

Chapter -32

Regulations Governing Purchases and Management of Stores

(In pursuance to provisions made under Section 17 of the Act and Statutes 30(1) of the first Statutes of the University)

1. STORES

The term “Stores” shall apply to all articles and materials purchased or otherwise acquired for the use of the University including not only expendable and usable articles in use or accumulated for special purposes, but also articles of dead stock such as plant and machinery, instruments, furniture and equipment, fixtures, livestock (if any) and also the ‘engineering stores’.

2. DIVISION OF STORES

The Purchases of Stores and machinery will be divided into two categories viz.

- i) Articles of Standard pattern / design commonly available in the market or which can be manufactured locally according to given design and specifications.
- ii) Articles of proprietary, special or unusual character .

3. PROCEDURE FOR PURCHASES

For procurement of articles of category (i) above the , following procedures shall be adopted :

3.1 Purchase Committee

Purchase Committee (PC) consisting of atleast 3 persons will be constituted by the Vice-Chancellor, which will be responsible for processing the requirements of various colleges/schools /sections and making the final recommendations for placing the order. Chairperson of this committee will be nominated by the Vice-Chancellor.

3.2. Purchase Rules

- a) Items costing upto Rs. 5,000/-.
Cash purchase can be allowed. The total amount of cash memo should not exceeding Rs. 5000/-. However, prior approval will be required.
- b) Items aggregating Rs. 1,00,000/-
Quotations should be obtained from a least three parties. The Purchase Committee can make recommendations if the lowest quotation is not accepted. Purchase Committee will examine and give recommendations.
- c) Items aggregating Rs. 1,00,001 to Rs. 1,50,000/-

Minimum five quotations should be obtained. The Purchase Committee will examine and make recommendations.

- d) Items aggregating Rs. 1,50,001 to Rs. 2,00,000/-

Minimum six quotations should be obtained. The Purchase Committee will examine and make recommendations.

- a) For items 'b' – 'd' , if it is proprietary item or special scientific items , then Purchase Committee will have to make a special recommendation to the Vice-Chancellor for accepting single quotation.

- f) Items aggregating More than Rs. 2,00,000/-
Open tender in newspaper may be generally required . However, for special Scientific equipment , Vice-Chancellor may form an Experts Committee to advise the Purchase Committee to process the cases without newspaper tendering.

3.3 Imprest Cash

Chairperson, Purchase Committee or any other employee authorized by the Vice- Chancellor can be given a running advance of Rs. 5,000/- for cash purchase of small items and contingency money for which verified statement with cash memos will be submitted to Finance Officer

3.4. Emergent Requirements

For emergent requirements of the Centre e.g. hardware, electronic components, etc., Purchase Committee, may authorize a group to survey the market and make the purchases upto Rs. 20,000/- .

3.5. Repeat Orders

Repeat Orders may be placed upto one year after getting recommendations of the Purchase Committee.

3.6 Articles of Propriety or Special/Unusual character:

- i) The following shall be deemed as articles of propriety nature:
 - a) Articles manufactured by only one concern in the country.
 - b) Products which are marketed throughout the country at uniform prices fixed by the manufacturers.
 - c) Such items which are on the rate lists as approved by the Director General Supplier and disposals (DGS&D)
- ii) All such stores may be purchased either from the manufacturers or from the authorized dealers on the approved rates of the manufacturers less discount if any. In case, there are a number of firms dealing in particular trade, the quality and price will be ascertained and after necessary comparison, purchases effected at the lowest rates as far as possible keeping in view the quality and suitability of articles required.

For this purposes, price lists of approved firms should be obtained and kept on record. Running rate list of stores in respect of various firms on approved list of Director General Supplies and Disposals should also as far as possible be consulted.

