Existing Provision	Revised Provision	
169. In order to impart quality education to the students, every school has to purchase a number of teaching aids and equipment out of the funds given for various purposes. As the expenditure on Kendriya Vidyalayas is met out of the grants sanctioned by the Government of India it is incumbent on the schools to follow the rules and procedures prescribed by Government. The objectives, policies and principles involved in making purchases are explained below:	**Article No. 169. General Principles** 169.1 In order to impart quality education to the students, every Vidyalaya has to purchase, a number of teaching aids, goods and equipment out of the funds allocated for various purposes from Government Grants, Vidyalaya Vikas Nidhi (VVN) etc. The Vidyalayas need to procure different kinds of services including hiring of service providers for provid ing housekeeping and security services etc. and also procurement of works. Similarly, the Regional Offices, ZIETs and the KVS(HQ) do need to procure goods and equipment, works and services to cater to their needs. The rules and procedure for procurement of goods, works and services as contained in the General Financial Rules, 2005 of the Govt. of India shall be followed. However, keeping in view the specific needs of the KVS being an educational institution shall use its own documents for inviting quotation/bids as the case may be depending upon the nature of procurement and value of individual contract. The procurement manual of the Govt. of India on Policies and Procedures for purchase of goods adapted for KVS shall be followed. The guiding principles shall be : **169.1.1** 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	

A. Objectives The objectives in making purchases are: (i) procuring articles of the requisite quality at the most economical rates; and **(ii) procuring articles within the available funds in order of priorities and within the period fixed for utilization of the funds.**	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 *(b)* the expenditure is in pursuance of a recognized policy or custom. (v) 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. **169.1.2** Every authority delegated with the financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy, transparency in purchases and for fair and equitable treatment of suppliers and promotion of competition in public procurement. **169.1.3** To reduce delay, appropriate time frame for each stage of procurement should be prescribed. **169.1.4 Approval of the competent authority to the purchase** Demand for Goods should not be divided into smaller quantities for making piece meal purchases for the sole purpose of avoiding the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand. **169.1.5 Purchase of Goods financed by Loans/Grants extended by International Agencies** The Articles of Agreement with the International Agencies, like the World Bank, Asian Development Bank etc. stipulate specific procurement procedures to be followed by the borrowers. The procurement procedures, as finalized and incorporated in the Agreements after consideration and approval of the Ministry of Finance are to be followed accordingly. **169.2** The term 'goods' applies generally to all articles, material, commodities, livestock, furnitures, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant etc. purchased or otherwise acquired for the use of Government but excluding books, publications, periodicals, etc. for a library.	Merged in Article 169

B. Policies The policies in making purchases are: (i) procuring as far as possible articles of indigenous production; (ii) undue emphasis should not be laid on the quality of articles, if articles of equal durability are available at a lesser cost; (iii) wherever possible, articles which are approved by the Indian Standards Institution or by the State Government in respect of the higher secondary schools run by them, should be purchases and at the approved rates (proof of approved rates should be kept on record).	**169.3. Powers for procurement of Goods each contract** Upto Rs.3,00,000/- Principal However, purchases beyond Rs.1,00,000 each contract shall be reviewed by the Chairman with the assistance of the Vidyalaya Executive Committee to ensure that the purchase is need based, sufficient fund exists and provision is made in the budget. It may also comment on the procedure followed. Notwithstanding this, the responsibility of following the codal formalities shall rest with the Principal concerned. Rs.3,00,001/- to 5,00,000/- AC of the concerned Region Above Rs.5,00,001/- JC(Admn.), KVS (HQ). In case of purchase of proprietary items , the concurrence of the Chairman, VMC shall be obtained for the purchases beyond Rs.25,000 at the Vidyalaya level. The approval of the Asstt.Commissioner, Regional Office and the Joint Commissioner(Admn.), KVS(HQ) shall be obtained for purchase of goods costing Rs.1,00,000/- and above and Rs.3,00,000 and above respectively each contract.	In consonance under rule GFR 144 & purchase manual for GOI.
C. Principles The principles to be followed in making purchases are enumerated below:- (i) Excepting cases wherein it is optional to call for quotations, a minimum of three effective quotations is essential before going in the purchase of any article. The parties should be requested to send their quotations in sealed covers. (ii) Calling for quotations may be dispensed with only in the following cases:- (a) Articles approved by the Indian Standards Institution or by the State Governments in respect of the higher secondary schools run by them, at the rates approved by the State Governments (proof of approved rates should be kept on record).	**169.4 Reserved Items:** **169.4.1** i) The Govt. of India through administrative instructions, has reserved all items of handspun and hand-woven textiles (Khadi goods) for exclusive purchase from Khadi Village Industries Commission (KVIC). ii) It has also reserved all items of handloom textiles required for exclusive purchase from KVIC and/or the notified handloom units of ACASH (Association of Corporations and Apex Societies of Handlooms). iii) The Govt. of India has also reserved some items for purchase from registered Small Scale Industrial Units. The purchases for such reserved goods and items shall be made from such units in accordance with the instructions issued by the Government (in the Kendriya Vidyalaya Sangathan in this regard) from time to time.	Separately reflected in different paragraphs GFR 144

(b) Articles produced by the State or Central Government undertakings or concerns wherein Government have invested capital or which are sponsored by Government (for example, Super Bazars, Government Jails, handicrafts Boards, Khaadi and Village Industries Board). (c) Purchases of articles or group of articles costing upto Rs.1000/- on each occasion may be made without inviting tenders/quotations. Tenders/ quotations need not also be invited for such purchases costing upto Rs.5000 on each occasion if in the opinion of the competent authority it is not possible to follow the prescribed procedure. It should be noted that purchase orders should not be split up so as to bring them within the above limit of Rs.5000. (d) Articles purchased from firms the rates of which have been approved centrally by the Sangathan. (iii) it is essential that even in the cases mentioned above, purchases should be made only after ascertaining the rates, makes etc. and selecting the makes beforehand. Note: In exceptional and urgent cases spot purchases can be effected through a Sub-Committee, consisting of minimum of three persons including one member each of the Vidyalaya Management Committee, expert adviser and Staff member, constituted for the purpose with the prior approval of the Chairman, Vidyalaya Management Committee. (iv) There is no system of approved contractors and each case should be decided on its merits without any arbitrary preference for a particular article or firm. (v) In cases where specifications of articles are not given, guidance should be taken from comparable institutions in the station or in the State in which the	**169.4.2 Special Dispensation** a) **Purchases from Kendriya Bhandar, NCCF & other multi state cooperative societies having majority share holding by the Central Govt.:** i) In cases of purchases from Kendriya Bhandar, NCCF & Other Multi State Cooperative Societies, the instructions issued by Ministry of personnel, Public Grievances & Pensions, Deptt. Of Personnel & Training has to be complied with. The latest circular on the subject are depicted in Appendix A. The same shall be adopted mutatis mutandis alongwith changes that may be issued from time to time. b) **<u>Purchase of goods directly under rate contracts of the DGS&D</u>** In cases of purchase of goods which are available under the contract entered into by Central Purchase Organization i.e., DGS&D, the prices to be paid for such goods shall not exceed those stipulated in the rate contract and other salient terms & condition of the purchase should be in line with those specified in the rate contract & shall not be in any case more than the MRP. The purchase authority shall make its own arrangement for inspection & testing of such goods where required. In case the ability for inspection and testing is not available locally, the services of any specialist/professional organization for inspection and testing of goods may be hired. Every effort should be made to ensure that only nominal amount not exceeding the charges levied by the DGS&D for the purpose is incurred for inspection and testing of goods.	As per the OM Ministry of Personnel/Public Grievances & Pension dated 5.7.2007.

school is situated. (vi) The quantity of articles to be used for experiments by students should bear relation to the actual number of students doing practical plus a small reserve for normal growth in the strength. (vii) The quantity of articles to be used for demonstration purposes should not exceed the prescribed number, or more than one if a limit has not been prescribed. (viii) The requirement of like articles to be used in more than one department should be pooled together and purchases made in lump so as to secure economy. (ix) In respect of costly equipment, detailed study of technical specifications, operating data, etc., should be made before selecting a particular made.		
Purchases should be properly planned. This involves forecasting the actual requirements, instituting timely action for making the purchases, inspecting the articles and ensuring adequate storing arrangements. Short-term planning, which should apply to requirements of one year or less, should generally be resorted to in respect of purchases of teaching aids, sports equipment, crafts equipment, consumable articles for science laboratories, contingency articles (stationery, etc.) and special contingency articles (typewriter, duplicator, etc.). Long-term [planning is resorted to in respect of purchases of science laboratory equipment, furniture, library books, audiovisual aids and hostel equipment. The essence of long-term planning envisages phasing the purchases in stages in order of priorities; in other words, meeting the most essential requirements first and the less essential requirements next. The categorization of science laboratory equipment as Essential, Desirable and Supplementary exemplifies long-term planning.		

