for issue of these should also be taken. The items will be issued on regular issue voucher and gate pass with the words 'on loan' and will be entered in the Loan of Stores Register.
- 13.5.5 Each capital equipment shall be carrying a running log book and "Repairs and Maintenance Log Book" and it is the responsibility of the officer in whose custody the capital equipment exists to maintain the log books properly and maintain them neatly and safety.
- 13.5.6 In case of vehicles, the Workshop Superintendent or any official of the institute attached to transport section will be responsible for the registration of vehicle as also for the renewal of certificates of fitness. Spare parts and accessories may be consumable or non-consumable depending on their nature and the specific cases to which they are put. All spare parts and accessories shall be accounted for in the general ledgers of the Transport Section of IIM Jammu.

#### **13.6.0 Empties**

Wooden boxes, tins and other containers received along with stores should be preserved and disposed of at convenient intervals. Accounting of empties should be kept in the same general ledger as for other stores. As soon as a box is unpacked and the stores therein are taken out the empties should be released and taken into stock.

#### **13.7.0 Responsibility for correct accounting**

It is the primary responsibility of all stock holding officers to see that the ledgers under their charge are posted up to date in every respect and all receipt and issues are posted immediately in such ledgers and no undue delay is allowed to take place in such postings. It is the responsibility of every departmental Head to see that the consumption of stores in his department is normal and fully justified. The mileage covered by vehicles during the month and the fuel consumed by each vehicle should be watched so that the average is within reasonable limit and prompt action is taken for unduly high average.



## Chapter 14: Physical Verification of Fixed Assets, Stores, and Consumables

- 14.1.0 The objective of verification of stores is to ensure that the materials accord with the description and specification shown in the stores (NCS/CS) ledgers, that actual balances of such stocks agree with the balances appearing in the books and that excess or deficiencies if any noticed on such verification or properly investigated and accounted for.
- 14.2.0 Verification should always be conducted in the presence of the officer responsible for the custody of the stores or a responsible person deputed by him.
- 14.3.0 Each verification team should consist of two or three officers depending on the volume and nature of stores to be verified. The officer attached to the team will be known as verifier and in-charge of the team or senior most official will be called Physical Verification Officer. It is essential that the annual physical verification is completed by the 30<sup>th</sup> April of every year. Physical verification should not be entrusted to a person who is the store holding authority. A notification in this regard by S&P Section should be communicated to various store-holding authorities.
- 14.4.0 The stock-verifier will first verify the physical balance without knowing the ledger balance; the ledger balance will then be noted and then discrepancies may be brought out. The stock-verifier should personally count, weigh or measure all items of store he proposes to verify with the assistance of peons where necessary. The stock-verifier will see that nothing is left unverified.
- 14.5.0 The Physical verification officer should prepare the stock verification sheets in quadruplicate for all items of stores in which any discrepancy has been noticed with regard to shortage, excess, reclassification, etc. If the discrepancy is minor due to wrong description/posting etc. it should be rectified without preparing a stock sheet. The concerned persons handling physical stores may be given reasonable time to locate the reasons for discrepancy. The stock verification sheets (Appendix-VII) should be prepared from the data collected and signature of the person handling the stores (in that particular department/unit) be obtained on all the copies of the verification sheet. Verification results should also be recorded in respective ledgers.
- 14.6.0 Posting of verification results in the ledgers after the actual stock figures of an item of stores have been ascertained and accepted by the store-keeper should be done in the following manner:
- If there is no difference in the ground balance and the ledger balance, the remarks "stock verified and found correct" will be written in black or blue ink on the ledger under the date of verification and initialed by the stock verifier.
  - If the difference be an excess i.e. the actual stock figures are greater than the book balance, stock verification sheet should show the excess quantity and posted in the ledger as excess in stock. The excess quantity will be recorded in the receipt column and the balance struck by adding the excess to the book balance. The date of posting will be recorded in the column for date, "excess in stock" will be written in "Received from" column and the Stock Verification Sheet number will be recorded in the column "voucher no". The entry should be initialed by the Physical Verification Officer.
  - The same procedure will be adopted by recording the shortages except that in column No.2 of the register will be written by "Shortage in stores stock" and the quantity short will be shown in red ink on the Receipt side.



