

## **Standard Procurement Procedures in Central Ground Water Board**

(Based on *Manual for Procurement of Goods 2017* and *Manual for Procurement of Works 2019*)

Central Ground Water Board spends a sizeable amount of its budget on procurement of goods, works and services to discharge the duties and responsibilities assigned to department. The Ministry have delegated powers to functionaries of CGWB (Chairman, Members, Regional Directors & Executive Engineers of CGWB) to make their own arrangements for procurement of goods, works and services under Delegation of Financial Powers Rule (DFPR), 1978', which have to be exercised in conformity with the 'Procurement Guidelines' of **Manual for Procurement of Goods 2017** issued by Ministry of Finance, Department of Expenditure and **Manual for Procurement of Works 2019** issued by Department of Expenditure, Ministry of Finance.

To ensure that these procurements are made by following a uniform, systematic, efficient and cost-effective procedure, A brief framework of "*Standard Procedures for the Procurement of Goods, Works & Services*" constituted as:

### **A. Standard Procedures for Procurement of GOODS & Services**

1. The Section/person in need of the particular Goods or Services required to raise Demand/Requirement with respect for those particular Goods & services. Section/person may send the requisition either manually or online.
2. Availability of those goods requires to be enquired from the Stores and if items are not available, Non availability remark essential from the Stores.
3. The officer receiving the requisition makes a rough estimation of cost (Based on the on current price as available in GeM/local market). Based on the primary cost estimation following procurement step are made-

#### **Case-I: If Estimated amount is less than Rs. 25,000/-**

- a) Direct online purchase from GeM.
- b) Local purchase from local market under following conditions: in case material not available in gem/material required urgently/quantity is less than minimum quantity prescribed in gem

#### **Case-II: If Estimated amount is more than Rs. 25,000/-**

##### **a) Through GeM**

I) Above Rs.25,000/- and up to Rs.5,00,000/- through the GeM Seller having lowest price amongst the available sellers (excluding Automobiles where limit of Rs.30,00,000/- will be applicable), of at least three different manufacturer

II) Above 5,00,000

-Bidding through Gem

-Bidding and Reverse auction through GeM.

III) Custom Bid (In case, material is not available or specification/conditions as per Requirement, Not available)

**Note:** *The Specification of the item not available in GeM is required to be intimated to the GeM Authorities for listing the items for future procurement.*

**b) Through tendering in CPP portal**

If estimated cost is more than 2.5 lakhs, online procurement can be made by inviting tender through CPP portal subject to following condition

- I) Not available in Gem
- II) Gem availability Certificate and Past Transaction summary generation