170. A Purchase Advisory Committee consisting of at least three members of the Management Committee (including the Principal) should be constituted by the Chairman, VMC in each Vidyalaya. In this Committee, such other experts whose advise will be useful in making purchases should also be co-opted. For example, for purchase of laboratory equipment, staff of the State Institute of Science or local science colleges may be co-opted. Only those persons who can devote some time in processing the purchases and tender their advise should be selected for the Committee. If there are other Kendriya Vidyalayas in the City or neighborhood, they could pool together their major purchases by having a bigger Advisory Committee consisting of three members from the Management Committee of each Vidyalaya.	**Article No.170 Registration of Suppliers** i) With a view to establishing reliable sources for procurement of goods commonly required for the procuring unit, the purchasing unit will prepare and maintain item-wise lists of eligible and capable suppliers in the locality/city. Such approved suppliers will be known as 'Registered Suppliers' with the approval of Chairman, Vidyalaya Management Committee (VMC). Such registered suppliers are prima facie eligible for consideration for procurement of goods through Limited Tender Enquiry. They are also ordinarily exempt from furnishing bid security alongwith their bids. ii) Credentials, manufacturing capability, quality control system, past performance, after-sales service, financial background, proof of registration of IT/TAN/VAT etc. of the supplier(s) should be carefully verified before registration. iii) The supplier(s) will be registered for a fixed period of one year. At the end of the period, the registered supplier(s) willing to continue with registration are to apply afresh for renewal of registration. New supplier(s) may also be considered for registration at any time, provided they fulfill all the required conditions. iv) Performance and conduct of every registered supplier shall be monitored. The registered supplier(s) are liable to be removed from the list of approved suppliers if they fail to abide by the terms and conditions of the registration or fail to supply the goods on time or supply sub-standard goods or make any false declaration to the KVS or its constituent unit or for any ground which is the opinion of the purchase authority is not in public interest.	
The Purchase Committee is Sub-Committee of the Management Committee and is as such collectively responsible to the Sangathan through the Management Committee for faithfully implementing the purchase procedure. Notwithstanding the position explained above, the Principal in his capacity as the Drawing the Disbursing Officer of the Vidyalaya is responsible strictly to adhere to the		

purchase procedure and other instructions issued by the Sangathan. The Purchase Committee is to be associated with all the purchases /procurements of goods and services exceeding Rs.5000/- in value, right from the stage of selection of firms for inviting quotations till the purchases are actually made.		
171. A pre-requisite for making purchases is a list of actual requirements of various articles. The teacher-in-charge of the subject should be asked to prepare the list duty indicating the existing stock, and the additional requirement of each article with due regard to the ceiling limits prescribed by the Ministry/ Sangathan which should not be exceeded under any circumstances. Articles which are required in more than one department should be pooled together and a separate list of all such articles should be prepared.		
172. The procedure for making purchases, i.e. whether to issue an advertisement or call for sealed quotations, should then be decided. Advertisement in newspaper should be resorted to in respect of purchases for Rs.2 Lakhs and above at a time, while sealed quotations from specified firms may be called for in other cases. For this purpose, the requirements of a year should be taken into account and piece-meal purchases should not be made on any account. Sealed quotations should be called for only from reputed firms dealing in the particular class of goods and not from general order suppliers of commission agents who do not store the articles for sale, put who act purely as intermediaries for procuring the articles. The selection of the firms should be objective and in the interest of the Sangathan. Quotations should be called for only from firms which have distinct legal existence and not firms which are inter-related.	**Article No.172. Purchase of Goods without quotations:** Purchase of goods up to the value of Rs.15,000/- (Rupees Fifteen Thousand) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the authority competent to approve the purchases 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."	In consonance with GFR Rules 145
173. The notice inviting quotations should be complete in all respects so as to allow the prospective firms to have a clear idea of the articles required, the conditions to be fulfilled in supplying the articles including the period of currency of the quotations, etc. The detailed specifications of articles should	**Article No. 173** Purchase of goods by purchase committee: Procurement of goods costing above Rs.15,000/- (Rupees Fifteen thousand) and upto Rs.1,00,000/- (Rupees One Lakh) only on each occasion may be made on the recommendations of a local purchase committee consisting of three members of an	In consonance with GFR Rules 146

be clearly mentioned. At least a period of two-three weeks should be allowed to the firms for submitting quotations. The invitation for quotations should be sent by registered post or under certificate of posting.	appropriate level with the concurrence of: i) The Chairman, VMC(*) in cases of KVs ii) Asstt.Commissioner for the Regional Offices. iii) Joint Commissioner(Admn.) for KVS(HQ).. The LPC 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 LPC(**) 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." (*) Vidyalaya Management Committee (**) Local Purchase Committee	
174. All the sealed envelops containing the quotations received from the firms should be initialed with date and hour by the Principal and kept in his safe custody. The envelops should be opened on the appointed day and hour in the presence of the representatives of the firms, if any. Every quotation when opened should be initialed with date by the Principal and by at least one other member of the Purchase Committee. It is open to the Purchase Committee to entertain any quotation received after the due date fixed for the receipt of quotations but before the appointed time for opening of the quotations in the interest of securing economy to the Sangathan.	**Article No. 174 Purchase of goods by obtaining bids.** Except in cases covered by the Rate Contract of KVS(Hqrs) & the reserved items, the procurement of goods under the paras referred to in Article 169 above shall be made by following the standard method of obtaining bids in: i) Advertised Tender Enquiry ii) Limited Tender Enquiry iii) Single Tender Enquiry	In consonance with GFR Rules 149

175. A comparative statement of the quotations received should be prepared in Form CS 13. In preparing the comparative statement, the following points should be borne in mind:- (i) All the terms of payment which affect the comparison of rates quoted by the different firms should be incorporated. For example, if a firm quotes an over-all discount on the rates tendered by it or offers supplies free of sales tax and another firm does not, the rates quoted by the former firm should be adjusted to the net amount excluding the discount; or the rates quoted by the other firm inflated by the amount of sales tax, so that the rates of the two firms would be on a comparable footing. If the quotations of the firms are in different units (one quotation in terms of dozen and another in terms of gross) the rates should be reduced to a comparable unit. (ii) The specifications and other factors which affect the comparison of rates quoted by the different firms should be incorporated or reference to printed literature, ifl any, invited. (iii) The lowest rates of each article should be indicated in red ink in the comparative statement. (iv) The remarks regarding results of inspection of samples or specimens, if any, should also be incorporated.	**Article No. 175** **175.1 Advertised Tender Enquiry** i) Except in cases covered under Rate Contract of KVS and Reserved Items, open bids should be invited through advertisement to bid for procurement of goods of estimated value of Rs.5,00,000/- (Rupees Five Lakhs) and above. Advertisement in such cases should be given in one national daily & one local daily having wide circulation. ii) The advertised tender enquiries shall be displayed on the website of the procuring unit and provide a link with NIC website of KVS (HQ/RO). iii) A copy of the tender for advertisement shall also be given to the Indian Trade Journal for publications, in cases of contracts having an estimated value of Rs. 25 lakhs and above. iv) The bid document should be hosted on the website and prospective bidders permitted to make use of the document down loaded from the website. If such a downloaded bidding document is priced there should be clear instructions for the bidder to pay the amount by demand draft etc. alongwith the bid. v) 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 the KVS or its constituent unit(s) feels that the goods of the required quality, specifications etc., may not be available in the country and/or it is also necessary to look for suitable competitive offers from abroad, the KVS may send copies of the tender notice to the Indian Embassies abroad as well as to the Foreign Embassies in India requesting them to give wide publicity of the requirement in those countries. They may also be requested to put the tender notice in their web sites. The selection of the embassies will depend on the possibility of availability of the required goods in such countries. Publicizing the requirement globally as above is also known as **Global Tender Enquiry.** Where the purchase unit also contemplates obtaining bids from abroad, the minimum period should be kept as four weeks for both domestic and foreign bidders.	

175.2 Text of Tender Notice

The tender notice for an ATI should be carefully drafted. It should contain all the salient features of the requirement in brief to give a clear idea to the prospective tenderers about the requirements. Superfluous or irrelevant details should not be incorporated in the tender notice, as it will increase the cost of the advertisement.

The Tender Notice should contain:

- Description and specification of the goods and quantity
- Period and terms of delivery
- Cost of the tender/bidding document
- Place(s) and timing of sale of tender documents
- Place and deadline for receipt of tenders
- Place, time & date for opening of tenders Amount & Form of Bid Security/ Earnest Money Deposit
- Any other important information.

175.3 Cost of Tender Documents

Price of the tender document should take care of the preparation and delivering cost only. If it is too high, it will discourage the prospective bidders to purchase the document and participate in the bidding process.

175.4 Sale of Tender Documents

Tender documents should preferably be sold upto one day prior to date of opening of tenders and the same should be clearly indicated in the documents. The complete tender document should also be posted on the web site and prospective tenderers be permitted to make use of the document downloaded from the web site. If the tender document is a priced one, there should be clear instructions for the tenderers in the document (which has been downloaded) to pay the amount by demand draft etc. along with the tender, prepared in the downloaded document.

The sale of tender documents against ATI should not be restricted and should be available for sale freely.