- 14.7.0 While the excesses will be shown with blue or black ink, the shortages shall be recorded with red ink. The Physical verification officer should ensure that all the registers etc. are properly maintained and there is no undue delay in the accounting/disposal of stores. The Physical Verification Officer should also bring out in his report all damages or deterioration of the items in stock. The physical verification team shall prepare a list of stores in which there is no issue for the last two years. These lists shall be given to the stock holding authority with the report, and these lists after careful scrutiny by the concerned departmental heads are to be put up to the S&P Section with appropriate recommendations whether the stores may be retained or disposed of.
- 14.8.0 A certificate for verification of stores with its results shall be recorded in the stock ledgers under the dated signature of the Physical Verification Officer.
- 14.9.0 If at any time, certain unaccounted material has to be taken into stock books, it shall be so done through the same form as that of the stock verification sheet.
- 14.10.0 The Workshop Superintendent or any other designated official of IIM Jammu, who is the store holding authority for vehicles, should obtain in the first week of April every year a certificate in the following form from each officer to whom any vehicle has been allotted.

Certified that vehicle No. \_\_\_\_\_ Registration No. \_\_\_\_\_ is/was under my charge on the 31<sup>st</sup> March, 20\_\_\_\_\_. The vehicle is serviceable/repairable/unserviceable.



Station:

Signature:

Date:

Designation:

- 14.11.0 The fact that the necessary certificate has been obtained from the concerned authority should be recorded in the remarks column of the stock register of vehicles.





## **Chapter 15: WRITE OFF, CONDEMNATION AND DISPOSAL**

### **15.1.0 Concept**

An item may be declared surplus or obsolete or unserviceable, if the same is of no use to the institute or when the item is beyond economical repair. An item may be rendered surplus, obsolete or unserviceable in the process of upgrading or replacing institute property or when institute property or equipment no longer serves a functional use due to programme, procedure or other changes. Under such circumstances the property and equipment may be disposed of in the best interest of the institute as per the following guidelines with prior approval of the Director.

- a) Wherever possible, the stores/equipment is traded under buy back scheme, so as to reduce the cost impact on the new stores/equipment.
- b) If the above option is not available, the property and equipment may be sold out-rightly with due procedures.
- c) Obsolete, unusable materials beyond economic repair may be disposed-off as per procedure.

This manual outlines the procedure for write off and disposal of unserviceable materials purchased by department /inter-disciplinary programme /centers /central facilities/sections and purchases in projects etc.

### **15.1.1 General Procedure for writing off the unserviceable Materials/Items.**

15.1.2 The items to be declared obsolete /surplus/ unserviceable should be examined by a survey committee. The survey committee will normally consist of three officers and will be duly approved by the Director, IIM Jammu. The chairman will normally be of the division to which the stores pertain. The store holding officer will be one of the three members of the survey committee. The stock holding authority shall prepare the forms for survey committee reports for the material which is to be put up to the survey committee for survey. The forms of survey committee report for the stores which do not belong to NCS category, have been prescribed at Appendices VII and VIII.

15.1.3 The survey committee should inspect critically the condition of all the stores:

- a) that have deteriorated in value for any reason,
- b) broken or damaged in transit or while in stock,
- c) lying in the custody of various stock-holding authorities for a long time and considered by the respective stock-holding authority as having become surplus owing to obsolescence or other causes,
- d) received as unserviceable from the fields/camps.

Here the "life period" has been prescribed on any item and if the same is already over, it should normally be taken as enough ground for declaring the item obsolete and unserviceable. However, the condition of the item should still be thoroughly examined to

see whether the item could be put to further use.

In other cases, where the life period is not over or no life period has been prescribed or stipulated, the reason for declaring the item unserviceable should be clearly recorded such as, may be normal wear and tear, excessive use in public interest, accidental fire, flood and other natural causes, damage due to insect, rats etc.

In case of NCS items, the survey committee should examine all records in addition to the inspection of the physical stores with the existing condition. In this case, the committee may also call for a technical report of 'Beyond Economical Repairs' from the concerned HOD, if it is so desired.

An item may be declared obsolete / surplus if it is no longer required by the departments. Reasons for the same should be recorded. In case of loss due to negligence fraud or mischief on the part of any employee, responsibility should be fixed and losses should be made good.

15.1.4 The survey committee should determine after such inspection and offer their recommendations on the following:

- a) the condition of the stores, whether these are unserviceable or dead surplus stores;
- b) the method of disposal, i.e. by sale through auction/tender or by issue to particular user of a particular division etc.

