

1. SCOPE AND APPLICATION

The procedures enumerated in the ‘**Operating Instructions for Procurement of Goods & Services**’ are applicable to procurement of all goods/materials and services, except books, publications, journals, periodicals etc. for Library, made at the Centre.

2. RESPONSIBILITIES

The Purchase In-charge shall be responsible for compliance with the ‘Operating Instructions for Procurement Goods & Services’. The Chairman of the Purchase Committee shall be responsible for the functioning of the Purchase Committee.

3. PURCHASE REQUISITION

The process of any purchase begins with Purchase Requisition (PR) for the demands. The Indentor shall submit the Purchase Requisition in the prescribed format to the Purchase Section through the Group Head concerned for financial concurrence from Accounts and for approval by the Approving Authority. The Purchase Requisition shall contain the following:

- i. Complete Specification of the item to be purchased*
(In the case of Advertised/Limited Tender Enquiry, soft copy also to be provided to Purchase Section)
- ii. Justification for the purchase
- iii. Estimated landed cost of the item
- iv. Confirmation from Stores Keeper about the availability of the item in Stores
- v. List of Suppliers (if other than approved Supplier’s list)
- vi. In the case of procurement of furniture, technical concurrence of Maintenance In-charge (Civil) should be obtained.
- vii. Concurrence of Maintenance In-charge (Elec) should be obtained in the case of procurement of equipment needing MSEB power supply.

** The Purchase Committee shall also check the specifications of the items proposed to be purchased whose purchase value is Rs.1,00,000/- or more OR if specifically directed by the Approving Authority.*

4. APPROVAL

Purchase Section shall enter the details of the Purchase Requisition in the Purchase Requisition Register, give a PR number for each Purchase Requisition and initiate action for procurement of the item(s) after obtaining approval by the Approving Authority for purchase. No purchase shall be made without the approval of the Approving Authority

The extent of powers delegated to Approving Authority for purchase is as per Delegation of Financial Powers.

Purchase of materials whose estimated value is above the ceilings mentioned in the Delegation of Financial Powers to Approving Authority (Director) will require the approval of the Executive Committee, Managing Director, Management Board or Governing Council, as the case may be.

5. PROCEDURE FOR PROCUREMENT

The Limits (in Rupees) for procurement for adopting various types of procurement methods shall be as follows:-

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| i. Purchase of goods without quotation | : Up to Rs.15,000/- (on each occasion) |
| ii. Purchase of goods by Purchase Committee | : Rs.15,001 to Rs.1,00,000 (on each occasion) |
| iii. Purchase with Limited Tender Enquiry | : Below Rs. 25 lakhs* |
| iv. Advertised Tender Enquiry | : Rs. 25 lakhs* and above |

* Rs. 10 lakhs in the case of Outsourcing of Services

5.1 Purchase of goods without quotation

Purchase of goods without inviting quotations can be made by the Indentor within the ceiling mentioned above after obtaining Approving Authority's approval for purchase on the basis of a certificate to be recorded by the competent authority in the following format:

“I, _____, am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price”.

5.2 Purchase of goods by Local Purchase Committee

Purchase of goods costing above Rs. 15,000/- (Rupees Fifteen Thousand only) and up to Rs. 1,00,000/- (Rupees One lakh only) on each occasion may be made on the recommendations of a constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Director. 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 as under:

"Certified that we _____, 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. "

5.3 Purchase of goods directly under rate contract

In case the Centre directly procures Central Purchase Organisation (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 Centre shall make its own arrangement for inspection and testing of such goods where required.

5.4 Purchase of goods by obtaining bids

Except in cases covered under Para 5.1, 5.2 and 5.3 above, the Centre shall procure goods by following the standard method of obtaining bids in:

- (i) Advertised Tender Enquiry (Open Tender);
- (ii) Limited Tender Enquiry;
- (iii) Single Tender Enquiry.

5.4.1 Advertised Tender Enquiry (Open Tender)

- (i) Subject to exceptions incorporated under Para 5.4.2 and 5.4.4, invitation to tenders by advertisement should be used for procurement of goods of estimated value of Rs. 25 lakhs (Rupees Twenty Five Lakhs only) and above. Advertisement in such case should be given in the Indian Trade Journal (ITJ), published by the Director General of Commercial

Intelligence and Statistics, Kolkata and at least in one national daily having wide circulation.