- 3.7 The limits fixed in para 3.2 and 3.4, refer to a single article or a number of similar articles to be purchased at a time.
- 3.8 Notwithstanding anything contained in these regulations, the Vice Chancellor may constitute special Purchase Committee for purchase of such articles/equipment, the procurement of which is urgently required to be made in the interest of the University work/administration.
- 3.9 The indent for purchase of article on proprietary basis will have to include a certificate given in Appendix 3.
4. The following points shall be kept in view while making purchases: -

Tendering:

- a) **Timely tendering:** The tenders /quotations should be invited sufficiently ahead of the actual date fixed for receipt of tenders except in emergent cases, to enable tenderers to quote rates after due consideration and that, there is sufficient time for re tendering in case competitive rates are not received in response to first tender notice.
- b) **Notice inviting tenders:** In the notice calling for quotations/tenders, the articles should be fully described giving designs and specifications wherever necessary or samples kept ensuring fair competition. The date, time and place of delivery of the tender/quotation should also be clearly specified. Tenders/ quotations received after the specified time should not normally be considered.

In the notice calling for quotations/tenders it should also be specifically stated that the accepting officer has the right to accept the rates of some or all the articles required as may be considered necessary by him. For this purpose contractors/ suppliers shall be careful in quoting the rates for each articles quite independent of the rates for other articles. The tenders/quotations received should be serially numbered by the receiving officer who should also indicate the last tender/quotation as final under his initials.

- c) **Despatch of tender documents:** Tender documents shall be despatched by registered AD posts and/or sold by hand against proper acknowledgement and all tenders shall be received in sealed cover.
- d) **Opening of tenders/quotations**
The quotations should be opened in the presence of the members of the Purchase Committee and a comparative statement of tenders should be made and signed by the members of the Purchase Committee and rates

quoted by various suppliers/manufacturers should be specified therein. The Purchase Committee should record on the comparative statement of tenders the rates accepted, which will be specified in the supply order. The comparative statement of tenders along with the rejected tenders should be kept on record for audit purposes.

The alterations/over-writing in the tenders/quotations noticed at the time of opening the tenders should be specified on each tender/quotation under the initials of the officers opening them.

e) Re tendering

If response to notice inviting tenders/quotations (NIT) indicates that owing to inadequate publicity or any other reasons, reasonable rates have not been received, fresh tender/quotations will be invited and measures taken to bring the notice inviting tender (NIT) to the notice of all possible tenders.

Rates other than the lowest

- a) Other conditions being equal normally lowest rates will be accepted. If for any reason, the lowest rates are considered to be unsuitable or unreasonable or the, quality of material to be purchased is found to be inferior as ascertained by the Purchase Committee, the purchase may be effected at the rates other than the lowest, after negotiations with the next three lowest tenderers, with the permission of the Vice Chancellor but reasons therefore, must be recorded on the comparative statement of tenders.
- b) While accepting tenders the competent authority shall take into consideration the financial status of the tenderer and his capacity to carryout the contract or order.

Supply Order/Purchase Order

After the purchase rates have been determined and approved by the Competent Authority, a written supply order shall invariably be issued indicating the requirement of the various articles, rates accepted, time by which supply is required to be completed and other conditions connected with the purchase. The original supply order should be sent in support of the bill after the purchase has been completed. For this purpose, two copies of the supply order should be sent to the supplier with copy endorsed to the Finance Officer. A copy of the order shall also be enclosed with the bills recommended for payment to the Accounts Branch.

Advance planning for purchases

- a) As far as possible it should be ensured that the requirement of various kinds of articles needed in each department are foreseen sufficiently in advance with a view to ensure economical purchase by following normal rules for making the purchase and thus avoiding the necessity of making emergent purchases which

comparatively cost more. However, in the case of articles frequently required throughout the year viz. Stationary etc. efforts should be made for entering into a running contract for a year or such smaller period as may be considered necessary to avoid calling for tenders/quotations every now and then.

- b) Articles which are likely to depreciate or deteriorate during storage should not be purchased long in advance or more than what are actually required.