	The purchase organization shall maintain proper records about the number of tender documents sold, list of parties to whom sold, details of the amount received through sale and, also, the number of unsold tender documents, which are to be cancelled after the opening of the tenders. **175.5 Format of Tender** The tenderers are to furnish their quotations as per the prescribed format and also as per the instructions incorporated in the tender documents. Quotations sent by telex, cable or facsimile are to be ignored and rejected. **175.6 Extension of Tender Opening Date** Sometimes, situations may arise necessitating modification of the tender documents already issued (LTI case) or already put on sale (ATI case). Also, after receiving the documents, a tenderer may point out some genuine mistakes necessitating amendment in the tender documents. In such situations, it is necessary to amend/modify the tender documents suitably prior to the date of submission of bids. Copies of such amendment / modification should be simultaneously sent to all the selected suppliers by registered/speed post/courier/e-mail in case of LTI. In case of ATI, the copies of such amendment / modification are to be simultaneously despatched, free of cost, by registered/speed post/courier/e-mail, to all the parties who have already purchased the tender documents and copies of such amendments are also to be prominently attached in the unsold sets of the tender documents (which are available for sale), including the tender documents put in the web site. When the amendment/modification changes the requirement significantly and /or when there is not much time left for the tenderers to respond to such amendments, and prepare revised tender, the time and date of submission of tenders are also to be extended suitably, along with suitable changes in the corresponding time-frames for receipt of tender, tender validity period etc and validity period of the corresponding EMD/bid security. Depending on the situation, such an amendment may also need fresh publication adopting the same procedure as for publication of the original tender enquiry.	

	175.7 Amendments / Modifications to Tenders The tenderer, after submitting its tender, is permitted to submit alterations/ modifications to its tender so long such alterations/modifications are received duly sealed and marked like original tender, upto the date & time of receipt of tender. Any amendment/modification received after the prescribed date & time of receipt of tenders are not to be considered. Clause on Forfeiture of EMD in the article 182.1 also refers in this regard. **175.8 Pre-bid Conference** In case of turn-key contract or contract of special nature for purchase of sophisticated and costly equipment, a suitable provision is to be kept in the tender enquiry document for a pre-bid conference for clarifying issues and clearing doubts, if any, about the specification and other allied technical details of the plant, equipment and machinery projected in the tender enquiry document. The date, time and place of pre-bid conference should be indicated in the tender enquiry document for information of the interested tenderers. This date should be sufficiently ahead of tender opening date. **175.9 Receipt and Custody of Tenders** Receipt and custody of tenders shall be done in a transparent manner. Tenders are to be received though tender box and, in its absence, by hand delivery to the nominated officials of the purchase department. There may be cases where the tenders are too bulky to be put in the tender box or the purchase office is yet to install tender box and, therefore, the tenders are to be submitted by hand. In such cases, it should be ensured that names and designations of at least two officers, who will receive the tenders, are prominently mentioned in the tender documents. The information about these officers should also be displayed at the entrance / reception of the premises where tenders are to be deposited. The officer receiving a tender is to give the bearer of the tender a receipt duly signed by him with date and time of receipt of the tender. A separate register is to be maintained for keeping records of the bids, received by hand.	

	Such bids will be kept in safe custody with the head of the office or his authorized representative till the date & time of bid opening and then such bids will be handed over to the bid opening officer through challan, in identical manner as mentioned in the previous paragraph. Sometimes, tenders are also received by post. Such tenders shall be received and documented in identical manner as applicable for tenders received through hand delivery. **175.10 Late Tender** In the case of advertised tender enquiry or limited tender enquiry, late tenders (i.e., tenders received after the specified date and time for receipt of tenders) should not be considered. **175.11 Opening of Tenders** All the tenders received on time shall be opened in the presence of authorized representatives of the tenderers (who have submitted regular tenders) at the prescribed time, date and place. The authorized representatives, who intend to attend the tender opening, are to bring with them letters of authority from the corresponding tenderers. Tenders should be opened immediately after the deadline of receipt of tenders with minimum time gap in between. At least two duly authorized officials of the purchase committee should jointly open the tenders. The tender opening officials are to announce the salient features of the tenders like description and specification of the goods, quoted price, terms of delivery, delivery period, discount if any, whether EMD furnished or not and any other special feature of the tender for the information of the representatives attending the tender opening. After opening, every tender shall be numbered serially, initialled, and dated on the first page by all the officials authorized to open the tenders. Each page of the price schedule or letter attached to it shall also be initialled by them with	

	date, particularly the prices, delivery period etc., which shall also be circled and initialled with date. Blank tenders, if any, should be marked accordingly by the tender opening officials. The original, duplicate, triplicate copies in a tender set are to be marked accordingly by the tender opening officials. Alterations in tenders, if any, made by the tenderers, shall be initialled with date & time by the officials opening the tenders to make it perfectly clear that such alterations were present on the tenders at the time of opening. Wherever any erasing or cutting is observed, the substituted words should also be encircled and initialled with date & time to make clear that such erasing/cutting of the original entry was present on the tender at the time of opening. **175.12 Responsibility of the Tender Opening Officials** In addition to what has been mentioned in above paras, the tender opening officials will prepare a list of the representatives attending the tender opening and obtain their signatures on the same. The list will also contain the representatives' names and the corresponding tenderers' names & addresses. The authority letters brought by the representatives will be attached with this list. This list will be signed by both the tender opening officials with date & time. An on-the-spot report containing the names of the tenderers (serial number wise) salient features of the tenders, as read out during public opening of tenders will be prepared by the tender opening officers duly signed by them with date & time. The tenders, which have been opened, the list of the representatives attending the tender opening and the on-the spot report are to be handed over to the nominated purchase officer and acknowledgement obtained for the same.	

176. The comparative statement and other records should be checked and put up before the Purchase Committee. Generally, the lowest rate for each article should be accepted by the Purchase committee. Even in accepting the lowest quotation, regard should be paid to the reasonableness of the rate. A certificate to this effect should be recorded on the comparative statement. It is not, however, desirable that lowest rates should be accepted by compromising the quality of articles. At the same time, undue emphasis should to also be laid on foreign make or superior quality, if articles of lesser prices but of equal durability, which can serve the purpose, are available. Arbitrary preferences should be avoided. The ultimate object should be to protect the interest of the Sangathan and as such specific and strong reasons should be adduced for rejecting the lowest rate. If the standard conditions of supply are not acceptable to a particular firm whose rated are lower and the quality of the articles of which is up to the mark, efforts should be made to conduct negotiations with the firm, procure the article by suitably relaxing the conditions where practicable, and thereby secure economy rather than rejecting the quotation outright. When the Purchase Committee takes a decision that the loest rate should not be accepted, the reasons therefore should be clearly recorded in writing in a Minute of the Purchase Committee and the Minute should be put up to the Chairman of the School Management Committee for orders duly citing reference to the policies, objectives and principles set out in para 169 above. The Chairman will exercise his discretion on the merits of each case duly keeping in view the policies, objectives and principles explained above. If he desires that the case deserves to be brought to the notice of the Sangathan, a self-contained reference should be made to the Sangathan for orders. The orders of the Chairman or the Sangathan as the case may be should be carried out by the Principal.	**Article No. 176 Limited Tender Enquiry (LTE)** i) This method may be adopted when estimated value of the goods to be procured is less than Rs..5,00,000/- (Rupees Five Lakhs). Copies of the bidding document should be sent directly by speed post/ registered post/courier/e-mail to firms, which are borne on the list of registered suppliers for the goods in question as referred under Article 170 above. Minimum three quotations should be obtained. Further web-based publicity should be given for limited tender. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis. ii) Purchase through limited tender enquiry may be adopted even where the estimated value of the procurement is more than Rs.5,00,000/- (Rupees Five Lakhs) in the following circumstances. a) When the demand is urgent and any additional expenditure involved by not procuring through Advertised Tender Enquiry is justified in view of urgency. The Head of Office/Department shall put on record the nature of the urgency and reasons why the procurement could not be anticipated. b) There are sufficient reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the goods through advertised tender enquiry. c) The sources of supply are definitely known and possibility of fresh source(s) beyond those being tapped, is remote. iii) Sufficient time should be allowed for submission of bids in LTE cases (two weeks). iv) Repeat order system is not permissible.	