- (ii) The bids in open tender are obtained in two parts –
- (a) Technical bid consisting of all technical details along with commercial terms and conditions;
 - (b) Financial bid (Price 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 superscribed and both these sealed covers are to be put in a bigger cover which should also be sealed and duly superscribed. The technical bids are to be opened by the Purchase Committee of the Centre at the first instance and evaluated by the Indentor for the item concerned. At the second stage financial bids of only the technically acceptable offers should be opened for further evaluation and ranking before placement of purchase order.

- (iii) In addition to the normal rules and practices for publicity of tenders, the complete bid documents along with application form are published on the web site of the Centre to enable the prospective participants to download the same, and application made on such a form is considered valid for participating in the tender process. The web site address of the Centre is furnished in the advertisement/NIT published in ITJ and newspapers, for the purpose.
- (iv) The terms and conditions of the Tender shall be in the prescribed format (Tender Notice).
- (v) Where the Purchase Committee feels that the goods of the required quality, specification etc. may not be available in the country and it is necessary to also look for suitable competitive offers from abroad, the Centre may send copies of the tender notice to the Indian embassies abroad as well as to the foreign embassies in India. The selection of the embassies will depend on the possibility of availability of the required goods in such countries.
- (vi) Ordinarily, the minimum time allowed for submission of bids should be three weeks from the date of publication of the tender notice or availability of the bidding document, whichever is later. Where the Centre also contemplates obtaining bids from abroad, the minimum period should be four weeks for both domestic and foreign bidders.

5.4.2 Limited Tender Enquiry

- (i) This method is to be adopted when estimated value of the goods to be procured is up to Rs.25,00,000/- (Rupees twenty five lakhs only).
- (ii) Copies of the Enquiry should be sent directly by post/speed post/registered post/courier/e-mail to firms which are borne on the list of approved suppliers (in the case of capital equipment/furniture only) for the goods in question. The Purchase Committee shall review the registration of the firms in the list of approved suppliers (for capital equipment/furniture only) every three years. The number of suppliers 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. In cases where there is no approved list of suppliers for a particular item, the Indentor shall provide a list of suppliers for the purpose of issue of enquiry. The list of approved suppliers (for capital equipment/furniture only) shall be periodically updated by the Purchase Committee, which should be approved by the Approving Authority.
- (iii) For submission of bids under Limited Tender Enquiry, the bidders from Maharashtra, and neighbouring states shall normally be given 15 days time. In cases involving bidders from other than the above regions, the time to submit the quotation shall be 3 weeks for all bidders.
- (iv) The Limited Tender Enquiries are simultaneously published on the web site of the Centre also.
- (v) For purchasing high value machinery, equipment etc. of a complex and technical nature, bids may be obtained in two parts (Two bid system), as detailed under Para 5.4.1(ii) above.

5.4.3 Late Bids

In the case of Advertised Tender Enquiry or Limited Tender Enquiry, late bids (i.e. bids received after the specified date and time for receipt of bids) should not be considered.

5.4.4 Single Tender Enquiry

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

- (i) It is in the knowledge of the Indentor that only a particular firm is the manufacturer of the required goods. This should be specifically certified in the prescribed Form as of proprietary nature by the Indentor.
- (ii) In 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 the Approving 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 Approving Authority), the required item is to be purchased only from a selected firm.

5.4.5 Re-tendering

- i) If there has not been adequate response to an advertised tender enquiry, or if the prices quoted are substantially higher than the estimated prices, a decision may be taken either to accept the tender or to re-tender.
- ii) In the case of a single response against advertised/limited tender enquiry, re-tender will normally be resorted to. In exceptional circumstances, the tender may be accepted /negotiated. But the reasons therefore shall be recorded in writing and submitted to the competent authority.

5.5 Earnest Money Deposit (EMD)

5.5.1 In the case of Advertised or Limited Tender Enquiry for procurement of goods costing Rs.1 lakh and above the bidders shall furnish along with their bids an EMD to the tune of 2% - 5% of the estimated value of goods to be purchased or as stipulated in each case.

5.5.2 However, no EMD shall be insisted upon from bidders who are registered with Central Purchase Organization (e.g. DGS&D) or National Small Industries Corporation. (Documentary evidence shall be furnished to this effect along with the tender itself.). Tenders without E.M.D shall not be valid and hence should not be considered.