Other conditions

- a) **Validity period:** tenders/quotations should be processed with due care and spirit so that order/purchase can be placed within the validity date failing which the supplier may ask for higher rates for delayed supply order.
- b) **Warranty clause:** For all high value items, especially the equipment purchased, warranty should be ensured.
- c) **Bank guarantee:** In case purchases are made after making advance payment, it should be essential for the supplier to furnish bank guarantee covering the value of the advance/equipment. The bank guarantee should be periodically checked for re-validation.
- d) **Insurance cover:** Provision for insurance cover should be inserted in the tender document/supply order.
- e) **Security deposit:** Security deposit should be obtained from the supplier/tenderer @ 5% of the value of the supply order or as may be decided by the Vice Chancellor in exceptional circumstances in the best interest of the University.
- f) **Risk purchase:** In case any supplier fails to supply full quantity within the reasonable time or defective supply has been made, the University shall be at liberty to purchase the same articles/equipment from other manufacturers/suppliers at the risk and cost of the original supplier, provided adequate opportunity has been given to the original supplier to replace the defective supply or to supply the full quantity within reasonable time.
- g) **Disposal of unserviceable goods/stores:** Unserviceable goods/stores should be disposed of by a Committee appointed by the Vice Chancellor after fixing reserve price. The Committee shall have a nominee of the Finance Officer.

5. **Purchase Committee**

- 5.1 There shall be a Central Purchase Committee and a Departmental Purchase Committee constituted for recommending purchase of scientific equipment and other material/articles.

The Committee shall be constituted with the approval of the Vice Chancellor and shall exercise such powers as may be delegated to them by him (the Vice Chancellor).

5.2 Central Purchase Committee for Purchase of Scientific Equipment

- (i) Deans & Directors of the concerned College / School associated.
- (ii) Registrar.
- (iii) Finance Officer (with powers to co-opt.)

5.2.1 Central Purchase Committee for purchase of material other than scientific material.

- (i) Deans of Colleges
- (ii) Registrar
- (iii) Finance Officer (with powers to co-opt)

5.3 School's Purchase Committee

- (i) Director of the School
- (ii) Three Professors/Teachers of the Department comprising the School.
- (iii) Nominee of the Finance Officer.

5.4 Purchase Committee for Project works and purchase of Engineering Stores.

- (i) Project Director/Registrar.
- (ii) One member of the Central Purchase Committee if any to be nominated by the Vice Chancellor.
- (iii) Project Engineer.
- (iv) Finance Officer.
- (v) University Engineer (member secretary).
- (vi) One of the retained architects (may be co-opted).

5.5 For purchase of medical stores, Purchase Committee shall be constituted by the Vice Chancellor as and when required.

5.6 The authority for purchase shall vest with the Vice Chancellor/Registrar or any other officer to whom the powers may be delegated in this behalf.

6 Approval of Purchase

The proposal for purchase shall be initiated by the concerned School of Studies/Branch in prescribed form given at Appendix 1

After approval of proposal for purchase, the School shall raise an indent given in Appendix 2.

7. Receipt of Stores

Immediately on receipt of Stores these will be inspected by a team of officers. The inspecting officers shall include Director of the School or any teacher nominated by him, an officer not below the rank of an Assistant Registrar, Assistant Librarian or above. For Engineering Stores, an officer not below the rank of an Assistant Engineer and for Health Centre, the Medical Officer Incharge of the Health Centre shall also be associated. Before accepting the articles for which specification/tests have been prescribed by the competent authority, these shall be required to conform to such specifications/tests which should be carried out before accepting the material.

a) On inspection and receipt of report for the same [Appendix 4], these will be taken on stock register. All stores received, whether purchased or transferred from other Department, shall be accounted for in the stock registers.

b) On receipt of supplies bills, certificate of stores having been inspected and taken in charge will be recorded on the bills as under:-

“Certified that the Stores mentioned in the bill have been received on.....inspected and found to be in accordance with the supply order/samples. The goods received have been entered in the stock register at items.....on page.....

H.O.D./Office

All receipt entries in stock register will be attested by the officer incharge of the stores.

8. Issues

a) Dead Stock

The issues of dead stock articles on loan or for use shall not be struck off from the ledgers. The receipts for issues shall be maintained in a separate file. Inventories of dead stock articles lying in all rooms shall be prepared (separately for each room) in duplicate. One copy duly signed by the Branch Officer/Incharge of the Section/Department shall be retained by the storekeeper in his file and another copy of inventory shall remain with the in charge of the section.

b) Consumable Stores

All stores will be issued to the extent actually required on the authority of issue slips duly signed by the Branch Officer or by any other person authorised to requisition stores. A consolidated account of issues (daybook) will be maintained on the basis of individual indent slips and charged off from the main ledger indicating the reference to the Indent No. and date and balances worked out daily.