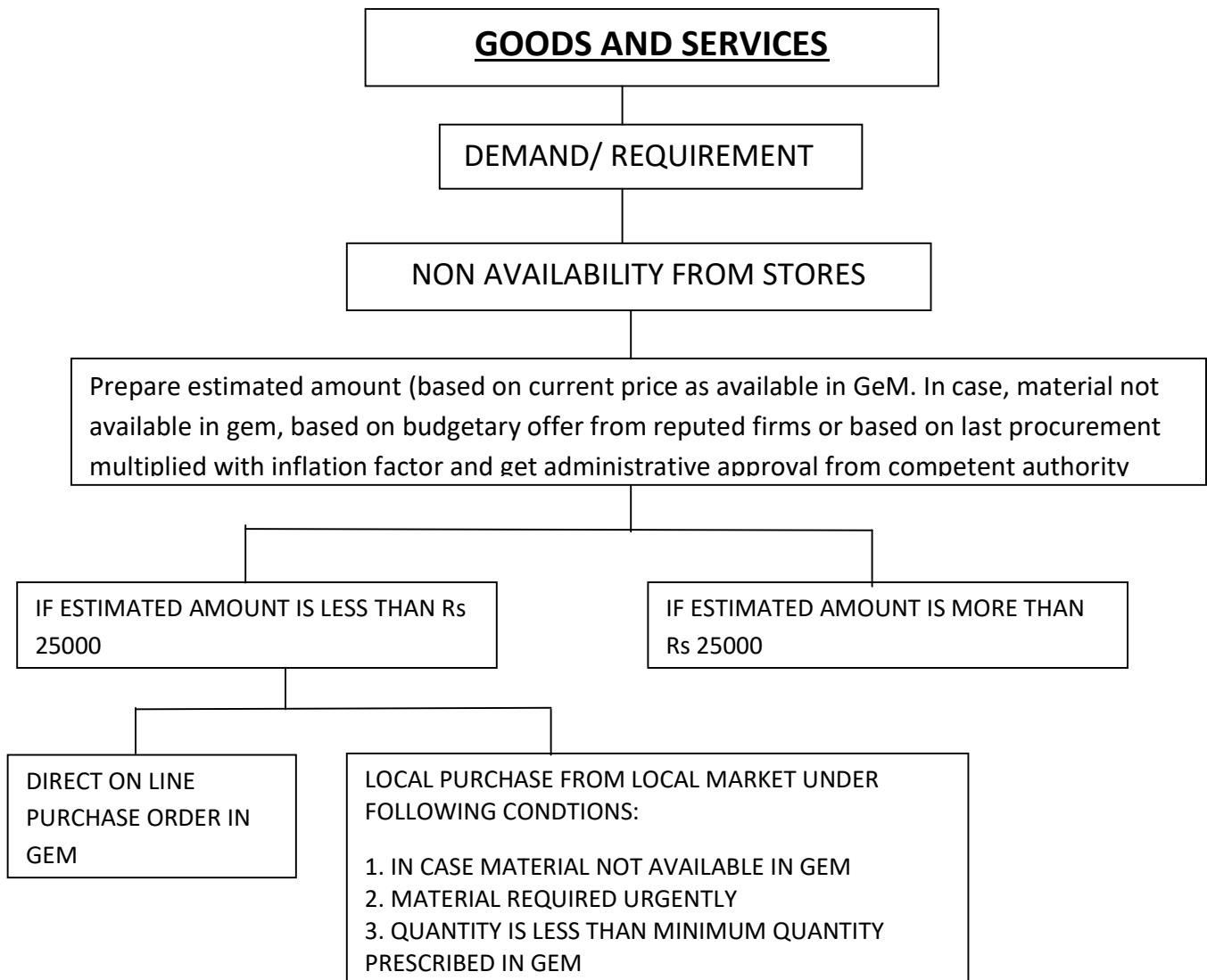
**Note:** For GeM and CPP portal tendering items having estimated cost up to Rs. 20.0 lakhs can be procured under Regional Director Financial Power, and for the estimated cost more than 20.0 Lakhs to 5 crores, AA and Expenditure sanction to be obtained from Chairman, CGWB.

