



UNIVERSITY OF HYDERABAD

Gachibowli, Hyderabad – 500 046

UH/IAO/2015

Date: December 22, 2015

AMENDMENTS TO THE UNIVERSITY PURCHASE POLICY & PROCEDURES (Approved by FC: 67:2015:7(2) & approved the FC minutes by EC vide item no.EC:167:2015:5)

1) PURCHASE PROCEDURES:

Purchase Procedure as per the existing UHPPP	Existing Limits	Proposed Enhanced Limits	Para Ref.in the existing UHPPP/Page no./ amendments to be made
Without Calling for quotations subject to satisfying conditions	Rs.10000/-	Rs.15000/-	3.1.1 / page.6 only on each occasion without calling for quotations subject to certification as mentioned @1
Minimum 03 quotations	Rs.10,000 to Rs.50,000	Rs. 15,001/- to Rs.1,00,000/-	3.1.2. / page.6 On each occasion may be made on the recommendations of a duly constituted Local Purchase committee consisting of 3 members of the school. Before placing order, the committee will jointly record a certificate as mentioned@2
Notice inviting quotations should be sent to min.6 firms	Above Rs.50,000/- and Up to 5.00 lakhs	Rs.1,00,001 to Rs.24,99,999.00	3.1.3 / page.6 Notice Inviting quotations should be sent directly by speed post/registered post/courier/e-mail in addition to web publicity through UOH and in addition, for above Rs.10 lakhs tender document to be placed on NIC & central public procurement portals
Quotations should be obtained by wide publicity through local newspapers & Placing on UoH website	Purchases above 5.00 lakhs	Rs.25,00,000 and above	3.1.4. / page.6 BY Giving wide publicity through UoH web and placing the tender document on NIC & central public procurement portals

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

@2. “ Certify that we-----members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase of the requisite specifications and quality, price and prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question”

I) Delegation of Purchase Powers: The committee felt to enhance the limits of the following authorities:

Existing UHPPP Para No. & description	School/ Department/ Projects etc.	Existing Limit	Proposed Enhanced Limit
2.1.1: Purchase of Equipments, Material, Medicines & Services for academic Departments other than Projects	i) Heads of the Departments ii) Deans of the Schools	Upto Rs.1 lakhs Upto Rs.2 lakhs	Upto 2 Lakhs Upto Rs.2 lakhs A) Above Rs. 2 lakhs and up to Rs. 10 lakhs on the recommendations of the purchase committee.(pre-check by IAO is required before placing the purchase order) B) Beyond Rs. 10 lakhs, with the approval of the Vice-chancellor (Duly routing the proposal through F&A, IAO and FO)
2.1.2: Purchase of Equipments, Material, Medicines & Services for all Projects like SAP/COSIST/FIST ETC.	i) Project Investigators/ co-coordinators ii) Deans	Upto Rs.1 lakhs ii)Upto 2 lakhs	i) Upto Rs.2 lakhs ii)Upto Rs.2 lakhs iii) A) Above Rs. 2 lakhs and up to Rs. 10 lakhs on the recommendations of the purchase committee.(pre-check by IAO is required before placing the purchase

			order) B) Beyond Rs. 10 lakhs, with the approval of the Vice-chancellor (Duly routing the proposal through F&A, IAO and FO)
2.1.2: Purchase of Equipments, Material, Medicines & Services for non-Academic Departments	Finance Officer	i) Upto Rs.10,000 ii) New slab proposed iii)Beyond 10,000 and up to Rs.5 lakhs	i)Upto 15000/- ii)from Rs.15001/-to Rs.1 lakhs duly pre-checked by IAO before placing PO iii)Upto Rs.1 lakhs above and up to Rs.5 lakhs on the recommendation of the Central Purchase Committee B)Beyond 5 lakhs, with the approval of the Vice chancellor (duly routing the proposal through F&A,IAO)
2.1.8. Purchase of Equipments, Material, Medicines & Services for non-academic departments- Health Centre	1) CMO 2) Chairman Health center	i) Upto Rs.10000/- ii) Remain unchanged	i)Upto Rs.15000/- ii)Remain Unchanged

II) **Registration process in the “National Informatics Centre portal (NIC) & “In “Central public procurement Portal”(CPPP)** need to be initiated by the webmasters. And any tender above 10 lakhs needs to be placed on UOH website along with above mentioned Portals (web Link: <http://eprocure.gov.in/epublish/app>) & <http://www.tenders.gov.in/>

III) **Indenter should communicate** the required tender details to the webmasters, to place the tender details on UoH website as well as in CPPP.

IV) **The following detailed Procedure to be followed is substituted in Para 3.1.1 to 3.1.4 of existing UHPPP**

i) **Para 3.1.1. Purchases up to Rs.15000:**

Without calling for quotations but after satisfying that the items purchased or services acquired are of requisite quality/specifications and have been purchased from a reliable supplier at a reasonable cost and to be certified as under:

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

ii) Para 3.1.2 Purchases from Rs.15001 to Rs.1 lakhs.