- c) All entries in the ledgers shall be attested by the officer/in charge teacher of the stores.

9. Stock Verification**a) Periodical Checks**

All Directors of the School and officers shall see that the stocks with them are correct and for this purpose they should carry out periodical checks.

Complete verification of stores of each Department shall be carried out by the Directors of the School with the help of selected teachers at least once in a year. While making physical verification, the following points shall be kept in view:-

- (i) That verification is not entrusted to a person who is the custodian, the ledger keeper or accountant of the stores to be verified or who is nominee of or is employed under the custodian, the ledger keeper or the accountant or who is not conversant with the classification, nomenclature and techniques of the particular classes of stores to be verified.
 - (ii) Verification is not left to the subordinates below the rank of officer and as far as possible is entrusted to a responsible officer who is independent of the subordinate authority Incharge of stores.
 - (iii) Verifications shall always be made in the presence of the subordinate authority responsible for the custody of the stores or of a responsible person deputed by him.
 - (iv) All discrepancies noticed shall be brought to account immediately so that the stores account may represent the true state of stores.
- b) There should be clear markings of identification, guide letters and numbers on all items of stock and equipment to facilitate stock verification of every item.
- c) Stock verification of scientific equipment, chemicals and various specimens in the Science Departments shall be carried by the Director

of the School with the help of teachers of the Department not connected with maintenance of stores.

- c) The stock of the Library books shall similarly be verified at least once in a year in the case of Departmental libraries and at least once in two years in the case of Central library by a Committee constituted by the Vice Chancellor.
- d) The result of the physical verification shall be communicated to the Registrar in such proforma as may be prescribed together with the list of stores found short, obsolete or unserviceable, indicating the price of each article.
- e) For all shortage in stores a detailed report explaining the circumstances leading to the deficiency shall be enclosed with the list.
- f) The lists indicating shortage and unserviceable articles shall be considered by a Committee consisting of the following, which shall recommend the write off or recovery of the cost of articles found short depending upon the circumstances of each case.
 - (i) Registrar;
 - (ii) Director of the School concerned;
 - (iii) Officer Incharge Stores
 - (iv) Internal Audit Officer
 - (v) Officer Incharge Finance (with power to co-opt.)

The report of the Committee shall be placed before the Vice-Chancellor or Executive Council for final orders.

- g) The articles as written off shall be charged off the stock ledgers indicating the reference to the orders issued in this behalf.
- h) The sale proceeds of the unserviceable articles, which are written off and are put to auction, shall be deposited into the University account immediately.

10. Internal Audit of Stores

- a) **Immediate investigation of large discrepancies**
All large discrepancies noticed as a result of stock verification between ledger or other records and the actual balance counted shall be investigated on spot and detailed report submitted thereon to the Registrar for further probe through Internal Audit Officer or any other responsible officer, immediately without waiting for the completion of check of other stock articles.
- b) **Erroneous Classification**
Any wrong classification of stores or unauthorized stocks of stores held by any officer or subordinate, or any items of stores which are

surplus to requirement or for which there has been no demand for over a year should be noted and included in the narrative report of verification to be submitted by the Internal Audit Officer.

c) Arrangements for custody and protection of Stores

The Internal Audit Officer should particularly examine and report, if proper arrangements exist for safe custody and proper storage of material against unnecessary deterioration from the weather or any other cause. With this object they should examine the existing arrangements and see:-