177. After the quotations are finalized on the lines indicated above, a supply order, clearly specifying the description of the articles, the number of articles, the date by which delivery should be made, place of delivery, rates and other relevant conditions of supply, should be placed on the selected firm. The supply order should be carefully compared with the accepted quotation before issue and a reference to the quotation invited therein.	**Article No.177 Two Bid System** i) For purchasing high value goods (individually costing Rs.5,00,000/- and above) of a complex and technical nature, bids may be obtained in two parts as under: a. Technical bid consisting of all technical details a) Financial bid indicating item-wise price for the items mentioned in the technical bid alongwith commercial terms and conditions. ii) 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. iii) The technical bids are to be opened by the Bid Opening Committee consisting of atleast three Officers at the first instance and evaluated by a duly constituted Bid Evaluation Committee of technical and commercial experts. At the second stage, financial bids of only the technically acceptable offers should be opened for further evaluation and ranking before awarding the contract. Only the lowest evaluation responsive (both technical bid and commercial combined) bidder shall be accepted.	
178. While inviting quotations, the prospective tenders may be asked to deposit a suitable sum, which should not be less than 10% of the contract value, as earnest money. In cases where the quotations are not accepted, the earnest money should be refunded. In the case of successful tenderer, the earnest money should be retained as security deposit. If a contractor fails to supply the articles in time, the Principal shall reserve the right to purchase the articles from the market or get the rest of the contract completed by another party and adjust the difference in price, if any, from the security deposit and recover the deficiency thereafter, if any, from the contractor. The security deposit should be retained for at least a period of six months after the satisfactory completion of the	**Article No.178 Specification, Warranty & Training etc.** i) The specifications of the required goods should be clearly stated without any ambiguity so that the prospective bidders can send meaningful bids. In order to attract sufficient number of bidders, the specification should be broad based to the extent feasible. Efforts should also be made to use standard specifications which are widely known to the industry. ii) For finalization of specification, a Purchase Advisory Committee may be constituted. Finalisation of specifications should also be preferably based on a market survey of available models and their specifications.	

contract. In the case of reputed firms of high standing, which are not prepared to tender earnest money/security deposit, there is no object to dispense with the earnest money/security deposit, if the Chairman of the Vidyalaya Management Committee considers, in the light of past dealings with the firm, or independently otherwise, that no loss is likely to result in doing so. The reasons should be recorded in writing in such cases and all precautions taken to ensure compliance with the conditions of supply, etc.	iii) Warranty and Annual Maintenance Contract (AMC) for the duration of the life of the equipment are desirable but there is a need to be careful in deciding the period for which they are to be provided Laboratory equipment may get obsolete with time and there is a need to replace them. Providing a very long warranty with AMC coverage may therefore add to the cost without being fruitfully utilized as the length of commitment does have an effect on price. A warranty with AMC coverage of around 5 years (2+3 years or 3+2 years, respectively) may be preferred to being with. The AMC can be extended beyond this period if the equipment remains serviceable and is to be continued. The Warranty period of 24/27 months should be provided only if it is an accepted industry standard for the equipment being procured. Otherwise, this may result in reduced competition and increased cost. The period should therefore be stipulated after ascertaining the normal industry standards. Bank Guarantee (BG) coverage in the prescribed format for AMC should invariably be obtained so that the supplier or his agent has continued interest in maintaining the equipment. iv) It may be desirable to buy a standard model befitting the laid down specifications rather than equipment tailor-made for the purpose. This is likely to give more trouble-free service as such equipment has stood the test of time. In the qualification criteria, therefore, it may be included that the bidder or his principal should have been manufacturing and supplying the particular equipment for say six months or one year prior to bid opening. Qualification criteria like years of experience and extent of sales in the past have a bearing on quality as also on competitiveness . It is better to base them on a market survey. In case an Indian agent is to provide substantial incidental services it may be desirable to prescribe qualification criteria for the agent in addition to the qualification criteria for the manufacturer/supplier. v) Training for use of critical equipment is necessary and should form part of the incidental services. However, free training at a manufacturer's end adds to the cost and should be asked for only when it is considered essential. Otherwise non-utilization of this provision will only mean payment of a hidden cost, remaining unused. Further, the break-up of the cost of training must be obtained at the time of bidding itself. Also, the nature and scope of training should be clearly defined in the bid documents.	

	vi) Unless onsite service is provided for both warranty and AMC, there may be problems, wherein the bidder may agree to provide replacement of parts but the work involved with documentation, import, customs clearance, insurance, etc. for replacement of parts may fall on the purchaser.	
1**79**. When the supplies are received, the same should be inspected with reference to the accepted quotation so as to satisfy that the goods are of the requisite type, specifications and quality. In the case of furniture, inspection should be carried out before polishing of the furniture is undertaken. It should be noted that a thorough inspection is a pre-requisite for quality purchases. Goods which do not conform to the specifications or which are defective in any respect should be returned and got replaced at the cost of the supplier. Costly equipment, i.e. items costing above Rs.5000/-each, like computer, epidiascope, microscope, etc. should be inspected by the Principal himself and got demonstrated or operated before approval.	**Article No.179 Single Tender Enquiry** Procurement from a single source may be resorted to in the exceptional circumstances viz.: i) It is in the knowledge of the Vidyalaya/RO/Hqrs 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 the Competent authority obtained. iii) For standardization of machinery or space 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 items is to be purchased only from a selected firms. **Note:** Proprietary Article Certificate in the following form is to be provided by the purchase unit before procuring the goods from a single source and after obtaining approval of competent authority : i) The indented goods are manufactured by M/s. _____. ii) No other make or model is acceptable for the following reasons: _____ iii) Concurrence of the Chairman, VMC/ Regional Office/Hqrs to the proposal vide _____ has been obtained. iv) Approval of the competent authority vide _____ has been obtained. Sig. with date of purchase officer Sig. with date of Principal/AC/JC(Admn.)	

180. Deleted.	**Article No.180 Evaluation of Tenders, Formulation of Purchase Proposal and Placement of Contract** **i)** Evaluation of tenders is one of the most significant areas of Purchase Management. The contract should be placed only on responsive tender. The Purchase Officer should prepare a comparative statement of quotations received in the order in which tenders were opened. This statement will have information about specifications of the material offered by the tenderer, rates quoted (including taxes or otherwise), discount, if any, delivery schedule, earnest money deposit, validity of the offer, payment schedule etc. this action should be taken before preliminary examination of the tenders. The comparative statement so prepared should be signed by the concerned officers. All the tenders are to be evaluated strictly on the basis of the terms & conditions incorporated in the tender enquiry document (based on which offers have been received) and the terms, conditions etc. stipulated by the tenderers in their tenders. No new condition should be brought in while evaluating the tenders. Similarly, no tender enquiry condition (specially the significant/essential ones) should be over looked while evaluating the tenders. Aim should be to ensure that no tenderer gets undue advantage at the cost of other tenderers and/or at the cost of the purchaser. **ii)** All the tenders so received will first be scrutinized to see whether the tenders meet the basic requirements as incorporated in the tender enquiry document. The tenders, who do not the meet the basic requirements, are to be treated as unresponsive and ignored. The following are the important points, for which a tender may be declared as unresponsive and to be ignored, during the initial scrutiny: (i) The tender is unsigned, (ii) The tenderer is not eligible, (Example: The tender enquiry condition says that the bidder has to be a registered SSI unit; but the tenderer is a, say, Large Scale Unit). (iii) The tender validity is shorter than the required period, (iv) Required EMD has not been provided, (v) The tenderer has quoted for goods manufactured by a different firm without the required authority letter from the proposed	

	manufacturer, (vi) Tenderer has not agreed to give the required performance security, (vii) The goods quoted are sub-standard, not meeting the required specification etc. (viii) Against a schedule in the List of Requirement (incorporated in the tender enquiry), the tenderer has not quoted for the entire requirement as specified in that schedule. (Example; In a schedule, it has been stipulated that the tenderer will supply the equipment, install and commission it and also train the purchaser's operators for operating the equipment. The tenderer has however, quoted only for supply of the equipment). (ix) The tenderer has not agreed to some essential condition(s) incorporated in the tender enquiry. (Example: Some such important essential conditions are - terms of payment, liquidated damages clause, warranty clause, dispute resolution mechanism, applicable law and any other important condition having significant bearing on the cost/utility/performance of the required goods, etc. **iii)** During the above preliminary examination, the purchaser may also find some minor informality and/or irregularity and/or non-conformity in some tenders. The purchaser may waive the same provided the same does not constitute any material deviation and financial impact and, also, does not prejudice or affect the ranking order of the tenderers. Wherever necessary, the purchaser is to convey his observation on such 'minor' issues (as mentioned above) to the tenderer by registered letter/speed post etc. asking the tenderer to respond by a specified date also mentioning therein that, if the tenderer does not confirm the purchaser's view or does not respond at all by that specified date, its tender will be liable to be ignored. Depending on the outcome, such tenders are to be ignored or considered further. (Example ; A tender enquiry stipulates, as an essential condition, that the tenderer, along with its quotation, must also submit a certified copy of its latest income tax clearance certificate (ITCC). If a tenderer does not provide this document, the purchaser may ask for it with target date as above. If, the tenderer does not respond by that target date, its offer will be liable to be ignored).	

	iv) Non-conformities between the figures and words of the Quoted Prices - Sometimes, non-conformities/errors are also observed between the quoted prices in figures and that in words. The same is to be taken care of as indicated below: (a) If, in the price structure quoted for the required goods, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly. (b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and (c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above. If there is such discrepancy in an offer, the same is to be conveyed to the tenderer with target date on the above lines and if the tenderer does not agree to the observation of the purchaser, the tender is liable to be ignored. **v) Discrepancies between original and additional copies of a Tender -** Increase of discrepancies observed between the original copy and the other copies of the same tender set. The text etc. of the original copy will prevail. **vi)** All the actions mentioned in the above paragraphs should have the approval of the competent authority at appropriate stages. **vii)** Details of all the tenderers, which have been declared unresponsive and to be ignored as per above analysis and, also, the grounds for their becorring unresponsive are to be accurately recorded in the purchase file.	

