



INDIAN ASSOCIATION FOR THE CULTIVATION OF SCIENCE
JADAVPUR, KOLKATA 700032

No. : 1.2/1285

October 11, 2017

OFFICE MEMORANDUM
(Purchase Guidelines as per GFR-2017)

Since the General Financial Rules (GFR) 2017 have come into force replacing the earlier GFR 2005, therefore in order to implement the GFR 2017 in full spirit as per provisions contained therein, the gist of the rules frequently applied for various purchases at different levels are hereby re-produced below to facilitate handy references besides imposing some conditions to maintain proper monitoring of purchases for research. It is reiterated that all transactions and procurements must follow GFR provisions. This OM contains excerpts of the GFR provisions that are relevant and frequently used in the context of IACS.

1. Purchase of Scientific Instruments/Chemicals :

- a) Tenders/Quotations for all items would be received directly by the departmental office and/or by individual faculty or PI of a project, as the case may. Tenders issued by the Registrar will indicate who will receive the tenders.
- b) **Purchase without quotation (Rule 154 of GFR):** Purchase of goods costing up to Rs. 25,000/-only on each occasion may be made directly without inviting quotation/s and under the following certificate to be endorsed on/for the bill by purchasing/indenting officer:-

"I, (Name) am personally satisfied that these goods purchased are of the requisite quality and specifications and have been purchased from a reliable supplier at a reasonable price"

Signature of Purchaser with date & seal

- c) **Purchase of goods by Purchase Committee (Rule -155) :** Purchase of goods costing above Rs. 25,000/- and up to Rs. 2.5 lakhs, on each occasion may be made on the recommendation of a duly constituted Local Purchase Committee consisting of three members of appropriate level. The Committee will have to jointly furnish the following certificate:-

"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 specifications 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 the Department of Commerce or Ministry/Department concerned".

Signature of Indenter/Purchaser
Name & designation
With date & seal

Signature of member
Name & designation
With date & seal

Signature of HOD/Chairman
Name & designation
With date & seal

- d) Chemicals costing up to Rs. 5.00 lakh may be jointly purchased in a department by several faculty members (separately one for departmental grant and one for several projects).

(Note: 1 (d) above has been adopted from the previous Purchase Guidelines notified vide OM No. 1.2/2716 dated 20.01.2012).

- e) Chemicals shall be purchased as far as possible from the duly approved list of Vendors attached as

"Name of the vendors from Annexure 1 chemicals mentioned in this purchase order is (are) of the kind of the specification and quality which is (are) essentially required to carry out the scientific research work. Substituted made of other companies is not acceptable for our research purpose, hence, approval for purchase on single quotation basis may be accorded"

Signature of the requisitioner with date & Seal

Approval by HOD with date & Seal

2. Limited Tender Enquiry (GFR-162):

(i) This method may be adopted when estimated value of the goods to be procured is up to Rupees 25,00,000. Copies of the bidding document should be sent directly by speed post/registered post/courier/ email to firms which are borne on the list of registered suppliers for the goods in question as referred under **Rule 150** in GFR 2017. The number of supplier firms in Limited Tender Enquiry should be more than three. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis. Prospective vendors/suppliers may be encouraged to enlist with IACS or with the ministry.

Enlistment of vendors: Vendors who are not already enlisted with DGS&D or any ministry may enlist through by filling up IACS's vendor enlistment form and mailing it to vendor-registration@iacs.res.in Enlistment would be typically valid for three years from the date of registration at IACS.

Further, an organisation should publish its limited tender enquiries on Central Public Procurement Portal (CPPP). Apart from CPPP, the organisations should publish the tender enquiries on IACS web site.

(ii) Unsolicited bids should not be accepted. However Ministries/Departments should evolve a system by which interested firms can register and bid in next round of tendering.

(iii) Purchase through Limited Tender Enquiry may be adopted even where the estimated value of the Procurement is more than Rupees twenty-five Lakhs, in cases where there is utmost urgency (For detailed procedure please see GFR 2017 Chapter 6 Rule 162 and reference therein)

(iv) Ordinarily, the minimum time to be allowed for submission of bids under Limited Tender Enquiry is **two weeks** from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later. Extension for submission may be given for another one week in case of poor response from the bidders.

(v) If, **more than three** bids are received from enlisted vendors, the technical bids will be opened on the prescribed date of opening. In case less than four bids are received extension by **one week** for submission of bids from the earlier advertised deadline would be undertaken with approval from Technical Committee.

(vi) After completing the formalities of receipt of bids the technical committee would evaluate the technical validity of the received bids. Two different situations may arise and the way of handling those cases are delineated below:

(a) If only a single bid is found to be technically qualified after the technical evaluation process by the technical committee it may suggest adopting single tender enquiry (STE) process by providing ample explanations why further repeating the tendering process would not yield enough technically competent bids and STE should be the mode through which the advertised item can be bought. In such cases opening of the price bid will only occur after receiving approval from the competent authority, i.e. the Director. For further details please see: **Manual for procurement of Goods and Services 2017**

(b) If more than one bid is found to be technically qualified after the technical evaluation process the technical committee can approve opening of the price bids. The price bids would be opened by the Purchase and Finance committee.

