

National Institute of Technology Calicut

Amendments in General Financial Rules (GFR) 2017

CIRCULAR

NO: 1/S3/ S&P/GEM/2016-17

06.06.2019

1. The provisions of GFR 2017 are deemed to be applicable to autonomous bodies except to the extent to the bylaws of an autonomous body provides separate financial rules which have been approved by the government (vide OM F .No.14(3)/2015/EII(A) GOI MOF Department of Expenditure dated 8th March 2017).
2. As per **Rule 149** of General Financial Rules, 2017, of Government of India (GOI), it is mandatory for all Central Govt. Ministries/ Departments/ Autonomous Bodies to carry out procurement of goods and services available on GeM through GeM.
3. The following changes in the rule position have been made vide OM No.F.1/26/2018-PPD, GOI, Ministry of Finance, Department of Expenditure, Procurement Policy Division, New Delhi, dated 3rd April, 2019:

SL.NO	Existing Provision of GFR,2017	Amended Rule
1	<p>Rule 147: powers for procurement of goods:</p> <p>The ministries or departments have been delegated full powers to make their own arrangements for procurement of goods. in case, however, a ministry of department does not have the required expertise, it may project its indent to the central purchase organisation (e.g. DGS&D) with the approval of competent authority. The indent form to be utilized for this purpose will be as per the standard form evolved by the central purchase organisation.</p>	<p>Rule 147: Powers For Procurement Of Goods:</p> <p>The Ministries Or Departments have been delegated full powers to make their own arrangements for procurement Of Goods And Services,that are not available on gem. Common Use Goods And Services Available On gem Are Required To Be Procured Mandatorily Through gem As Per Rule 149</p>
2	<p>Rule 149 Government E-Marketplace (GeM):</p> <p>DGS&D Or any other agency authorized by the Government will host an online Government E-Marketplace Marketplace (GeM) for common use goods and services. DGS&D will ensure adequate publicity including periodic advertisement of the items to be procured through GeM for</p>	<p>Rule 149 Government E-Marketplace (GeM):</p> <p>Government Of India has established the Government E-Marketplace (GeM) for common use Goods And Services. GeM SPV will ensure adequate publicity including periodic advertisement of the items to be procured through Gem for the Prospective Suppliers. The</p>

	<p>the prospective suppliers. The procurement of goods and services by Ministries Or Departments will be mandatory of goods or services available on GeM. The credentials of suppliers on GeM shall be certified by DGS&D. The procuring authorities will certify the reasonability of rates. The GeM portal shall be utilized by the government buyers for direct on-line purchases as under:</p> <p>(I) Up To Rs.50,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.</p> <p>(II) Above RS.50,000/- and up to Rs.30,0000/- through the GeM seller having lowest price amongst the available sellers, of at least three different manufacturers on GeM, meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by the buyer if decided by the competent authority.</p> <p>(III) Above RS.30,00,000/- through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM</p>	<p>procurement of Goods And Services by ministries or departments will be mandatory for goods or services available on GeM. The credentials of Suppliers on GeM Shall Be Certified By GeM SPV. The procuring authorities will certify the reasonability of rates. The GeM portal shall be utilized by the government buyers for direct on-line purchases as under:</p> <p>(I) Up to Rs.25.000 through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.</p> <p>(II) Above Rs.25,000/- and up to Rs.5,00,000 through the GeM seller having lowest price amongst the available sellers (excluding automobiles where current limit of 30 lakh will continue), of at least three different manufacturers, on GeM, meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by the buyers even for procurements less than Rs.5,00,000/-.</p> <p>(III) Above Rs.5,00,000 through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM (Excluding automobiles where current limit of 30 lakh will continue).</p> <p>Note: There is no change in clauses (iv) to (viii)</p>
3	Rule 150: Registration Of Suppliers:	Rule 150: Registration of suppliers:

	<p>(I) With a view to establishing reliable sources for procurement of goods commonly required for Government use, the central purchase organisation (e.g DGS&D) will prepare and maintain item-wise list of eligible and capable suppliers. Such approved suppliers will be known as “Registered Suppliers”. All ministries of departments may utilise these lists as and when necessary. Such registered suppliers are prima facie eligible of consideration for procurement goods through limited tender enquiry. They are also ordinarily exempted from furnishing bid security along with their bids. A Head Of department may also register suppliers of goods which are specifically required by that department or office periodically. Registration of the supplier should be done following a fair, transparent and reasonable procedure and after giving due publicity.</p> <p>(V) The list of registered suppliers for the subject matter of procurement be exhibited on the Central Public Procurement Portal and websites of the procuring entity/ E-Procurement / Portals</p>	<p>(I) For goods and services not available on GeM, Head Of Ministry / Department may also register suppliers of goods and services which are specifically required by that department or office, periodically. Registration of the supplier should be done following a fair, transparent and reasonable procedure and after giving due publicity. Such registered suppliers should be boarded on GeM as and when the item or service gets listed on GeM.</p> <p>(V) The list of registered suppliers for the subject matter of procurement be exhibited on websites of the Procuring Entity / E-Procurement / Portals.</p> <p>Note: There is no change in clauses (II) to (IV)</p>
4	<p>Rule 155: Purchase Of Goods By Purchase Committee:</p> <p>Purchase of Goods costing above Rs.25,000 (Rupees Twenty Five Thousand Only) and upto RS.2,50,000/- (Rupees Two Lakh And Fifty Thousand Only) on each occasion may be made on the recommendations of a duly constituted local purchase committee consisting of three members of an appropriate level as decided by the Head Of The Department. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier before recommending placement of the purchase</p>	<p>Rule 155: Purchase Of Goods By Purchase Committee:</p> <p>In case a certain item is not available on the GeM Portal. Purchase of Goods costing above Rs. 25,000 (Rupees Twenty Five Thousand Only) and upto RS.2,50,000 (Rupees Two Lakh And Fifty Thousand Only) on each occasion may be made on the recommendations of a duly constituted local purchase committee consisting of three members of a appropriate level as decided by the Head Of The Department. The committee will survey the market to ascertain the reasonableness of rate, quality and</p>

	<p>order the members of the committee will jointly record a certificate as under:</p> <p>“Certified that we, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the, supplier recommended is reliable and competent to supply the good in question, and it is not debarred by Department Of Commerce Or Ministry/ Department concerned.”</p>	<p>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:</p> <p>“Certified that we, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the, prevailing market rate and the, supplier recommended is reliable and competent to supply the good, in question, and it is not debarred by Department Of Commerce Or Ministry/ Department Concerned.”</p>
5	<p>Rule 225 (Xiii): Copies of all contracts and agreements for purchases of the value of rupees twenty-five lakhs and above, and of all rate and running contracts entered into by civil departments of the Government other than the departments like the Directorate General Of Supplies And Disposals for which a special audit procedure exists, should be sent to the audit officer and /or the accounts officer as the case may be.</p>	<p>Rule 225 (xiii): Copies of all contracts and agreements for purchases of the value of rupees twenty-five lakhs and above entered into by civil departments of the government, should be sent to the audit officer and or the accounts officer as the case and may be.</p>

4. **Rules 148,156,159(iv), 160(iii), 173(xv) and 174(iv)** of GFRs, 2017 related to rate contracts stand deleted.
5. The **GeM portal** shall be utilized for online purchases in NITC as follows:
 - a. For direct online purchases up to **Rs.25,000/-** through any of the available suppliers on GeM.
 - b. Above Rs.25,000/- and up to Rs.5,00,000 through the GeM seller having lowest price amongst the available sellers (excluding automobiles where current limit of 30 lakh will continue), of at least three different manufacturers, on GeM, meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse

auction available on GeM can be used by the buyers even for procurements less than Rs.5,00,000/-.