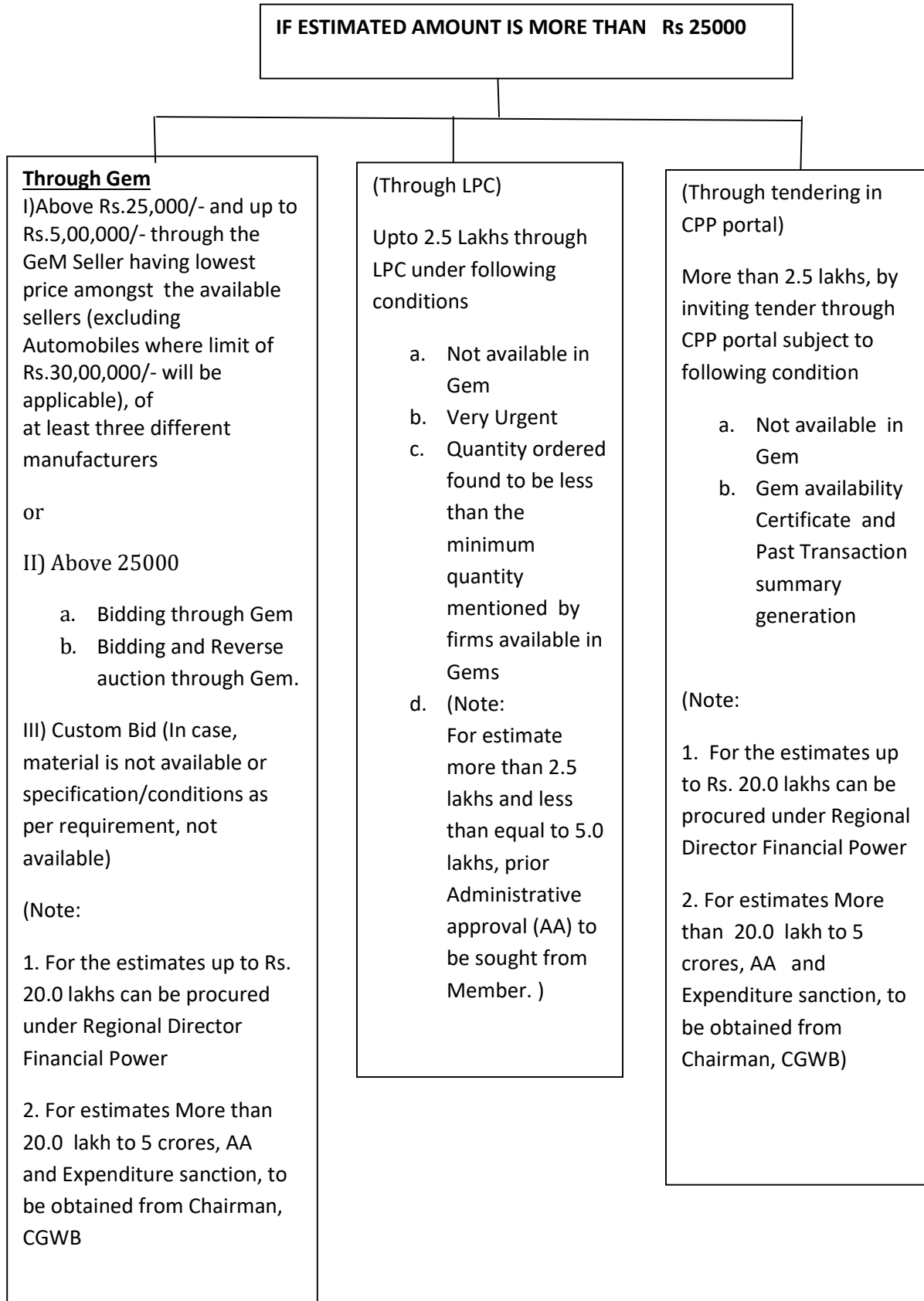
**c) Through LPC**

Upto 2.5 Lakhs through LPC under following conditions

- I) Not available in Gem
- II) Very Urgent
- III) Quantity ordered found to be less than the minimum quantity mentioned by firms available in Gem

**Note:** For Local purchase of items having estimated cost more than Rs. 2.5 lakhs and less than equal to 5.0 lakhs, prior Administrative approval (AA) to be sought from Member.

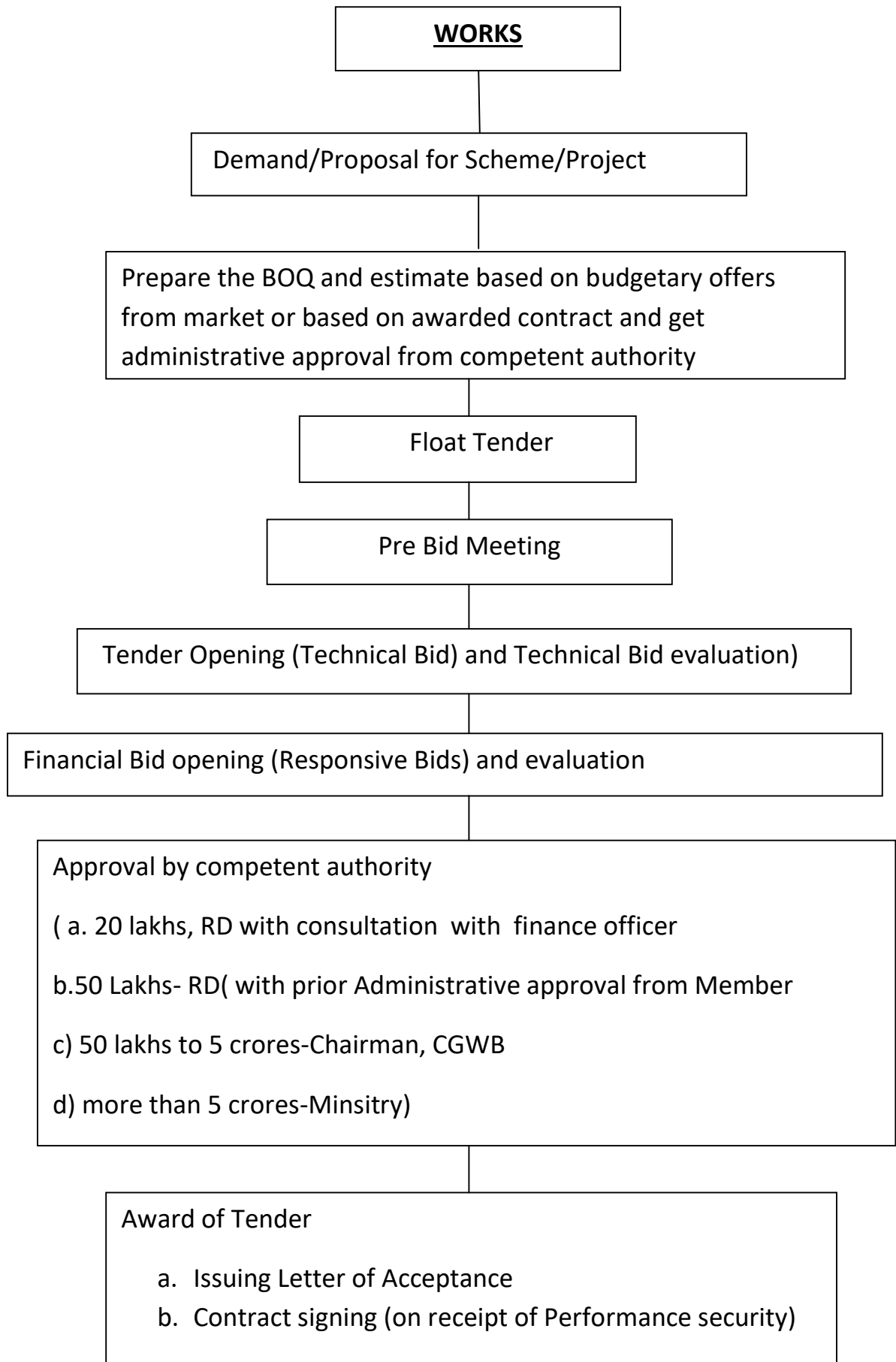
**A detail Flow diagram showing various aspects of procurement of Goods & Services**