3. Advertised Tender Enquiry (GFR-161):-

- i) Invitation to tenders by advertised should be used for procurement of goods of estimated value of Rs. 25 lakhs and above (For exceptions see Rules 154, 155, 162 and 166 in GFR 2017). Advertisement should be given on Central Public Procurement (CPP) Portal at www.eprocure.gov.in, on GeM and in IACS website. For details GFR-161 may be referred.
- ii) Ordinarily, the minimum time to be allowed for submission of bids should be **three weeks** from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later. Where it is contemplated that bids would be received from abroad, the minimum period should be kept as **four weeks** for both domestic and foreign bidders.
- iii) When the goods of required quality, specifications, etc. are not available in the country, global tenders may be invited.
- iv) For purchasing of sophisticated with high value Instruments of complex and technical nature bids may be obtained in two parts (technical bid & price bid separately).
- v) All purchases up to Rs. 25.00 lakhs by tendering process may be made through a 3-member technical committee including one-member from another department. For purchases above Rs. 25.00 lakh, one external member (from another institution) may be included in the committee. **For formation of the technical committee approval from the Director of IACS is needed.**
- vi) For procurement of sophisticated and costly instrument, pre-bid conference may be held sufficiently ahead to clarify issues and clearing doubts, if any, about specifications and other allied technical details of the instrument. A suitable provision in this regard may be included in the bidding document indicating the date, time and place of the pre-bid meeting.

4. Two bid system (Technical & Financial)

Rule 163 GFR 2017: Two bid system (simultaneous receipt of separate technical and financial bids): For purchasing high value plant, machinery etc. of a complex and technical nature, bids may be obtained in two parts as under:

(i) Technical bid consisting of all technical details along with commercial terms and conditions;

And

(ii) Financial bid indicating item-wise price for the items mentioned in the technical bid. The technical bid and the financial bid should be sealed by the bidder in separate covers duly super-scribed and both these sealed covers are to be put in a bigger cover which should also be sealed and duly super-scribed. The technical bids are to be opened by the purchasing Ministry or Department at the first instance and evaluated by a competent committee or authority. At the second stage financial bids of only these technically acceptable offers should be opened after intimating them the date and time of opening the financial bid for further evaluation and ranking before awarding the contract.

5. General rules and regulations for Purchase orders:

- i) To comply with the IT & ST regulations, it may be ensured that the purchase/work orders are placed only to a party having valid PAN and GST Registration Nos. and the same should have been printed in the letterhead, bill, invoice, etc. of the party and should also have serial nos. in each bills/invoice in the absence of **PAN & GST registration Nos. release of payment will not be released.**
- ii) Separate bill/invoice shall be obtained against each purchase/work order/RA bill.
- iii) The bills may be forwarded to the accounts section for payment with specific payment advice by the HOD (with seal) along with delivery challan, stock entry certificate, performance certificate of the goods or satisfactory work done certificate, in case of repairing, installation, construction, renovation etc.
- iv) The stock register and the stock entry in the bill shall be signed by a departmental staff along with the HOD/PI with seal'.

6. Purchase from Contingency fund: All purchases from one single contingency bill shall be restricted to Rs. 50,000/- only. The procedures outlined above for purchase of goods shall be followed for purchases from the contingency grant.

7. Rule 156 (1) Purchase of goods directly under Rate Contract:

In case a Ministry or Department directly procures Central Purchase Organization (e.g. DGS&D) rate contracted goods from suppliers, the prices to be paid for such goods shall not exceed those stipulated in the rate contract and the other salient terms and conditions of the purchase should be in line with those specified in the Rate Contract. The Ministry or Department shall make its own arrangement for inspection and testing of such goods where ever required.

8. Rule 156 (2) The Central Purchase Organization (e.g. DGS&D):

The Central Purchase Organization (e.g. DGS&D) should host the specifications, prices and other salient details of different rate contracted items, appropriately updated, on the web site for use by the procuring Ministry or Department.

9. Rule 166 Single Tender Enquiry: 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 of the required goods
- (ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such decision is to be recorded and approval of competent authority obtained.
- (iii) For standardisation 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

Note:

Proprietary Article Certificate in the following form is to be provided by the Ministry/Department before procuring the goods from a single source under the provision of sub Rule 166 (i) and 166 (iii) as applicable.

(i) The indented goods are manufactured by M/s.....

(ii) No other make or model is acceptable for the following reasons:
.....

(iii) Concurrence of finance wing to the proposal vide:

(iv) Approval of the competent authority vide:.....