	viii) Qualification Criteria After completing the stage as per preceeding para, it is to be examined whether the remaining tenderers (i.e. other than the unresponsive tenderers) meet the required qualification criteria incorporated in the tender enquiry document. The tenderers, which do not meet the required qualification criteria are to be declared unresponsive and not to be considered further. Details of such tenderers, which do not meet the required qualification criteria are also to be recorded in the purchase file along with the grounds for their becoming unresponsive. For details please visit the website of Mininstry of Finance/Department of Expenditure, Govt. of India. **Note:** However, in case of Two Bid System the technical acceptability of the offers are first determined and, thereafter, the financial bids of only the technically acceptable offers are opened for further scrutiny and processing for placement of contract. **ix) Scrutiny of Responsive Tenders** The responsive tenders (i.e. after ignoring all the unresponsive tenderers as above) are to be evaluated and ranked as per the procedure indicated in subsequent paragraphs. However, when the required goods are simple in nature and have standard specifications, initial scrutiny as well as scrutiny for qualification criteria may be done simultaneously in one go. In case the required goods are of sophisticated nature and comparatively costly, then in the first stage the initial scrutiny will be done to segregate the unresponsive tenders. Thereafter, all the remaining tenders are to be evaluated and ranked. The next step will be to check fulfillment of required qualification criteria by the tenderers so ranked, starting from the lowest evaluated tender (LI). If LI meets the required qualification criteria, that tender is to be selected for placement of contract. But if it does not meet the required criteria then similar determination is to be done for the next lowest evaluated tender (L2) and so on till reaching the tender who meets the required qualification criteria. By adopting this procedure, the purchase organization will save time by not checking the qualification aspects of all the responsive offers, simultaneously in one go.	

	x) Reasonableness of Price Before placing the contract on the lowest evaluated responsive tender (LI), the purchase organization is to ensure that the price to be paid is reasonable. The broad guidelines for judging the reasonableness of price are as under: (i) Last purchase price of same (or, in its absence, similar) goods (ii) current market price of same (or, in its absence, similar) goods (iii) Price of raw materials, which go into the production of the goods (iv) Receipt of competitive offers from different sources (v) Quantity involved (vi) Terms of delivery (vii) Period of delivery (viii) Cost analysis (material cost, production cost, over-heads, profit margin) NB: Price paid in an emergency purchase or purchase price of goods offered by a firm through 'distress sale' (i.e. when the firm clears its excess stock at throw away prices to avoid further inventory carrying cost etc.) are not accurate guidelines for future use. **xi) Price not Reasonable** - If Li's price is not reasonable, then, in the first place, the purchase organization is to review its own data & details to recheck whether the reasonable price so arrived is correct or not. If it is correct, the purchase organization may, strictly as an exception, negotiate the price only with the lowest evaluated responsive tender (LI) in an attempt to bring down the same. If LI reduces the price to the desired level, contract may be placed on it but if it does not agree, then further action like re-tendering etc. may be decided by the purchase organization depending on the merits of the case, **xii) Lack of Competition** - Sometimes the purchase organization may not receive sufficient number of tenders. A situation may also arise where, after analyzing the tenders, the purchase organization ends up with one responsive tenderer. In such situations, the purchase organization is first to check whether, while floating/issuing the tender enquiry, all necessary requirements like standard tender enquiry conditions, industry friendly specification, wide publicity,	

	sufficient time for formulation of tenders, etc. were fulfilled. If not, the tender is to be re-issued/re-floated after rectifying the deficiencies. However, if after scrutiny it is found that all such aspects were fully taken care of and in spite of that the purchaser ends up with one responsive tender only, then contract may be placed on that tenderer provided the quoted price is reasonable. **xiii) Dividing the Quantity** As per standard procedure, each schedule of requirement incorporated in the tender enquiry document is to be covered on the lowest responsive tenderer for that schedule without dividing the same. The tenderer who does not quote for the complete schedule as required is normally to be treated as unresponsive and ignored. However, there may be special occasions of purchase of very large quantities of goods which are beyond the capacity of a single tenderer and the lowest responsive tenderer is unable to take the load of the entire quantity. In such cases, the remaining quantity may be ordered on the second lowest responsive tenderer (L2) at the rates offered by the lowest responsive tenders (LI), as far as feasible and for this purpose negotiation may be held with the above tenderer (viz. L2). In such cases, it may also become necessary to divide the requirement under a schedule by placing multiple contracts for part quantities on more than 2 responsive tenderers. Such eventuality should normally be foreseen and provided for in the notice inviting tenders. The formula proposed to be adopted for allocation of orders to multiple (responsive) tenderers should be clearly brought out in the notice inviting tenders. The splitting of order by purchasing organization should be an exception rather than a rule. **xiv) Award of Contract** Before expiry of the tender validity period, the purchase organization shall notify the successful tenderer in writing, by suitable foolproof method, that its tender (briefly indicating therein relevant details like quantity, specification of the goods ordered, prices etc.) has been accepted. In the same communication, the successful tenderer is to be instructed to furnish the required Performance Security within a specified period (generally 21 days). Promptly after the above notification, the purchase organization is also to issue the contract to the successful tenderer asking therein, *inter alia,* to send its unconditional acceptance of the contract within	

	fifteen days. It should also be made known to the successful tenderer that in case, it does not furnish the required performance security or does not accept the contract within the stipulated target dates, such non-compliance will constitute sufficient ground for forfeiture of its EMD and processing the case for further action against it (the successful tenderer). **xv) Tolerance Clause** To take care of any change in the requirement during the period starting from issue of tender enquiry till placement of the contract, a plus/minus tolerance clause is incorporated in the tender document, reserving purchaser's right to increase or decrease the quantity of the required goods upto that limit without any change in the terms & conditions and prices quoted by the tenderers. While awarding the contract, the quantity ordered may be increased or decreased, if necessary, within the prescribed plus/minus tolerance limit. The tolerance limit should be reasonable. Higher the tolerance limit, more is the uncertainty for the tenderers in formulating their prices. Therefore, higher the tolerance limit, more is the chance of loading on the prices quoted by the tenderers to take care of such uncertainties. Generally, the tolerance limit should not be more than plus/minus fifteen percent. **xvi) Publication of Tender Result** - The name of the successful tenderer awarded the contract should be mentioned in the notice board/bulletin/web site of the concerned Ministry/Department. **xvii) Return of EMD to Unsuccessful Tenderers** The EMDs of the unsuccessful tenders are to be returned to them without any interest, whatsoever. **xviii) Tenderer's Right to question Purchaser** A tenderer shall have the right to be heard in case it feels that proper procurement process is not being followed and/or its tender has been rejected wrongly. The tenderer is to be permitted to send its representation in writing, which is to be	

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<td>examined. But, such representation has to be sent within one month from date of placement of contract and to be replied within one month from date of receipt of the representation.

xix) Extension of Tender Validity Period

The entire process of scrutiny & evaluation of tenders, preparation of ranking statement and notification of award must be done within the original tender validity period. The validity period should not be unreasonably long as keeping the tender unconditionally valid for acceptance for longer period entails the risk of getting higher prices from the tenderers. Generally, the validity period should not be more than three months from the date of tender opening.

If however, due to some exceptional and unforeseen reasons, the purchase organization is unable to decide placement of the contract within the original validity period, it should request, before expiry of the original validity period, all the responsive tenderers to extend their tenders upto a specified period. While asking for such extension, the tenderers are also to be asked to extend their offers as it is, without any changes therein. They may also be told to extend the validity of the EMD for the corresponding additional period (which is to be specified in the request). A tenderer may not agree to such a request and this will not tantamount to forfeiture of its EMD. But the tenderers, who agree to extend the validity, are to do so without changing any terms, conditions etc. of their original tenders.</td>
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<td><u>181.</u> if a tender received is liable to rejection on the ground that id does not strictly conform to the instructions given in the invitation to tender and would result in hardship, there is no objection to waiving requirements of the following nature or getting the defects rectified on the lines indicated below:-

<table>
<tr><th>Nature of defect on deviation</th><th>Procedure to be followed</th></tr>
<tr><td>(a) Tenders submitted on forms other than those supplied by the school.</td><td>If the contents of the tender form as supplied are exactly reproduced, the</td></tr>
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<td><u>Article No.181 Maintenance Contract</u>

i) Depending on the cost and nature of the goods to be purchased, it may also be necessary to enter into maintenance contract(s) of suitable period either with the supplier of the goods or with any other competent firm, not necessarily the supplier of the subject goods.
ii) Such maintenance contracts are especially needed for sophisticated and costly equipment & machinery. It may, however, be kept in mind that the equipment or machinery is maintained free of charge by the supplier during its warranty period or such other extended periods as the contract terms may provide and the paid maintenance should commence only thereafter.</td>
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	form tendered may be accepted. However, the contractors should be advised to use only the forms supplied by the school.
(b) Tenderers submit their own conditions of supply.	To be rejected except on account of variations in time schedule or others, which could be accepted provided the rates are favourable, vide also Article 176 above.
(c) Tender instructions given to tenders (which are to be returned with tenders) are not duly witnessed, or that they have not been returned.	There is no objection to getting the omission supplied before placing the supply order.
(d) Income Tax Clearance Certificate not furnished.	The certificate may be insisted upon before placing the supply order vide also Article 180 above.

iii) Some goods, especially sophisticated equipment and machinery need proper maintenance for trouble free service. For this purpose, the purchase organization may enter into maintenance contract. It must however be kept in mind that maintenance contract is to start after the expiry of the warranty period, during which period the goods are to be maintained free of cost by the supplier.

iv) Maintenance contract may be entered into either with the manufacturer/supplier of the goods or with a competent and eligible firm, not necessarily the manufacturer/supplier of the goods in question. The purchase organization should decide this aspect on case to case basis on merit.