The function of the survey committee shall be only inspecting the physical condition of the stores and then record their observations. The report so prepared shall be submitted to the Chairman, 'Central Write-off/ Condemnation Committee' for further necessary action.

15.1.5 The report of the above-mentioned survey committee shall be submitted to a duly constituted 'central write-off/ condemnation committee' by the Director, IIM Jammu.

15.1.6 The function of the 'central write-off/ condemnation committee' shall be thoroughly examining the report submitted by the survey committee and verifying the physical condition of the identified stores. The committee shall then record their recommendations either to accept or to reject the write-off/condemnation of those identified stores along with the method of disposal if any. This committee shall also fix the reserve price of the identified stores. All these recommendations so prepared shall be submitted to the Director, IIM Jammu for his approval. The reserve price, as suggested by the committee shall be kept in sealed cover and will be opened while finalizing the auction/tender.



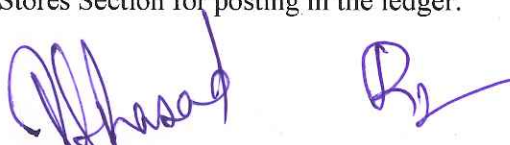


## **15.2.0 Disposal of Surplus and Obsolete Stores**

- 15.2.1 List of surplus stores, i.e. stores which have not moved for over 24 months consumption in the department should be prepared by the Physical Verification Team every year class-wise. This list should be put to the respective Divisional Head for his remarks as to whether there is any possibility of issue of the stores in the near future or whether the concerned stores are to be treated as "Dead Surplus" or "Obsolete". The items which are recommended as dead surplus or obsolete should be listed out and presented to the survey committee and their survey be arranged by the store holding authority. In such cases, the stores shall be transferred to the unserviceable stores section only after the approval of the competent authority for write-off has been obtained. The unserviceable stores section shall arrange their disposal on as is where basis.
- 15.2.2 The stores need to be disposed will continue to be under the custody of the concerned store holding authority until they are disposed of. It should be ensured that proper protection is given to these stores till their removal by the purchaser and that the time lag between the declaration and the actual disposal is required to be the minimum.
- 15.2.3 The sale-proceeds from disposal arranged by will be credited to IIM Jammu and accounted for in the books of CAO, IIM Jammu.

## **15.3.0 Direct Disposal**

- 15.3.1 Direct disposal may be resorted to when the quantity to be disposed of is too meagre and considered quite uneconomical to go through them. All disposals, irrespective of the value of the stores involved should be effected through public auction. Notice to sell stores by auction should be widely advertised so as to attract as large a number of likely buyers as possible. The conditions of sale by auction should be embodied in the sale notice itself, which should be issued to a sufficient large number of local parties; the notice should also be displayed prominently on the Notice Board of each building of the office as well as hosted in the IIM Jammu website. The auction should be supervised by a committee approved by the Director, IIM Jammu.
- 15.3.2 The stores may be grouped into suitable lots; the highest bid against each lot should be accepted subject to payment of earnest money of not less than 25% of the total bid amount accepted, unless of course, the entire amount is paid and the release of stores desired immediately after the auction.
- 15.3.3 The earnest money should be handed over by the bidder through Demand Draft, RTGS or NEFT. Balance 75% may be paid at the discretion of the party by deposit into authorised bank. On receipt of 100% of sales proceeds sale release order should be drawn up by the store holding authority in triplicate. One copy should be retained in his office, one copy should be sent to party and the third should be sent to the Unserviceable store depot with their copy of the release order which will be surrendered by the party to the depot officer with their note on that copy. The Depot shall issue the stores on Sales Issue Note. The Sale Issue Note will be prepared in triplicate; one copy may be given to the party along with the stores which will form the basis for making the gate-pass and checking the stores at the gate. Acknowledgement of the party to be taken in 2 copies of which one will be kept by the Store Keeper and the other passed on to Stores Section for posting in the ledger.