- (i) that the godown floors are pucca or cemented;
- (ii) that items of common use are always kept under lock and key;
- (iii) that proper arrangements exist for locking the godowns and keeping the keys in safe custody;
- (iv) that adequate arrangements exist for fire protection i.e. fire extinguishers are kept handy and at easily accessible spot and that fire buckets are always full of water and / or sand where inflammable articles are stocked;
- (v) that in order to avoid deterioration of old stocks, issues are not made from fresh receipts as a matter of course but the articles first received are issued first and to ensure this, fresh receipts are not dumped on existing stock but are so arranged that their turn for issue will come only when the existing stocks are exhausted;
- (vi) that in storing medicines and drugs, arrangements for their issues exist so that their expiry dates are kept in view and time expired items are not allowed to remain in the stores;
- (vii) that costly and precision scientific and laboratory equipment and their parts are kept with maximum possible care;
- (viii) the stocks of paper, publications and answer books etc are kept safely and properly protected against risk of fire, white ant etc;
- (ix) the records relating to the stores, like consumable stock ledgers, non consumable stock ledgers, register of assets, delivery challans if any and issue slips are maintained properly and up to date;
- (x) that the accounts of priced publications are kept up to date.

d) A certificate of verification of stores with its results shall be recorded on the list, inventory or account as the case may be where such verification is carried out by the Internal Audit.

e) The discrepancies shall be brought on records immediately so that the stores account may represent the true state of stores.

f) Shortages and damages as well as unserviceable stores shall be reported immediately to the authority competent to write off the loss.

- g)** It shall also be seen that the stores held are not in excess of the requirement of a reasonable period or in excess of any prescribed maximum limit.
 - h)** That the periodical inspections of stores are made by the responsible officer from time to time.
 - i)** That the unused stores in stock for over a year are reported.
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Part-B

Recommendations of the Department/Purchase Committee for purchase as per comparative statement enclosed.

Name of the firm from whom purchase is recommended _____

Criteria : Lowest rates/Proprietary item/on the basis of two quotations

S.No.	Name of the article/item	Quantity	Rate recommended (Rs.)
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Referred to in Para 6**Proposal for purchase of various articles for the School/College/University.****Part-A**

1. Name of the Department :
2. Particulars of items to be purchased :

S.No	Name of the item with Description & Complete specifications	Qty.	Approx. Cost
1			
2			
3			
4			
5			
6			
7			
8			

3. Whether the purchase is

- | | |
|----------------------------|--------|
| i) in replacement | Yes/No |
| ii) additional requirement | Yes/No |

In case of replacement, state

- i) the date of purchase of item to be replaced : _____
- ii) cost : _____

In case of additional requirement

- iii) Annual requirement : _____
- iv) Existing stock in hand : _____

4. Mode of purchase

- | | |
|--|--------|
| v) to be purchased from the – | |
| a) sole manufacturer | Yes/No |
| b) sole distributors | Yes/No |
| c) repeat orders | Yes/No |
| d) on the basis of competitive rates to be determined after inviting tenders | Yes/No |
| e) any other mode (please specify) | |

5. Mode of despatch/sale of tender documents :

- 5.1 No. of firms addressed : _____
5.2 Through Registered AD post/Courier Service / Advertisement /
Personally
5.3 Last date for receipt of tenders : _____
5.4 No. of firms responded : _____

6. Budgetary information :

- vi) Source of funds :
a) University Grant/Other Sources
ii) Funds available Rs. _____
iii) Expenditure already incurred/
Committed, if any Rs. _____
iv) Balance available for expenditure
on proposed purchase Rs. _____

Appendix-II
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FORM OF
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LACEMENT*/FRESH* PROCUREMENT

Indent _____ by: _____		Indent No. & date:	Last Indent No. & date:	Estimated Cost	Head of Account
Justification for Procurement (If replacement, date of purchase & cost of item to be replaced, be also indicated)		Is the equipment proprietary in nature? (If so enclose a certificate to this effect)		Funds available/Not available	Stock available/Not available
Expected Delivery time		List of Suppliers		Finance Officer	Stores I/C
Code	Materials (Strike out those not applicable)	S.No.	Description (Pl. give detailed specifications to help correct procurement)	Quantity Required	
A	Machinery & Equipment				
B	Cement, Bricks, Wood, Construction material				
C	Chemicals, Paints, Varnishes, Lubricants, Oils etc.				
D	Electrical/Electronics Items				
E	Medicine/Drugs				
F	Hardware Items				
G	Miscellaneous Items				

Sig. of Head of College/School/ Deptt.

Sig. of Indentor