**B. Standard Procedures for Procurement of Works**

1. Detail proposal for required Project/Work/Scheme required to be submitted by concern section.
2. Preparation of the BOQ and estimate based on budgetary offers from market or based on awarded contract.
3. Administrative approval from competent authority of the BOQ and financial estimates.
4. Floating the tender on CPP portal for the E-bidding Process.
5. Conduction of pre-bid meeting to have a details discussion with the prospect bidders and resolution of any issue related to Tender Documents, Terms and Condition and any other queries of the firms.
6. Tender Opening for Technical Bid and completion of a coherent technical evaluation. Based on technical evaluation, rejecting the technical not responsive Bidder.
7. Opening financial Bid and evaluation for finding L1 Bidder.
8. Getting approval from competent authority
  - a) 20 lakhs, RD with consultation with finance officer
  - b) 50 Lakhs- RD( with prior Administrative approval from Member
  - c) 50 lakhs to 5 crores-Chairman, CGWB
  - d) more than 5 crores-Minsitry
9. Issuance of Letter of Acceptance to the L1 bidder for inviting for the Contract Agreement and submission of Performance Security Guarantee.
10. Receiving Performance Security Guarantee in the prescribed format.
11. Signing Contract Agreement along with Tender Document.
12. Issuance of Award of Contract (AOC) for the execution of Work.
13. Monitoring of work progress as per terms and condition of contract and recognizing milestones of work.
14. Making payment after receiving bill from contractor by physical verification of claimed work and financially evaluating the different component of invoice.
15. Timely completion of work as per the Terms and condition of contract and payment of fully verified work and final settlement.

A detail Flow diagram showing various aspects of procurement of Works is framed out here:



### **Standards of Financial Propriety**

Public Procurement like any other expenditure in Government must conform to the Standards of Financial Propriety. It may be useful to refer to the relevant provisions in the General Financial Rules, 2017.

*Standards of financial propriety: Every officer incurring or authorizing expenditure from public moneys should be guided by high standards of financial propriety. Every officer should also enforce financial order and strict economy and see that all relevant financial rules and regulations are observed, by his own office and by subordinate disbursing officers. Among the principles on which emphasis is generally laid are the following:*

- i)** Every officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.
- ii)** The expenditure should not be prima facie more than the occasion demands.
- iii)** No authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage.
- iv)** Expenditure from public moneys should not be incurred for the benefit of a particular person or a section of the people, unless :
  - a) A claim for the amount could be enforced in a Court of Law, or The expenditure is in pursuance of a recognized policy or custom.

The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients.”