A. Purchase of goods costing above Rs.15000 only and up to Rs. 1 lakhs only on each occasion may be made on the recommendations of a duly constituted Local Purchase committee consisting of three members of an appropriate level. 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, the 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 questions.”

B. In respect of projects, purchases up to Rs. 50000 on each occasion may be made by Project Investigators for the approved items of expenditure without purchase committee, recording a certificate on the bill by the Project Investigator that the goods purchased are of the requisite specifications and quality and priced at the prevailing market rate. For purchases above Rs. 50000 and up to Rs. 1 lakhs, the procedure prescribed at ‘A’ above shall be followed.

3.1.3. Purchases above Rs. 1 lakhs and up to Rs. 24,99,999 lakhs.

Notice inviting quotations should be sent directly by speed post/registered post/ courier/ e-mail to firm which are borne on the registered suppliers for the goods in question/ known sources of supply. The number of supplier firms in Limited Tender enquiry should be more than three. Such quotations should be obtained either from the manufacturers directly or authorized dealers/distributors who are registered with the Commercial Tax department of the respective state (for VAT purpose). **Tendering through University website system must also be resorted to get more number of competitive bids. And for above 10 lakhs tender document should be placed on Government of India web portals like *Central Purchase Procurement Portal* (<http://eprocure.gov.in/epublish/app>) & *national Informatics Centre portal* (<http://www.tenders.gov.in/>)**

3.1.4. Purchases of Rs. 25 lakhs and above:

Invitation to tenders should be made by advertisement in newspapers (one or more newspapers as situation may demand) and website. Detailed notice inviting tenders/ complete bidding document should be placed in University website and Government portals like *Central Purchase Procurement Portal* (<http://eprocure.gov.in/epublish/app>) & *National Informatics Centre portal* (<http://www.tenders.gov.in/>)

Indenter should communicate the required details to the webmasters to complete the above job.

6) The following Para should be inserted about the Exemptions in levying of Service Tax:

3.1.7.A NOTE 4: Service Tax Exemption: As per Notification 3No.06/2014-Service Tax dated 11 July 2014 issued by Ministry of Finance, government of India, services provided to an education institution by way of:-

- i) Transportation of students, faculty and staff;
- ii) Catering, including any mid-day meals scheme sponsored by the Government;
- iii) Security or cleaning or house-keeping services performed in such educational institutions;
- iv) Services relating to admission to or conduct of examination by such institution.

Accordingly, in respect of service contracts of the above nature, a suitable clause may be inserted in the Tender Document and it may be ensured that service tax is not claimed by the service provider in their quotation.

7) UHPPP Para 10.1 may be amended as Para 10.2 and Para 10.1 to be inserted with the following:

10.1. Bid Security (Earnest Money Deposit) :

- i) To Safeguard against a bidder's withdrawing or altering its bid during the bid validity period in case of Advertised or Limited Tender enquiry **above Rs.5 lakhs**, Bid security (Also Known as Earnest Money Deposit) should be obtained from the bidders except those who are registered with Central Purchase Organization, National Small Industries Corporation(NSIC LTD.,) .

- ii) The Bid security of 2% to 5% of the estimated value should be determined and arrived such amount should be mentioned in the Tender Document and % should not be mentioned in the tender document and also to be mentioned that **if fails to pay, their quote may liable to be rejected**. Bid security may be accepted in form of Demand Draft/Pay order/Bank Guarantee from any of the commercial banks in an acceptable form only.
- iii) Bid security is normally remain valid for a period of forty-five days beyond the final bid validity period.
- iv) Bid security of the unsuccessful bidders should be returned to them at the earliest after expiry of the final bid validity and latest on or before the 30th day after award of the contract

8) Two Bid System at Part(a) and Part(b) of Para 3.1.13 of UHPPP to be replaced with the following:

Part (a): Technical Bid Consisting of all technical details along with commercial terms and conditions(like which are obligatory on the part of the buyer and without which bidder may not be in a position to supply the goods and decision of buyer may change due to that condition ,successful executed orders details, Statutory compliance details viz EPF,ESI,VAT,Service Tax ,PAN),details about competence to supply of the items etc. *The technical details as mentioned above may be incorporated in the bidding document wherever necessary/required.*

Technical bids received without EMD or Insufficient EMD Shall summarily be rejected.

Part (b): Financial Bid indicating item-wise price for the item mentioned in the technical bid along with payment terms, validity period, % Taxes should be specified clearly and amount to be shown / including taxes and if any other terms conditions.

Thereafter, in the second stage, the financial bids of the technically acceptable offers only are to be opened for further scrutiny, evaluation and placement of purchase order.

9) Amendment to UHPPP Para 10: Executing an Agreement is necessary if the value of procurement is Rs.10 lakhs & above. For below 10 lakhs, where tender documents include the general conditions of the contract, special conditions of contract, and scope of work, the letter of accepting of these will result in binding contract. Agreement should be entered within 15 days of issuance of letter of acceptance of work/purchase order.

Agreement format to be amended from 5 lakhs to 10 lakhs.