If the maintenance contract is to be entered into with the supplier of the goods, then suitable clauses for this purpose are to be incorporated in the tender enquiry document itself and while evaluating the offers, the cost component towards maintenance of the goods are also to be added in the evaluated tender value on overall basis to decide the inter se ranking of the responsive tenderers. An equipment with a lower quoted price may carry a higher maintenance liability. Therefore, total cost on purchase and maintenance of the equipment over its projected lifecycle should be assessed to consider its suitability for purchase.

However, if the maintenance contract is to be entered into with a competent and eligible supplier separately, then a separate tender enquiry is to be floated for this purpose and tenders evaluated and ranked accordingly for placement of maintenance contract. Here, the supplier of the goods may also quote and its quotation, if received, is to be considered along with other quotations received.

While evaluating the tenderers for maintenance of goods covering a longer period (say, more than one year), the quoted prices pertaining to maintenance in future years are to be discounted to the net present value (NPV) as appropriate for comparing the tenders on equitable basis and deciding the lowest evaluated responsive tender.

	v) The details of the services required for maintenance of the goods, the required period of maintenance and other relevant terms & conditions including payment terms are to be incorporated in the tender enquiry document. The terms of payment for the maintenance service will depend on the nature of the goods to be maintained as well as the nature of the services desired. Generally, payment for maintenance are made on half-yearly or quarterly basis. vi) A suitable provision should be incorporated in the tender enquiry document and in the resultant maintenance contract indicating that the prices charged by the maintenance contractor should not exceed the prevailing rates charged by it from others for similar services. While claiming payment, the contractor is also to give a certificate to this effect in its bill. vii) If the goods to be maintained are sophisticated and costly, the tender enquiry document should also have a provision for obtaining performance security. The amount of performance security will depend on the nature of the goods, period of maintenance etc. It generally varies from 2.5 % to 5% of the value of the equipment to be maintained. viii) Sometimes, the maintenance contractor may have to take the goods or some components of the goods to its factory for repair etc. On such occasions, before handing over the goods or components, suitable bank guarantee is to be obtained from the firm to safeguard purchaser's interest. ix) Sometimes, during the tenure of a maintenance contract, especially with a longer tenure, it may become necessary for the purchase organization to withdraw the maintenance contract due to some unforeseen reasons. To take care of the same, there should be a suitable provision in the tender document and in the resultant contract. A model clause to this effect is provided below:	

	"The purchaser reserves its right to terminate the maintenance contract at any time without assigning any reason. The contractor will not be entitled to claim any compensation against such termination. However, while terminating the contract, if any payment is due to the contractor for maintenance services already performed in terms of the contract, the same would be paid to it as per the contract terms". Depending on the cost and nature of the goods to be maintained, suitable notice period for such cancellation to come into effect is to be provided in the documents.	
	Article No.181.1 Turnkey Contract A turnkey contract is a mix of goods contract and works contract. Generally, in the tender enquiry documents for a turnkey contract, the purchase organization specifies the performance and output required from the plant proposed to be set up and broadly outlines the various parameters it visualizes for the desired plant. The inputs and other facilities, which the purchase organization will provide to the contractor are also indicated in the tender enquiry document. The contractor is to design the plant and quote accordingly. The responsibility of the contractor will include supplying the required goods, machinery, equipment etc. needed for the plant; assembling, installing and erecting the same at site as needed; commissioning the plant to meet the required output etc., as specified in the tender enquiry documents. While entering into a turn-key contract, the purchase organisation is to follow the relevant instructions prescribed in the Purchase Manual for Goods as well as in the Works Manual.	
	Article No.181.2 Disposal of Surplus Goods With the passage of time, many of the goods purchased by the purchase unit become unserviceable or obsolete. Such goods are classified as surplus goods. The purchase unit should dispose of such surplus goods at the earliest, to avoid unnecessary inventory carrying cost, decrease in resale price of those goods etc. Detailed comprehensive instructions for disposal of surplus goods are available under Rules 196 to 202 of General Financial Rules, 2005.	

182. Equipment for Science Laboratories (a) The requirements of science laboratories are to be regulated in accordance with the list of equipment for each laboratory approved by the Sangathan from time to time based on primarily the syllabus prescribed by the Central Board of Secondary education. (b) The quantities and specifications should not, as an absolute rule, be exceeded. Additional items of equipment, if any, needed for the laboratory may, however, be obtained with the prior approval of the Executive Committee, VMC giving full justification for their requirement. In respect of articles for which specifications have not been given, only specifications suitable to the syllabus of the examination should be selected. The following points are given for guidance in regard to specifications: Petrol gas plant for the chemistry department should be suitable only for 24 burners so as to cater for about 20 students doing practicals. If a gas plant with exact capacity of 24 burners is not available, a plant with the next lower capacity (say 20 burners) may be purchased. As this is a costly equipment elaborate enquiries of the make, should be made before making the purchase. The photographic camera prescribed for the physics department is intended only for demonstration purposes and as such a costly camera should not be purchased. A gramophone with records has been purchased for the physics department. There is no objection to purchasing a record player with one or two records.	**<u>Article No.182.1 Bid Security</u>** i) To safeguard against a bidder's withdrawing or altering its bid during the bid validity period in the case of advertised or limited tender enquiry, Bid Security (also known as Earnest Money) is to be obtained from the bidders except the following: a) Registered Suppliers with the Kendriya Vidyalaya. b) Registered units with the National Small Industries Corporation (NSIC). c) Government Approved Suppliers. ii) The bidders should be asked to furnish bid security alongwith their bids. Amount of bid security should ordinarily range between two(2%) percent to five (5%) percent of the estimated value of the goods and one percent(1%) to three (3%)percent for works. (In some cases, for example in vehicles, where bid security is considered not essential, it could be dispensed with.) iii) The bid security may be accepted in the form of: a) Account Payee Demand Draft. b) Fixed Deposit Receipt. c) Banker's Cheque. d) Bank Guarantee from any of the Commercial Banks in an acceptable form. iv) The bid security is normally to remain valid for a period of forty-five (45) days beyond the final bid validity period. v) Bid security of the unsuccessful bidders should be returned to them at the earliest after the expiry of the final bid validity and latest on or before the 30th day after the award of the contract. vi) Forfeiture of EMD : EMD of a tenderer will be forfeited, if the tenderer withdraws or amends its tender or impairs or derogates from the tender in any respect within the period of validity of its tender. Further, If the successful tenderer fails to furnish the required performance security within the specified period, its EMD will be forfeited.	

Records exceeding this number may be purchased out of the Audio-visual Grant, if available, or from the Pupils' Funds, if necessary. Note: As far as possible N.C.E.R.T. Kits should be used up to Class XII.	**Article No.182.2 Performance Security** i) To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. ii) Performance Security is to be obtained from every successful bidder irrespective of its registration status etc. iii) Performance Security should be for an amount of five to ten percent of the value of the contract in case of goods and five percent (50% to be retained till completion of the whole of the works and 50% to be retained till the end of defects liability period) of the contract price works. Similarly, Retention money should be five percent of the contract value in works. There is no retention money for goods. iv) Performance Security may be furnished in the form of any one of the following: a) Account Payee Demand Draft. b) Fixed Deposit Receipt from a Commercial bank. c) Bank Guarantee from Commercial Bank in an acceptable form, safeguarding the purchaser's interest in all respects. v) Performance Security should remain valid for a period of sixty days beyond the date of completion of all contractual obligations of the supplier including warranty objections. vi) Bid Security should be refunded to the successful bidder on receipt of Performance Security. vii) Forfeiture of Performance Security Performance security is to be forfeited and credited to the purchase organization in the event of a breach of contract by the supplier, in terms of the relevant contract.	

viii) Refund of Performance

Performance Security should be refunded to the supplier without any interest, whatsoever, after it duly performs and completes the contract in all respects but not later than 60 days of completion of all such obligations under the contract.

ix) Verification of the Bank Guarantees

Bank Guarantees submitted by the tenderers / suppliers as EMD / Performance Security need to be immediately verified from the issuing Bank before acceptance.

x) Safe Custody and Monitoring of EMDs, Performance Securities & Other Instruments

Suitable mechanism for safe custody, etc. and monitoring of EMDs and Performance Securities and other Instruments should be evolved - and implemented by each Ministry/Department. The Ministries/Departments shall also make institutional arrangements for taking all necessary actions on time for extension or encashment or refund of EMDs and Performance Securities, as the case may be. Monitoring should also include a monthly review of all Bank Guarantees and other instruments expiring after 3 months, along with a review of the progress of the corresponding contracts. Extension of Bank Guarantees and other instruments, where warranted, should be sought immediately and implemented within their validity period.

Article No.182.3 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, turnkey contracts etc.