5.5.3 The EMD of unsuccessful bidders will be returned without any interest whatsoever, at the earliest after expiry of the final tender validity period but not later than 30 days after conclusion of the contract /order.

5.5.4 The EMD can be adjusted against the Performance Security deposit, if any, required to be furnished by the successful bidder.

5.5.5 The EMD shall be liable to be forfeited if:

- i) the tenderer withdraws or amends, impairs or derogates from the tender in any respect within the period of validity of his tender;
- ii) the successful tenderer fails to furnish the required performance security within the specified period;
- iii) the bidder refuses -
 - a) to execute the order/work after placement of order/award of work.
 - b) to enter into a contract after the award of contract/work/order.
 - c) to comply with the obligations under contract/order after award of the contract/placement of order.

5.6 Opening of tenders/quotations

5.6.1 The Purchase Section shall collect all the tenders deposited in the 'Tender Box' against Advertised Tender Enquiry, affix the official 'Receipt' stamp indicating the date of receipt, enter the same in the 'Tender Opening Register' and put up these tenders to the Purchase Committee for opening on the day and at the time specified in the tender notification. In the case of Limited/Single Tender Enquiry, the quotations received till the Due Date will be normally opened the next day (the weekly day of Purchase Committee Meeting) by the Purchase Committee. The tenders/quotations need not be entered in the regular 'Dak (Inward) Receipt Register'.

5.6.2 The hand quotations (by Local Purchase Committee) need not be entered in the 'Tender Opening Register'; however, member of the LPC (Local Purchase Committee) obtaining the hand quotations shall sign such quotations, the details of which will be entered in a separate register.

5.6.3 There may be cases of tenders/quotations received open, i.e., the same must have come as part of the regular Dak, without superscription as 'tender/quotation', and been opened as such. Such quotations also may be considered, subject to the condition that the employee who opens the envelope certifies to that effect.

5.6.4 All the tenders/quotations received against Advertised/Limited/Single Tender Enquiry, for procurement of goods and services, shall be opened by the Purchase Committee only.

5.6.5 The quotations/tenders received against any enquiry/notification shall be invariably opened and processed irrespective of the number of quotations received.

5.6.6 When the tenders are under examination, no other authority should be allowed to make queries or call for reports as, apart from the impropriety involved, these lead to delays in taking decisions.

5.6.7 After opening, the tenders/quotations should be forwarded to the Indentor immediately for tabulation and recommendation.

5.7 Tabulation

5.7.1 After receipt of the file with the quotations from the Purchase Section, the Indentor shall tabulate the quotations, make recommendations for purchase as per the format 'Comparative Statement' and return the file complete with Comparative Statement to the Purchase Section for placing before the Purchase Committee, preferably within one week.

5.7.2 The tabulation should be done systematically with serial number(s) of the item(s), name of the item(s), technical and other specifications, unit rate as well as total price quoted by the party for each of the items, details of sales tax, excise duty, packing & forwarding charges, any other levies or charges etc.

5.7.3 Any technical clarifications required by the Indentor from any party whose quotation has been received, may be obtained by him. The Indentor should, however, ensure that the clarification thus sought from the supplier should not in any way alter the original offer in terms of price, etc. In effect it should be only clarificatory in nature and conforming to tender specifications.

5.7.4 The Indentor shall give his final recommendation for procurement based on the following parameters:

- (a) The quotations should meet all the technical specifications as specified in the enquiry.
- (b) It is the responsibility of the Indentor to ensure that the item he recommends for purchase conforms to the original specifications specified by him, because further processing of the procurement like placement of order etc. will be entirely based on his recommendation.

- (c) If the recommendation is for an item which does not meet all the technical specifications as notified in the enquiry completely, then the Indentor shall give proper justification for the same.
- (d) Normally the Indentor will recommend for purchase of the item at the lowest quoted rate. However, due to some reasons like quality, credentials/capacity of the party to execute the order, past experience of the Centre with the party, delivery period etc, if the Indentor recommends for purchase of an item from a party who has not quoted the lowest rate for the item, he should state clearly the reasons for such recommendation.
- (e) In the case of only a single quotation being received and the Indentor feels that the purchase can be processed based on the single quotation, he should make his recommendation with proper justification.
- (f) If there is a substantial variation in the rates quoted in the tenders/quotations, recommended by him for purchase, from his approved estimate for purchase, the reasons for such variation should be adequately justified.
- (g) The Indentor may recommend the lowest and also the 2nd lowest bidders in order to meet the eventuality of the lowest bidder not executing the order due to any reason.