- 15.3.4 In case the buyer, for some reason or other refuses to take delivery of part of the stores for which payment has been made, the store holding authority should not refuse permission to remove the portion of the lot which the buyer wants to remove. The store holding authority at the same time should serve on the buyer in writing his protest against the buyer's refusal to remove the rest of the goods sold and warn him that the stores left out will be forfeited in accordance with the conditions of the sale.
- 15.3.5 After the stores have been delivered, the ledger of unserviceable stores shall be posted with the copy of the sale issue note (Appendix-X). Record of such Sale Issue Notes should be maintained and watch to be kept that there is no missing serial number.
- 15.3.6 The copies of the final proceeding of the disposal of surplus/ obsolete/ unserviceable and direct disposal with the details of money being received there to should be sent to the AS for making necessary entries in the books of accounts and the Asset Register.
- 15.4.0 Miscellaneous**
- 15.4.1 It has been observed that very negligible value is quoted for items like computers, printers, typewriters and furniture etc. It will be, therefore, appropriate, if the preference is given to institute employees while selling off the above items after taking approval from the Director.
- 15.4.2 The institute shall reserve the right to reject all or any tender without assigning any reason. The decision of the Director in this behalf and all other matters relating to the disposal shall be final and binding.
- 15.4.3 Cases not covered by the Stores & Purchase manual will be decided by the Director in the interest of Institute.
- 15.4.4 Other Miscellaneous forms are attached as Appendix XII - XX



Indian Institute of Management Jammu						
PURCHASE PROPOSAL INDENT FORM						
File No.: .....						
<b>1. Indenter's Name:</b> <b>2. Department /Section:</b>						
<b>3. Department Indent No.:</b> <b>4. Indent Date:</b> Quotation Attached (Y/N)						
<b>5. Types of Material:</b> <ul style="list-style-type: none"> <li>• Consumable</li> <li>• Non-Consumable</li> </ul>				<b>6. Purchase Order Type</b> <ul style="list-style-type: none"> <li>• Normal</li> <li>• Repeat Order</li> <li>• Rate Contract</li> </ul>		
Please tick where ever-applicable				Item Category _____		
<b>7. Item Details of Required Items</b>						
S.No.	Complete Description of Items (Specification Model, Catalogue No.) Use separate sheet if required	Stock Held on date (Wherever applicable)	Quantity Required	Purpose	Approx. Units Price	Approx. Total Cost
Total Cost						
<b>8. Budget Details</b>						
Sl. No.	Department Name/Project No.	Budget Head	Budget Amt.			
<b>9. Whether Indigenous /Imported:</b> <b>10. IPC Recommendation (for purchase above Rs. 2,50,000 to be enclosed):</b> <b>11. Suggested Supplier (Name and Address to be enclosed):</b>						
<b>Indenter's Signature</b> <b>Name:</b> _____ <b>Email:</b> _____						

Approved

 HOD/HOC/PC/CI/CAO/Dean /Director  
 (Signature)

**Indian Institute of Management Jammu  
Proprietary Article Certificate (PAC)**

Proprietary Article Certificate i. The Equipment/Instrument/Store wanted is/are manufactured  
by M/s.....  
..... No other make  
is acceptable for the following reasons:  
.....  
.....

Signature of the Indenter

Name: .....

Deptt./Centre/Section:.....

ii. Approval of HOD/HOC  
as store holding authority.....



**Indian Institute of Management Jammu  
Manufacturer's Authorization Form**

No. \_\_\_\_\_ dated \_\_\_\_\_

To,  
The Chief Administrative Officer,  
Indian Institute of Management Jammu,  
Old University Campus,  
Canal Road Jammu 180016

Dear Sir,

Tender Reference No. \_\_\_\_\_

We \_\_\_\_\_ who are established and reputable  
manufactures of \_\_\_\_\_ having factories  
at \_\_\_\_\_ and \_\_\_\_\_ do  
hereby authorize M/s \_\_\_\_\_ (Name and address of Agent/Dealer)  
to offer their quotation, negotiate and conclude the contract with you against the above invitation for  
tender offer.

We confirm that our company (as a single unit, not the group) has had a turnover exceeding Rs 10  
crores of last three financial years (i.e. 2013-14, 2014-15 and 2015-16). We also confirm that we  
made profit in \_\_\_\_ years in last three financial years.

We hereby extend our full guarantee and warranty as per terms and conditions of the tender and the  
contract for the equipment and services offered against this invitation for tender offer by the above  
firm. In case of M/s \_\_\_\_\_ is out of service due to any reason, we will make alternative  
arrangement for the service and maintenance of our product on same terms and condition.