	Such advance payments should not exceed the following limits: i) Thirty percent of the contract value to private firms; ii) Forty percent of the contract value to a State or Central Government Agency or a Public Sector Undertaking; or iii) In case of maintenance contract, the amount should not exceed the amount payable for six months under the contract. While making any advance payment as above, adequate safeguards in the form of Bank Guarantee etc. should be obtained from the firm. **Article No.182.4 Part payment to Suppliers** Depending on the terms of delivery incorporated in a contract, part payment to the supplier may be released after it dispatched the goods from its premises in terms of the rate contract **Article No.182.5 Transparency, competition, fairness and elimination or arbitrariness in the procurement process.** All purchases should be made in a transparent, competitive and fair manner, to secure best value for money. This will also enable the prospective bidders to formulate and send their competitive bids with confidence. Some of the measures for ensuring the above are as follows. i) The text of the bidding document should be self-contained and comprehensive without any ambiguities. All essential information, which a bidder needs for sending responsive bid, should be clearly spelt out in the bidding document in simple language. The bidding document should contain, inter alia: a) The criteria for eligibility and qualifications to be met by the bidders such as minimum level of experience, past performance, technical capability, manufacturing facilities and financial position, etc;	

	b) Eligibility criteria for goods indicating any legal restrictions or conditions about the origin of goods etc., which may required to be met by the successful bidder; c) The procedure as well as date, time and place for sending the bids; d) Date, time and place of opening of the bid; e) Terms of delivery; f) Special terms affecting performance, if any. ii) Suitable provision should be kept in bidding document to enable a bidder to question the bidding conditions, bidding process and/or rejection of its bid. iii) Suitable provision for settlement of disputes, if any, emanating from the resultant contract, should be kept in the bidding document. iv) The bidding document should indicate clearly that the resultant contract will be interpreted under Indian Laws. v) The bidders should be given reasonable time to send their bids. vi) Bidders are usually required to furnish certificates from their consignees for satisfactory performance of the equipment supplied. If complete details are not given by the bidder, the purchaser is not able to verify. It is desirable to ask the bidder to provide the names of contact persons and their telephone numbers with a confirmation that the bidder has no objection to the purchaser verifying with the users. vii) The bids should be opened in public and authorized representatives of the bidders should be permitted to attend the bid opening. viii) It is better to constitute standing bid evaluation committees for major points of purchase at the site, to avoid delays in approvals for constituting such committees each time. ix) Criteria for determining responsiveness of bids, criteria as well as factors to be taken into account for evaluating the bids on a common platform and the criteria for awarding the contract to the lowest evaluated responsive bidder should be clearly indicated in the bidding documents.	

	x) Bids received should be evaluated in terms of the conditions already incorporated in the bidding documents; no new condition which was not incorporated in the bedding documents should be brought in for evaluation of the bids. Determination of a bid/s responsiveness should be based on the contracts of the bid itself without recourse to extrinsic evidence. xi) Where bidders are not pre-qualified , minimum post-qualification criteria should be clearly specified in the bidding document and enforced. xii) Re-bidding shall not be used as a matter of routine. The reasons for not receiving sufficient bids need to be analyzed and corrective measures taken before re-invitation of bids. xiii) Negotiation with bidders after bid opening must be severely discouraged. However, in exceptional circumstances where price negotiation against an ad hoc procurement is necessary due to some unavoidable circumstances, the same may be resorted to only with the lowest evaluated responsive bidder. xiv) Before accepting the ordered goods, it must be ensured that the goods have been manufactured as per the required specifications and are capable of performing the functions as specified in the contract. To achieve the same, the tender document and the subsequent contract should specify the details of inspection and tests to be carried and stages and manner for carrying out the same. xv) The inspection procedure will be as per the provisions contained in the contract. xvi) Purchaser has the right to reject the goods on receipt at site during final inspection though the goods have already been inspected and cleared at pre-despatch stage by the purchaser's inspector. However, such rejection should be strictly within the contractual terms & conditions and no new condition should be adopted while rejecting the goods during final inspection.	

	xvii) Acceptance of Goods vis-a-vis Warranty Provisions Goods accepted by the purchaser at initial inspection and in final inspection in terms of the contract shall in no way dilute purchaser's right to reject the same later, if found deficient in terms of the warranty clause of the contract. xviii) Joint Investigation against Complaints relating to Quality of Goods In case a written complaint is received from the supplier disputing rejection of goods by the purchaser's inspecting officer, the same should be jointly investigated by a team consisting of an authorized representative of the purchase organization, a senior representative of the inspecting agency, who is well conversant with the goods and an authorized representative of the supplier. Detailed procedure to be followed in this regard and the format of the joint inspection report (to be signed by all the team members) are to be prescribed by the purchasing Ministry / Department and the matter processed accordingly for further necessary action. xix) In such cases of collusive (unreasonably high) prices, bidders must be requested to furnish breakdown of unit rates providing justification for higher bid prices. If this justification, after review, is determined rational, the contract should be awarded to the lowest evaluated responsive bidder. If not, these bidders must be declared as ineligible in the re-bid for that contract. xx) Contract should ordinarily be awarded to the lowest evaluated bidder whose bid has been found to be responsive and who is eligible and qualified to perform the contract satisfactorily as per the terms and conditions incorporated in the corresponding bidding document. However, where the lowest acceptable bidder against ad hoc requirement is not in a position to supply the full quantity required, the remaining quantity, as far as possible, be ordered from the next higher responsive bidder at the rates offered by the lowest responsive bidder. xxi) The name of the successful bidder awarded the contract should be mentioned on the notice board or bulletin or website. xxii) In case of procurement of works, Bill of quantities should have a separate schedule for those general items, which are not covered in analysis of rates adopted for estimation.	

	xxiii) Bids should not be invited on the basis of bidders quoting a percentage premium or discount over the estimated cost of the Employer. xxiv) In all contracts for works, the adjudicator/technical expert or Dispute Review Committee should be in position constituted immediately on signing of the Contract Agreement. xxv) Bank guarantees submitted by bidders/contractors/suppliers should be unconditional and be in the specified formats. Bid and performance securities of Joint Ventures should be in the name of all partners in the Joint Ventures submitting the bid. xxvi) Bidding documents should general avoid submission of samples alongwith bid by bidders as this requirement discourages competition and increases the bid prices. Alternatively bidders should be requested to confirm that their product meets with the required specifications and in support attach appropriate test certificates from recognized testing laboratories. **Article No.182.6 Buy-Back Offer** i) When it is decided with the approval of the competent authority to replace an existing old item(s) with a new and better version, the Purchase authority may trade the existing old item while purchases the new one. For this purpose a suitable clause is to be incorporated in the bidding document, so that, the prospective and interested bidders formulate their bids accordingly. ii) Depending on the value and conditions of the old item(s) to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard suitably incorporated in the bidding document. iii) Suitable provisions should also be kept in the bidding document to enable the purchaser either to trade or not to trade the old item while purchasing the new one.	

Article No. 183 Rate Contract

183.1 Definition

A Rate Contract (commonly known as RC) is an agreement between the purchaser and the supplier for supply of specified goods (and allied services if any) at specified price and terms & conditions (as incorporated in the agreement) during the period covered by the Rate Contract. No quantity is mentioned nor any minimum drawal is guaranteed in the Rate Contract. The Rate Contract is in the nature of a standing offer from the supplier firm. The firm and/or the purchaser is entitled to withdraw/cancel the Rate Contract by serving an appropriate notice on each other. However, once a supply order is placed on the supplier for supply of a definite quantity in terms of the rate contract during the validity period of the rate contract, that supply order becomes a valid and binding contract.

183.2 Goods for which Rate Contracts are to be concluded

a) Commonly used goods needed on recurring basis
b) Goods for which prices are likely to be stable or where Rate Contracts could be finalized with provision of price variations to account for fluctuation of market rates of raw materials etc.
c) Goods for which Rate Contract is convenient to operate and annual drawals are economical.

NB: i) In case of goods of low value and which are required by the users in very small quantities, rate contracts may not be concluded.
ii) Rate Contract may not be concluded for the scarce / critical/ perpetually short supply goods.

183.3 Period of Rate Contract

The period of a Rate Contract should normally be one year for stable technology products. However, in special cases, shorter or longer period may be considered. As far as possible, termination period of rate contracts should be fixed in such a way as to ensure that budgetary levies would not affect the price and thereby frustrate the contracts. Attempts should also be made to suitably stagger the period of rate contracts through out the year.