The Purchase Section shall then verify the commercial aspects of the tabulation/recommendation like price, sales tax, excise duty, payment terms etc and put up the file to the Purchase Committee for its consideration.

6. PURCHASE COMMITTEE

6.1 Constitution and Scope

- 6.1.1** The Purchase Committee will be constituted by the Approving Authority from time to time.
- 6.1.2** The Purchase Committee shall be responsible for formulation and review of general purchase policy, procedures, norms, systems etc.
- 6.1.3** The Committee will make its recommendations to the Approving Authority in respect of the files placed before it at its meetings for procurement of demands.

- 6.1.4** The Committee shall finalise/update the Supplier list (for capital equipment/furniture only) periodically and put up to Approving Authority for his/her approval. The Committee shall also evaluate/review the registration of the firms in the list of approved suppliers/contractors (for capital equipment/furniture only) as per the Supplier evaluation sheet every three years.
- 6.1.5** The Committee shall also look after any other function/duty specifically assigned to it by the Approving Authority.
- 6.1.6** The Approving Authority reserves the right either to accept or reject in part or in full or modify the recommendations of the Purchase Committee, after recording the reasons for rejection/modification and issue necessary further instructions in the matter.
- 6.1.7** In case of rejection/modification of the recommendations of the Purchase Committee by the Approving Authority, the matter need not necessarily be again put up to the Purchase Committee; the Purchase In-charge can take action based on the instructions given by the Approving Authority in such cases.
- 6.1.8** The Tender/Purchase Committee should give an undertaking at the appropriate time that none of them has any personal interest in the companies/agencies participating in the tender process.
- 6.2 Meetings**
- 6.2.1** The committee shall meet every Monday at 2.30 P.M., at the Centre, to deliberate on the items/files put up to the Committee in normal course.
- 6.2.2** If Monday happens to be a holiday for the Centre, the meeting of the Purchase Committee will be held the next working day at the same time.
- 6.2.3** The Committee may also have emergency meetings, in addition to the weekly scheduled meetings.
- 6.2.4** All the Members of the Committee are invariably required to attend the meetings. The inability of any Member to attend any Meeting may be intimated to the Chairman of the Committee.
- 6.2.5** The Indentors, for their demands, may attend the Meetings on their own or if called by the Committee.
- 6.2.6** No Meeting of the Committee shall be held in the absence of the Chairman of the Committee and Purchase In-charge.

- 6.2.7** The quorum for the Purchase Committee will be majority of the Members on the Committee (i.e., presently 4 out of 7 members).
- 6.2.8** The files to be considered by the Committee will be placed before the Committee by the Purchase In-charge.
- 6.2.9** The dealing Purchase Section official shall also be present at the Meetings to assist the Purchase In-charge.
- 6.2.10** In case of differences of opinion amongst the Members, the opinion of the majority of the Members of the Committee shall prevail.
- 6.2.11** Any other issues/business shall be allowed to be discussed with the consent of the Chairman.

6.3 Scrutiny

- 6.3.1** The Purchase Committee shall study in detail all the files placed before it for its consideration.
- 6.3.2** The Committee shall ensure that the proposals made in each of the files comply with the requirements laid down in these Operating Instructions with regard to obtaining quotations/tender, opening of the quotations/tender, tabulation, recommendation for purchase etc.
- 6.3.3** The Purchase Committee shall also check/scrutinise the specifications of the items if the estimated value of the item proposed to be purchased is Rs.1,00,000/- or more, or if directed specifically by the Approving Authority.

6.4 Recommendation

After detailed deliberations on each of the items placed before the Committee, the Committee shall give its recommendation in each case, which will be recorded either in the Comparative Statement itself or in the form of a 'Record Note of the Proceedings of the Meeting of the Purchase Committee', duly signed by all the Members present at the Meeting.