Yours faithfully,

(Name)

for and on behalf of

M/s \_\_\_\_\_  
(Name of manufactures)

Note: This letter of authority should be on the letterhead of the manufacturing concern and should be  
signed by a competent person of the manufacturer.

**Indian Institute of Management Jammu**  
**PURCHASE WITHOUT QUOTATIONS**  
For Purchase (of goods upto the value of Rs. 25,000/-)

Ref No:			
Place:		Date:	

I Shri/Ms./Dr. ...., am personally satisfied that the goods (described below) goods Purchased are of the requisite quality and specification and have been Purchased from a reliable supplier at a reasonable price.

The fund is to be booked under the Head:-.....

Item:	
Quantity:	
Indenter:	
Unit Rate:	
Taxes/Duties:	
Other Charges:	
Total Unit Price:	
Total Price:	
Purchased from: M/S	
Vide Bill No. / Date.:	
Justification:	

Signature of the Indentor

Name & Designation:-

Date:-

Approved by

Dean/CAO/Director  
(as per Financial Delegation of Power)  
Date:-



**Indian Institute of Management Jammu**  
**PURCHASE AND STORES SECTION**

(Format for Purchase above Rs.25000/- & up to Rs.2.5 Lakh)

The Purchase Committee consisting of following members recommends the purchase of following items as per details below:

Name of the item : .....

Unit Price : .....(In Rupees)

Quantity : .....

Total Cost : .....(Qty. x Unit Price)

Source of Supply : .....

Source of Fund : Institute (Budget Head) .....

( √ any one) : Projects (Project No .....)

PFC Members:

Certified that the following members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question and it is not debarred by Department of Commerce or Ministry/Department concerned or by IIM Jammu.

1.	2.	3.
Signature.....	Signature.....	Signature.....
Name.....	Name.....	Name.....
Department.....	Department.....	Department.....
Emp. Code.....	Emp. Code.....	Emp. Code.....

Sanctioned Rs.....from.....

(Sanctioning Authority)

Reimbursement to the Purchaser / Payment to the supplier may be made as per attached invoice

(F&A) /(Project) Through: HOD

**Indian Institute of Management Jammu**  
**EMERGENCY PURCHASE CERTIFICATE**

(For Purchase of goods valuing upto Rs. 5,00,000/- or from Rs. 5,00,000/- to Rs. 15,00,000/- lakhs to be furnished by LPC or IPC for later case)

“Certified that we, members of the Purchase Committee are jointly and individually satisfied that the goods Purchased are of the requisite specification and quality, and have been purchased from a reliable supplier at a reasonable price”

The fund is to be booked to the budget head :- .....

Indenter:-

Committee members (IPC/DPC/PPC):-

Date:-

Approved by:-

**Indian Institute of Management Jammu**  
**PURCHASE CERTIFICATE OF AESTHETIC**  
**VALUE ITEMS**

(For Purchase of goods valuing upto Rs. .... to be furnished by LPC or IPC for later case)

“Certified that we, members of the Purchase Committee are jointly and individually satisfied that the goods Purchased are of the requisite specification and quality, and have been purchased from a reliable supplier at a reasonable price”

The fund is to be booked to the budget head : - .....

Indenter:-

Committee members (IPC/DPC/PPC):-

Date:-

Approved by:-



**Indian Institute of Management Jammu**  
**Form GFR 17**

**Report of Obsolete and Unserviceable Stores for Disposal**

Item No.	Particulars of Stores	Quantity/Weight	Book Value/Original Purchase Price	Condition and Year of Purchase	Mode of Disposal (Sale, Public Auction or otherwise)	Remarks
1						
2						
3						
4						
5						
6						

Dated:

Signature \_\_\_\_\_

Name & Designation \_\_\_\_\_

Head/ Incharge  
AAO (Physical)

**Indian Institute of Management Jammu**  
**STORES RECEIPT/NON-RECEIPT INTIMATION SLIP**

Purchase Order No. \_\_\_\_\_ Dated \_\_\_\_\_  
Name of the Supplier \_\_\_\_\_  
Prescribed date of delivery \_\_\_\_\_  
Details of stores received/non-received \_\_\_\_\_

Description of stores with date	Quantity received	Quantity not received	Remarks
------------------------------------	-------------------	-----------------------	---------

Date \_\_\_\_\_

Signature of Store Holder  
Section \_\_\_\_\_

## Appendix-X

## Indian Institute of Management Jammu

### DEAD STOCK REGISTER

Name of Item

No.