	183.4 Criteria for award of Rate Contract (a) Rate Contracts shall be awarded to the firms who are registered for the goods in question and fulfill the laid down eligibility and qualification criteria including availability of ISI mark, service centres across the country etc. Suitable stipulations are to be incorporated in the tender enquiry documents to this effect. In respect of new items being brought on rate contract for the first time where there is no registered supplier (for the subject items), the requirement of registration can be relaxed with the approval of competent authority. The award of such rate contracts will, however, be subject to the suppliers' satisfactory technical and financial capability. (b) Some of the tenderers (who are otherwise registered for the subj ect goods) may also be holding current rate contracts and/or held past rate contracts for the required goods. Their performance against such earlier/current rate contracts shall be critically reviewed before they are considered for award of new rate contracts. Specific performance and achievement criteria as on a selected cut-off date is to be evolved for this purpose and incorporated in the tender enquiry document. The tenderers will be asked to furnish the relevant details (along with their tenders) to enable the purchaser to judge their performance and achievement against the past/current rate contracts. These criteria are to be evolved and decided by the purchase organization during procurement planning stage for incorporation in the corresponding tender enquiry documents. **183.5 Special Conditions applicable for Rate Contract** Some conditions of rate contract differ from the usual conditions applicable for ad hoc contracts. Some such important special conditions of rate contract are given below: i) Earnest Money Deposit (EMD) is not applicable. ii) In the Schedule of Requirement, no quantity is mentioned; only the anticipated drawal may be mentioned without any commitment,	

	iii) The purchaser reserves the right to conclude more than one rate contract for the same item, iv) The purchaser as well as the supplier may withdraw the rate contract by serving suitable notice to each other. The prescribed notice period is generally thirty days, v) The purchaser has the option to renegotiate the price with the rate contract holders, vi) In case of emergency, the purchaser may purchase the same item through ad hoc contract with a new supplier, vii) Usually, the terms of delivery in rate contracts are FOR dispatching station. The terms of delivery may be suitably modified in case it is done by the single entity purchase unit. viii) Supply orders, incorporating definite quantity of goods to be supplied along with all other required conditions following the rate contract terms, are to be issued for obtaining supplies through the rate contract. ix) The purchaser and the authorized users of the rate contract are entitled to place supply orders upto the last day of the validity of the rate contract and, though supplies against such supply orders will be effected beyond the validity period of the rate contract, all such supplies will be guided by the terms & conditions of the rate contract. x) The rate contract will be guided by "Fall Clause" (as described later in this chapter). **183.6 Parallel Rate Contracts** In case it is observed that a single supplier does not have enough capacity to cater to the entire demand of an item, the rate contract issuing authority may enter into more than one rate contract with different suppliers for the same item. Such rate contracts are known as Parallel Rate Contracts. **183.7 Conclusion of Rate Contracts including Parallel Rate Contracts** Techniques for conclusion of rate contract are basically identical to that of ad hoc contract. Identical tender documents may be utilized for conclusion of rate contracts subject to inclusion therein the special terms 65 conditions as applicable for rate contracts.	

	In the normal course, the rate contract is to be awarded to the lowest responsive tenderer (L1). However, depending on the anticipated demand of the item, location of the users, capacity of the responsive bidders, reasonableness of the prices quoted by the responsive bidders, etc. it may become necessary to award parallel rate contracts also. For this purpose, a reasonable price band above the L1's price is to be decided and parallel rate contracts awarded to the responsive tenderers falling within that price band. Efforts should be made to conclude parallel rate contracts with suppliers located in different parts of the country. For the sake of transparency and to avoid any criticism, all such rate contracts are to be issued simultaneously. **183.8 Price Negotiation/Counter-Offer** Price Negotiation with the tenderers should be severely discouraged. However, in case the price quoted by the lowest responsive tenderer (L1) is not reasonable and acceptable, the price may be negotiated with LI only and, if it reduces the price to the desired level, rate contract may be concluded with LI. There may be a situation, where parallel rate contracts are needed, but though the price of LI is reasonable, the number of responsive tenderers falling within the reasonable price band is inadequate. To take care of such situation, with special permission negotiation may be resorted to and counter offering as indicated below: To start with, the rate contract may be awarded to LI tenderer. Then the price of LI is to be counter offered to the higher quoting responsive tenderers under intimation to LI asking them to send their revised tenders in sealed covers to be opened in public at a specified place, date and time (as per the standard procedure). LI may be specifically informed that it may, if it so desires, reduce its price and send its revised tender accordingly as above. The tenderers who accepts the counter offer rate or rate lower than that are to be awarded parallel rate contracts. If LI lowers its rate in its revised offer, same may also be accepted with effect from that date and its rate contract amended accordingly. There may also be a situation where parallel rate contracts are necessary, but even the price of the lowest responsive tenderer (LI) is not reasonable. In that case, price negotiation may be conducted with LI in the first instance. If LI agrees to	

	bring down the price to the desired level, rate contract may be concluded with it and that price counter offered to other responsive tenderers under intimation to LI for further action in identical manner as indicated in the above paragraph. If, however, LI does not agree to reduce its price in the first instance itself, then the price, which has been decided as reasonable may be counter offered to all the responsive tenderers (including LI) for further action on above lines. **183.9 Cartel Formation / Pool Rates** Sometimes a group of tenderers quote identical rates against a rate contract tender. Such Pool/Cartel formation is against the basic principle of competitive bidding and defeats the very purpose of open and competitive tendering system. Such practices should be severely discouraged with strong measures. Suitable administrative actions like rejecting the offers, reporting the matter to Registrar of Companies, MRTP Commission, National Small Industries Corporation etc. should be initiated against such firms, on case to case basis, as decided by the competent authority besides bringing to the notice of the concerned trade associations like FICCI, ASOCHAM, NSIC, etc. requesting them, inter alia, to take suitable strong actions against such firms. The purchase organisation may also encourage new firms to get themselves registered for the subject goods to break the monopolistic attitude of the firms forming cartel. **183.10 Fall Clause** Fall clause is a price safety mechanism in rate contracts. The fall clause provides that if the rate contract holder reduces its price or sells or even offers to sell the rate contracted goods following conditions of sale similar to those of the rate contract, at a price lower than the rate contract price, to any person or organization during the currency of the rate contract, the rate contract price will be automatically reduced with effect from that date for all the subsequent supplies under the rate contract and the rate contract amended accordingly. Other parallel rate contract holders, if any, are also to be given opportunity to reduce their price as well, by notifying the reduced price to them and giving them 15 (fifteen) days time to intimate their revised prices, if they so desire, in sealed cover to be opened in public on the specified date and time and further action taken as per standard practice.	

	On many occasions, the parallel rate contract holders attempt to grab more orders by unethical means by announcing reduction of their price (after getting the rate contract) under the guise of Fall Clause. This situation is also to be dealt with in similar manner as mentioned in the preceding paragraph. It is however, very much necessary that the purchase organizations keep special watch on the performance of such rate contract holders who reduce their prices on one pretext or other. If their performances are not upto the mark, appropriately severe action should be taken against them including de-registering them, suspending business deals with them, etc. **183.11 Performance Security** Depending on the anticipated overall drawal against a rate contract and, also, anticipated number of parallel rate contracts to be issued for an item, the Purchase Organization shall consider obtaining performance security of reasonable amount from the rate contract holders. A suitable clause to this effect is to be incorporated in the tender enquiry documents. Performance Security shall, however, not be demanded in the supply orders issued against rate contracts. **183.12 Renewal of Rate Contracts** It should be ensured that new rate contracts are made operative right after the expiry of the existing rate contracts without any gap for all rate-contracted items. In case, however, it is not possible to conclude new rate contracts due to some special reasons, timely steps are to be taken to extend the existing rate contracts with same terms, conditions etc. for a suitable period, with the consent of the rate contract holders. Rate contracts of the firms, who do not agree to such extension are to be left out. Period of such extension should generally not be more than three months. Also, while extending the existing rate contracts, it shall be ensured that the price trend is not lower.	

	183.13 Placement of Supply Orders Supplies are to be obtained against a rate contract by placing on the rate contracted firm supply order containing the quantity of the goods to be supplied and incorporating the prices and other relevant terms and conditions of the rate contract. The officials placing such supply orders should be duly competent and authorized to do so, A supply order should generally contain the following important details: (a) Rate Contract No. and date. (b) Quantity. (Where there is more than one consignee, the quantity to be despatched to each consignee is to be indicated). (c) Price. (d) Date of Delivery by which supplies are required. (In the supply order, a definite delivery date based on the delivery period stipulated in the rate contract is to be provided). (e) Full address of the purchase organization along with telephone. No., Fax No. and E. mail address. (f) Complete and correct designation and full postal address of the consignee(s)/goods receiving officer(s) along with telephone No., Fax No. and E-mail address. (g) Nearest Railway Siding (NRS) of the consignee(s). (h) Despatch instructions (i) Designation and address of the inspecting officer. (j) Designation and address of the paying authority to whom the bills are to be raised by the supplier Copies of supply order are to be endorsed to all concerned. Model format of Supply Order is available with DGS&D. The same may be obtained from them when needed.	

183. Furniture - The following requirements should be kept in view in making purchases of furniture:- (a) Luxury items, for example, table with sunmica top, cushioned or revolving chair, etc. should not be purchased. (b) The type of furniture should be such that it will be durable l(i.e. that can serve for a reasonable period) and at the same time not costly. (c) Furniture should be inspected before polishing so as to find out the existence of cracks, knots, etc. where wooden furniture is purchased with specific approval in preference to steel furniture.	**<u>Article No. 184 : Procurement of services & Outsourcing of Services:</u>** Kendriya Vidyalaya Sangathan(HQ)/Regional offices/Kendriya Vidyalaya may hire external professionals, consulting firms or consultants (referred to as consultant hereinafter) for a specific job which is well defined in terms of contract and time frame for its completion or outsource certain services in conformity with Rule 163 to 185 of General Financial Rules, 2005.	
	<u>Article No. 185 : Procurement of Works:</u> Kendriya Vidyalaya Sangathan(HQ)/Regional offices/Kendriya Vidyalaya shall procure works in accordance with the stipulations of Rule 123 to 133 of the General Financial Rules, 2005, except the fact that in case of KVS consultation with MHRD instead of Ministry of Urban Development shall be held, if otherwise required.	

*updated on 17.11.08