6.5 Negotiation

- 6.5.1** There should be no post-tender negotiations with the lowest evaluated responsive tenderer (L1) except in certain exceptional situations.

- 6.5.2** Such exceptional situations would include procurement of proprietary items, items with limited sources of supply and items where there is suspicion of a cartel formation. The justification and details of such negotiations should be duly recorded and documented without any loss of time.
- 6.5.3** In cases where a decision is taken to go for re-tendering due to the unreasonableness of the quoted rates, but the requirements are urgent and re-tender for the entire requirement would delay the availability of the item, thus jeopardizing the essential operations, maintenance and safety, negotiations would be permitted with L1 bidder(s) for the supply of a bare minimum quantity. The balance quantity should, however, be procured expeditiously through a re-tender, following the normal tendering process.
- 6.5.4** Negotiations shall be done only with the approval of the Approving Authority, by the Purchase Committee.
- 6.5.5** Negotiations shall be governed by the provisions contained in General Financial Rules, 2005, as amended from time to time, and the instructions issued by the Central Vigilance Commission from time to time.

7. PURCHASE ORDER

7.1 Placement

- 7.1.1** Purchase Section shall, within a couple of days of the Purchase Committee Meeting, put up the file, in the Sanction Sheet, together with the recommendations of the Purchase Committee to Approving Authority for approval of purchase with the following documents:
- i) Approval of Purchase Requisition by Approving Authority/Advance sanction for purchase;
 - ii) Copy of Tender notification/enquiry calling quotations;
 - iii) Comparative Statement and recommendations of the Indentor;
 - iv) Recommendation of the Purchase Committee.
- 7.1.2** The file shall be returned to Purchase Section after the approval of the Approving Authority and purchase order will be placed immediately thereafter by the Purchase In-charge.
- 7.1.3** Before despatch of the purchase order, the Indentor has to verify the purchase order, especially the technical aspects of the purchase and affix his signature on the copy of the purchase order/specification.

7.1.4 Once the offer of the party is accepted by the Indentor and order placed on the party, based on the Indentor's recommendations, no change in the specifications of items will be admissible. The Indentor has to accept the item in terms of the specifications etc. as mentioned in the purchase order.

7.1.5 The Purchase Order shall be prepared, in the approved format, as follows:

First copy to the Supplier

Second copy to Accounts Section for passing payment

Third copy to the Indentor for records/follow-up

Fourth copy to Stores (in case of Consumables)

Fifth copy – Office copy

7.1.6 Details of tenders above threshold values are put up on the website of the Centre subsequent to finalization of tenders.

7.2 Non-execution of the order

If the lowest bidder on whom the purchase order was placed fails to execute order, on any ground, the order may be placed on the second lowest bidder, if his rate is higher by not more than 20% of the lowest tender, without re-course to the Purchase Committee.

7.3 Repeat Order

If there is a demand for a particular item which had been procured previously, duly following the purchase procedure, Repeat Order for the same item may be placed on the same party who had supplied the item against the previous order, subject to the following conditions:

- a) The Repeat Order is placed within a period of six months from the date of placement of the previous order.
- b) The quantity ordered is not more than the quantity originally ordered.
- c) The party on whom the Repeat Order is proposed to be placed is willing to supply the item at the previous rate.
- d) There is no decline in the market price of the item proposed to be purchased by repeat order after placement of the previous order.
- e) Not more than one repeat order can be placed for the same item.

8. DELIVERY/RECEIPT OF GOODS

8.1 Delivery directly at the Centre

The Purchase Section shall take delivery of the goods received/delivered directly at the premises of the Centre and have the same accepted by the Indentor after due inspection, as stipulated under Para 9 - Inspection.

8.2 The goods to be taken delivery of from the Transporter's Godown are collected by the Purchase Section and sent to the Indentor for certification, stock entry etc.

8.3 Stock entries

The stock of all consumables such as office stationery, cleaning items (meant for housekeeping), computer consumables like printer cartridges/toners/ribbon/CDs/floppies/computer stationery etc. received in the Stores and Technical Components/materials, Lab Consumables and other miscellaneous technical items that are directly received by the Indentors are entered in the Stock Register by the Stores.

In respect of capital equipment/furniture, after due inspection and certification by the Indentor, the item is taken into stock by Lab/Group/Section concerned in the Lab Stock Register.