No.	Receipt Issue Balance							Initials						
Remarks	Recd.	Issue	LdgQty	Reg.No.	Rate	Value	Issued	Rv.No.	orQty	RegNo.	StoreHOD/HOC/ keeper Head ofthe Section Date			
fromNo./Challan No.&Date							to	transfer						
							Vr.No.&							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15



**Indian Institute of Management Jammu**  
**REPORT OF SURPLUS, OBSOLETE AND UNSERVICEABLE STORES FOR**  
**DISPOSAL**

ItemNo.	Particulars of stores	Quantity/Weight	Book Value/Original purchase price	Condition and year of purchase	Mode of disposal (sale public auction or otherwise)	Remarks
1	2	3	4	5	6	7

Signature.....

Designation.....

Date.....

## Appendix -XII

### Indian Institute of Management Jammu RETURN OF STORES VOUCHER (To be filled in quadruplicate)

**Part-I**  
(To be filled up by returning officer)

**Part-II**  
(To be filled up by returning officer)

Name of the Returning Officer:  
Designation with Section/Department:  
V. No. Date:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
S.No	Class & N.L. No.	Description of Stores	Unit	Quantity	Condition of Stores: New/Serviceable /Repairable/Unserviceable	Original issue I V No. and Date of Receipt, Challan No. & Date	Purchase Price or Book value	Life	Period put into use	Remarks	Quantity received by the deptt.	Condition of stores accepted	Date of posting with stock taking	Remarks

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
S.No.	Class & N.L. No.	Description of Stores	Unit	Quantity	Condition of Stores: New/Serviceable /Repairable/Unserviceable	Original issue I V No. and Date of Receipt, Challan No. & Date	Purchase Price or Book value	Life	Period put into use	Remarks	Quantity received by the deptt.	Condition of stores accepted	Date of posting with stock taking	Remarks

Signature of the Section Head  
Officer

Signature of Returning Officer

Store Keeper/Store  
holding Authority

**Indian Institute of Management Jammu**  
**REGISTER OF LOAN OF STORES**

Designation:

Date	Description of Stores.	Qty	Reg. No. if any	Ref. To Stores Ledger with Class & N.L. No.	Purpose of Issue	Sign of the receiver	Date	Qty	Reqn. No.	Condition of Stores	Ref. to Stores Ledger	Sign of the returning officer	Sign of Store Keeper	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15



**Indian Institute of Management Jammu**  
**STOCK VERIFICATION SHEET**

Name of the Dept/Centre/Section

Stock Verification Sheet No.

Date of verification :

Sl.No.	Class & N.L. No.	Ledger & Ledger Folio No.	Description of Stores	Unit	Ground Balance	Ledger Balance	Difference between Ground & Ledger Balance Qty Rate Vale	Explanation of the Stock holding authority	Remarks of the Head of Division	Orders of the Competent Authority
1	2	3	4	5	6	7	8	9	10	11

Signature of the Stock Holding Officer

Signature of the Verification Officer or his  
authorized Representative

Designation:

Designation:

Date:

Date:

**Indian Institute of Management Jammu**  
**SURVEY COMMITTEE'S REPORT FOR CS ITEMS**

Holding Authority:

Section/Department:

S.No	Class & N.L. No.	Items of Stores	Quantity	No. Wt	Purchase Book value	Rate Unit	Price/ Amount	Brief reasons for	Recommendations of survey committee i) Condition of stores ii) Method of disposal	Recommendation of condemnation committee	Remarks
1	2	3	4	5	6	7	8	9	10	11	12

Name, Designation and Signature of the Committee members:

Member No.1

Member No.2

Member No.3

Signature of HOD

**Appendix-XVI**

**Indian Institute of Management Jammu  
SURVEY COMMITTEE'S REPORT FOR NCS ITEMS**

**StoreHoldingAuthority:**

**Section/Department:**

S. No	Class No.& SL No	Description of stores	Registration No. or Dept. No.	Quality	No. Value	Book Value/ Replacement value	Ref.to Stock Register/ Store Ledger	Date of Acquisition	Date of Commissioning
1	2	3	4	5	6	7	8	9	10