- c. Above **Rs.5,00,000/-** through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM (Excluding automobiles where current limit of 30 lakh will continue).
6. Following arrangement is made in Stores and Purchase section towards smooth implementation of this govt. order. OSD (S&P) is assigned as the Nodal Officer and AR (S&P) is assigned as the Purchase Officer under the orders of competent authority. In order to facilitate hassle free selection of Goods, receipt and inspection of delivered Goods and rejection of Goods, if any, one faculty from each department is assigned the role of Consignee for GeM purchase for that particular department. A help desk is arranged in the Stores and Purchase section with one staff of section for full time support.
7. For the purchase through GeM ,a representative of User Department/ member of Department Purchase Committee may contact the Help Desk at Stores and Purchase section for selecting from item listed in Gem portal as per the requirements, for procuring either under direct purchase or bidding as the case may be.
8. The following documents shall be enclosed along with the submission forwarded:
 - a) Copy of Administrative and Financial sanction
 - b) Detailed Specifications of the item to be procured (Product ID must be mentioned).
 - C) GeM Saction Form (Annexed I) for uploading in GeM portal
9. In case of procurement of Goods and Services not routed through GeM, a certificate to the effect that the item requisitioned is not available in GeM is to be enclosed in the prescribed format, annexed II, duly certified by the HoD of the department.
10. There shall be no Performance Security and Performance Bank Guarantee (PBG) requirements for the contracts valuing below Rs 25 lakhs. However for the contracts valuing above Rs 25 lakhs, Security Deposit/PBG @2% of contract value shall be applicable.
11. Once the item is delivered by the supplier to the respective department, HOD /Purchase coordinator/ Consignee has to take immediate steps to contact the supplier if installation and commissioning is required.
12. Consignee shall to login to GeM portal after receipt of Items for generation of Provisional receipt Certificate (PRC) within 48 hrs of receipt of goods and generation of Consignee Receipt and Acceptance Certificate (CRAC) within 10 days of receipt of goods respectively.
13. Care may be taken for the prompt submission of invoice (within 5 days) with necessary stock entry/ installation report to the Stores and purchase section as the maximum permissible time limit for payment is 10 days from date of generation of Consignee Receipt and Acceptance Certificate (CRAC)/Invoice. The concerned bills for payment may be superscribed as "GeM procurement-on priority" for early release of payment to the supplier, failure of which may result institute GeM procurement adversely.
14. No payment shall be made for rejected Goods or Services. After intimation of the rejection / part rejection by the Buyer/ Consignee, the Seller shall be liable to remove / lift back such rejected Goods within 10 days without any extra charge/cost to the Buyer / Consignee failing which suitable ground rent / warehousing charges would be payable by the Seller to the Buyer

/Consignee. If the Seller fails to remove / lift back such rejected Goods within reasonable time period, the Buyer / Consignee shall have the right to dispose off such rejected goods at the risk and cost of the seller.

15. With effect from 1st June 2019, in case Buyer/Consignee does not take action to acknowledge acceptance and/or rejection of Direct Purchase Order of value up to Rs 25,000, GeM will consider such order as accepted on 21st day after the Provisional Receipt Certificate is updated by the Buyer/Consignee. GeM will automatically generate and issue Consignee's Receipt and Acceptance Certificate (CRAC) as a part of acceptance process. Payment for such orders will become due upon generation of CRAC and should be made within 10 days of automated issuance of CRAC.
16. The payment to the suppliers can be made through any modes of payments like PFMS, online Banking , RTGS, Cheque etc .It is mandatory to update the payment details in Gem portal by Drawing and Disbursing Officer (DDO)/Principal Accounts Officer(PAO) otherwise the payment will be treated as unpaid. This may lead to black listing of institution. For the institute DR(F) is assigned the role of DDO&PAO for GeM procurements.
17. Closure of Transaction: After satisfactory completion of all the obligations under the Contract and release of payments for the goods / services, the transaction shall be treated as closed.

This issued with the approval of the competent authority

**Sd/-
Registrar**

Enclosure: 1. Annexure I- Form for Administrative and Financial Sanction
2. Annexure II- Certificate
3. Annexure III- Proprietary Certificate

Distribution:

1. PA to Director for information
2. Registrar Office for information
3. All Deans/ HoDs/ Heads of Schools/ DR (Academic)/Dr (Finance)/ AR(Estt)/ TEQIP Coordinator/ OSD (Audit)
4. File Copy

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