9. INSPECTION

9.1 The Indentor is required to inspect the item and give 'Good Condition Certificate'.

9.2 During the finalisation of recommendations for placement of order, the purchase committee may decide whether to have pre-despatch inspection at the premises of the supplier, by an Inward Inspection Committee, or the normal inspection by the Indentor is sufficient, depending on the item and the proposed supplier.

9.3 The Stores shall, on receipt of Capital Equipment and Furniture forward the same to the Indentor concerned along with Bills, Goods Receipt Note and Inspection Note (in duplicate) through Purchase Section. The Indentor shall, after inspection of the material on the basis of the specifications mentioned in the Purchase Order, take the item into his Lab Stock Register duly making necessary endorsement in respect of 'Good Condition Certificate' and the stock entry details on the reverse of the bill, and return the bills along with one copy

of Inspection Note and Goods Receipt Note to Stores, and Purchase Section for processing payment.

- 9.4** The Purchase section shall allot item code number for all capital equipment and furniture. The asset register shall be maintained by the Purchase Section for capital equipment and furniture.
- 9.5** The inspection shall be done by the Indentor himself and, in the case of materials costing Rs.1,00,000/- and above, also by the Purchase Committee after which recommendation as to the acceptance/rejection of materials has to be made.

10. PAYMENT

10.1 Regular Payment

Normally payment shall be made only after receipt of item at the Centre and after certification and stock entry. The Purchase Section shall, after necessary certification by the Indentor/Inspection Committee, stock entries in the Stores, and Lab Register etc., recommend for payment of the bill as per the terms of payment stipulated in the Purchase Order. The recommendation shall be verified by Finance Section and put up to Approving Authority for approval for payment.

The file shall revert to the Purchase section after approval from Approving Authority. The Purchase section shall, after keeping a copy of the approval, bill etc, forward the approval for payment in original to the Accounts Section vide Bill Payment Note for releasing payment. The Accounts Section shall make the payment directly to the party, under intimation to Purchase Section.

10.2 Advance Payment to Supplier

Ordinarily, payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However, it may become necessary to make advance payments in the following types of cases:

- (i) Advance payment demanded by firms holding maintenance contracts for servicing of Air-conditioners, computers, other costly equipment, etc.
- (ii) Advance payment demanded by firms against fabrication contracts, turn-key contracts etc.

Such advance payments should not exceed the following limits:

- (i) Thirty per cent of the contract value to private firms;
- (ii) Forty per cent of the contract value to a State or Central Government agency or a Public Sector Undertaking;
- (iii) In case of maintenance contract, the amount should not exceed the amount payable for six months under the contract.

The Competent Authority may relax the ceilings (including percentage laid down for advance payment to private firms) in exceptional cases.

While making any advance payment as above, adequate safeguards in the form of bank guarantee etc. should be obtained from the firm.

Payment to foreign suppliers insisting on advance payment is ordinarily made by Letter of Credit.

10.3 Part payment to suppliers

Depending on the terms of delivery incorporated in a Purchase Order/Contract, part payment to the supplier may be released after it despatches the goods from its premises in terms of the purchase order/contract.

11. PERFORMANCE SECURITY

In order to ensure that the successful bidder who is awarded the contract/purchase order fulfils the performance guarantee and also to ensure due performance of the contract by the contractor/supplier, the purchase order/contract may provide for retention as security deposit an amount up to 5 - 10 percent of the value of the contract/purchase order towards performance guarantee, which is to be released only after the expiry of the performance guarantee period. Alternatively, the bidder may furnish a Bank Guarantee from a Commercial Bank in an acceptable form, safeguarding the interest of the Centre in all respects, for generally not more than 5 - 10 percent value of the order/contract for the entire period of the performance guarantee plus sixty days.

Submission of Performance Security is not necessary for a purchase order/contract value up to Rs.1 lakh.

12. PURCHASE OF LIBRARY BOOKS

The request for Library Books will be processed by the Library Committee and Library In-charge will place purchase order after obtaining the approval of Approving Authority. The payment for the supply of library books will be processed by Library who shall ensure proper verification of books, invoice and stock entry in the Accession Registers etc.

13. SAVING

The Approving Authority may specifically approve procurement of goods save as provided in the foregoing procedure in exceptional cases with proper justification, as a special case.