Date out of commission	Period in Use or Mileage in Case of Vehicle	Brief Reasons For the Survey	Technical Report of BER from CompetentAuth ority	Observation of the Survey Committee	Recommendation of Condemnation Committee	Remarks
11	12	13	14	15	16	17

Name, Designation and Signature of the Committee members:

MemberNo.1

Member No.2

Member No.3

Signature of HOD



**Indian Institute of Management Jammu**  
**SALE NOTICE**

**Date:**

The following stores lying at .....  
be sold by Public Auction at site to be held on..... the ..... 20... at .... am/pm

Sl.No.	Description of the stores	Quantity	Remarks
1	2	3	4

The Sale is on 'AS IS WHERE IS' basis

The stores may be inspected between 10.00 am and 1.00 pm on ..... and on ..... Cash payment to the extent of 25% of the amount of the accepted bid will have to be made as earnest money on the fall of hammer. The balance 75% will have to be paid within 7days of the auction but before recovery of stores.

The stores will have to be removed completely within three days of the issue of the release order. Failure to pay the balance 75% or to remove the stores completely in time may entail the forfeiture of the earnest money and the cancellation of the sale.

If the buyer refuses to take the delivery of any part of the stores within the specified date, the stores left out will be treated as abandoned and amount paid for the same shall be forfeited.

Signature  
Designation

# Appendix- XVIII

## Indian Institute of Management Jammu INFORMATION FOR ASSETS REGISTER

(To be submitted in duplicate along with invoice duly stock entered for entry in Assets Register)

Location of Assets.....  
 Stock Holding Authority.....  
 Stock Register Page no NCS \_\_\_\_\_ SI No. \_\_\_\_\_  
 Purchase Order No. \_\_\_\_\_ Dated \_\_\_\_\_  
 Name and address of the Supplier \_\_\_\_\_  
 \_\_\_\_\_  
 Invoice No and date \_\_\_\_\_  
 Date of Supply \_\_\_\_\_  
 Expenditure/Budget Head \_\_\_\_\_  
 Category of Assets: NCS \_\_\_\_\_ Assets Reference no \_\_\_\_\_

### Details of stores received/non-received

Sl. No.	Complete Description of Items (Specification Model, Catalogue No.) Use separate sheet if required	Stock Held on date (Wherever applicable)	Quantity	Purpose	Units Price	Total Cost
	<b>Taxes</b>					
<b>Total Cost</b>						

Signature of Indenter

Signature of HOD  
Section \_\_\_\_\_

(For use in S&P Section /AS)

Payment released Rs \_\_\_\_\_ Voucher no \_\_\_\_\_ Dated \_\_\_\_\_

Entered in Assets Register at sl no \_\_\_\_\_ Dated \_\_\_\_\_

Signature with Date

**Indian Institute of Management Jammu**  
**PURCHASE AND STORES SECTION**  
 (Format for Purchase up to Rs.25000/-)

Following item(s) has/have been procured as per the details furnished below:

Name of the item:.....

Unit Price: ..... (In Rupees .....)

Quantity :.....

Total Cost: .....(Qty. x Unit Price)

Source of Supply:.....

Source of Fund: Institute (Budget Head) .....

( /any one) Projects (Project No. ....)

The Undersigned is personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at reasonable price.

Signature :.....

Name :.....

Department :.....

Emp. Code :.....

Sanctioned Rs.....from .....

(Sanctioning Authority)

Reimbursement to the Purchaser / Payment to the supplier may be made as per attached invoice

(F&A) /(Project)

Enclosure: Invoice (with stock entry certificate)



**Indian Institute of Management Jammu**  
**PURCHASE COMMITTEE CERTIFICATE FORMAT**

Ref No:			
Place:		Date:	

“Certified that we the undersigned, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier/contractor recommended is reliable and competent to supply the goods in question, and it is not debarred by Department of Commerce or Ministry/Department concerned.” The details of recommended purchase are:

Item:						
Quantity:						
Indenter:						
Details of Prices Ascertained						
Bidder	Unit Rate:	Taxes/Duties:	Other Charges:	Total Unit Price:	Total Price:	Recommendations & Comments
Selected Quotation						
Bidder						
Unit Rate, Taxes/Duties/Other Charges						
Total Unit Rate						
Total Value of Purchase						
Cheque may be drawn in favour of						
Signature:		Signature:		Signature:		
Name 1:		Name 2:		Name 3:		
Designation:		Designation:		Designation:		