



SAMAGRA SHIKSHA ABHIYAN
AN INTEGRATED SCHEME FOR SCHOOL EDUCATION

MANUAL ON
FINANCIAL MANAGEMENT AND PROCUREMENT



DEPARTMENT OF SCHOOL EDUCATION AND LITERACY
MINISTRY OF HUMAN RESOURCE DEVELOPMENT
GOVERNMENT OF INDIA
2018

7.7 As a guiding principle, the financial threshold and type of procurement as provided in the GFR 2017 is given below: -

S. No.	Procurement Type	Financial Limit
1.	No Tender or Direct Purchase (Certificate to be furnished as per rule under 145 of GFR 2005)	Up to Rs. 25,000/-
2.	Three member committee (Certificate to be furnished as per rule under 146 of GFR 2005)	Above Rs. 25,000/- and upto Rs. 2.50 Lakh.
3.	Limited Tender	Above Rs. 2.50 lakh and upto Rs. 25 lakh
4.	Open Tender	Above Rs. 25 Lakh
6.	Service Contracts	
6. (a)	Direct Contracting (with three quotations)	Upto Rs. 2.50 Lakh
6. (b)	Limited tender	Above Rs. 2.50 lakh and upto Rs. 25 lakh
6. (c)	Open tender	Above Rs. 25.00 Lakh

Additionally the following financial threshold may be adhered to, if necessary

Open tender using e-procurement process for Civil works, goods and services	Rs. 25.00 Lakh or above
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Certificate under Rule – 145

"1.....Designation.....

**Department, am personally satisfied that these
goods..... Purchased from the**

supplier worth ₹

**Bill No. purchased are of the requisite quality and
specification and have been purchased from a reliable supplier at a reasonable
price."**

Signature

(Name & Designation of purchaser)

Certificate under Rule – 146

“We the members of the Purchase Committee:

1-..... 2-.....
3-..... are jointly and individually satisfied that
the goods..... purchased from the
supplier Worth of
₹ 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.”

Signature

**(Member-1)
Purchase Committee**

**(Member-2)
Purchase Committee**

**(Member-3)
Purchase Committee**

use, the Central Purchase Organisation (e.g. DGS&D) will prepare and maintain item-wise lists of eligible and capable suppliers. Such approved suppliers will be known as "Registered Suppliers". All Ministries or Departments may utilise these lists as and when necessary. Such registered suppliers are prima facie eligible for consideration for procurement of 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.

- (ii) Credentials, manufacturing capability, quality control systems, past performance, after-sales service, financial background etc. of the supplier(s) should be carefully verified before registration.
- (iii) The supplier(s) will be registered for a fixed period (between 1 to 3 years) depending on the nature of the goods. At the end of this 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 fulfil all the required conditions.
- (iv) Performance and conduct of every registered supplier is to be watched by the concerned Ministry or Department. 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 substandard goods or make any false declaration to any Government agency or for any ground which, in the opinion of the Government, is not in public interest.

Rule 143. Enlistment of Indian Agents : As per the Compulsory Enlistment Scheme of the Department of Expenditure, Ministry of Finance, it is compulsory for Indian agents, who desire to quote directly on behalf of their foreign principals, to get themselves enlisted with the Central Purchase Organisation (eg. DGS&D). However, such enlistment is not equivalent to registration of suppliers as mentioned under **Rule 142** above.

Rule 144. Reserved Items : The Central Government, through administrative instructions, has reserved all items of handspun and handwoven textiles (khadi goods) for exclusive purchase from Khadi Village Industries Commission (KVIC). It has also reserved all items of handloom textiles required by Central Government departments for exclusive purchase from KVIC and/or the notified handloom units of ACASH (Association of Corporations and Apex Societies of Handlooms). The Central Government has also reserved some items for purchase from registered Small Scale Industrial Units. The Central Departments or Ministries are to make their purchases for such reserved goods and items from such units as per the instructions issued by the Central Government in this regard.

Rule 145. Purchase of goods without quotation : Purchase of goods upto 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 competent authority in the following format.

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

Rule 146. Purchase of goods by purchase committee : Purchase of goods costing above Rs. 15,000/- (Rupees Fifteen Thousand) only and upto Rs. 1,00,000/- (Rupees One lakh) 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 order, the members of the committee will jointly record a certificate as under.

"Certified that we _____, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question. "

Rule 147. Purchase of goods directly under rate contract :

- (1) In case a Ministry or Department directly procures Central Purchase Organisation (e.g. DGS&D) rate contracted goods from suppliers, the prices to be paid for such goods shall not exceed those stipulated in the rate contract and the other salient terms and conditions of the purchase should be in line with those specified in the rate contract. The Ministry or Department shall make its own arrangement for inspection and testing of such goods where required.
- (2) The Central Purchase Organisation (e.g. DGS&D) should host the specifications, prices and other salient details of different rate contracted items, appropriately updated, on the web site for use by the procuring Ministry or Department.