



भारतीय
प्रौद्योगिकी
संस्थान

काशी हिन्दू विश्वविद्यालय



INDIAN
INSTITUTE OF
TECHNOLOGY
BANARAS HINDU UNIVERSITY

☎ : 0542-2366674; FAX : 91-542-2368428; e-mail : deputy.registrar@itbhu.ac.in

Office of the Registrar
(Institute Purchase Cell)

कुलसचिव कार्यालय
(संस्थान क्रय प्रकोष्ठ)

Ref. No. : IIT (BHU)/I. P. Cell/Pur.Man./2021-22/551

Dated: 30th December 2021

NOTIFICATION

In pursuance to BoG Resolution No. 12.15 dated 6th December, 2021 and in partial modification of the earlier notification no. IIT (BHU)/I. P. Cell/PurMan/2021-22/240 dated 24th Sep 2021, the amendments in the clause Nos. {1.6, 2.1.3, 2.1.4, 1.4.xiv, 3.6(i) & 3.7}, addition of clause No. 2.1.6 and inclusion of four notifications (copies enclosed) in the existing Stores & Purchase Manual 2019 are enclosed as Annexure-I. These amendments come into force with immediate effect. All the Heads of the Departments / Coordinators of Schools etc are requested to bring these amendments in the Manual to the notice of all the concerned of their respective Department / School / office, etc.

This issues with the approval of the Competent Authority.

Yours faithfully,

Jt. Registrar (Accounts)

Encl.: As above.

Copy forwarded for information and necessary action to the followings:

1. All the Deans,
2. All the Heads of the Departments / Coordinators of the Schools,
3. The Coordinators / Incharge of Units / Centers / Offices,
4. All the Professor Incharges,
5. The Chief Councillor, IIT(BHU)-Gymkhana,
6. The Superintending Engineer, Institute Works Department
7. The Chairman, Senate Library Committee,
8. The Chairman, IIT(BHU) - Cafeteria Committee
9. The Chairman, Council of Wardens, IIT(BHU)
10. The Coordinator, GTAC, IIT(BHU)
11. All the Administrative Wardens / Wardens of the Hostels, IIT(BHU)-Hostels
12. The Chairman, Web Management & E-mail Services Committee,
13. The Chairman, IWC, IIT(BHU)
14. The Jt. Chief Proctor, IIT(BHU)
15. All the Joint Registrars
16. All the Joint Registrars
17. The P.S. to Director, IIT(BHU)
18. The P.A. to the Registrar, IIT(BHU)

Indian Institute of Technology (BHU), Varanasi.

Jt. Registrar (Accounts)

A - Amendments in Store & Purchase Manual 2019

S. No.	Point no. of Purchase Manual	Existing	Revised
1	1.6	FINANCIAL AND SANCTIONING POWERS	COMPETENT FINANCIAL AUTHORITY
2	2.1.3	<p>Purchase of Goods by Purchase Committee</p> <p>Purchase of goods costing above Rs. 50,000 (Rupees fifty thousand only) and upto Rs.2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion will be done by inviting quotations from more than three firms (by considering at least 3 technically qualified quotations) through the purchase committee duly approved by the Competent Authority for each financial year as per Chapter 1. In case atleast 3 quotations (technically qualified) are not obtained, a second enquiry may be floated giving sufficient time followed by Rule 173(xx) of GFR 2017 with approval of CFA.</p>	<p>Purchase of Goods by Purchase Committee</p> <p>Purchase of goods costing above Rs. 50,000 (Rupees fifty thousand only) and upto Rs.2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion will be done by inviting quotations from more than three firms through the purchase committee duly approved by the Competent Authority for each financial year as per Chapter 1. In case at least 3 quotations are not obtained a justification needs to be recorded as per Rule 173(xx) of GFR 2017.</p>
3	2.1.4	<p>Purchase of Goods through Limited Tender:</p> <p>For purchases estimated between Rs. 2.5 lacs to Rs.25.00 lac purchase will be done by inviting quotations from more than three firms (by considering at least 3 technically qualified quotations) through the purchase committee duly approved by the Competent Authority for each financial year. Compositions of the various purchase committees are given in the Chapter 1. In case atleast 3 quotations (technically qualified) are not obtained a second enquiry may be floated giving sufficient time followed by Rule 173(xx) of GFR 2017 with approval of CFA.</p> <p>Terms and Conditions</p> <ul style="list-style-type: none"> • Enquiry should be floated through E-Procurement portal of CPPP. • Enquiry should be uploaded on Institute Website. 	<p>Purchase of Goods through Limited Tender:</p> <p>For purchases estimated between Rs. 2.5 lacs to Rs.25.00 lac purchase will be done by inviting quotations from more than three firms through the purchase committee duly approved by the Competent Authority for each financial year. Compositions of the various purchase committees are given in the Chapter 1. In case atleast 3 quotations are not obtained justification need to be recorded as per Rule 173(xx) of GFR 2017.</p> <p>Terms and Conditions</p> <ul style="list-style-type: none"> • Enquiry should be floated through E-Procurement portal of CPPP. • Enquiry should be uploaded on Institute Website.

		<ul style="list-style-type: none"> • Sufficient time should be allowed for submission of quotations. • If required, the Committee can also adopt two bid systems. • Tender fees, EMD and PBG may be asked as per the estimated value of Purchase order, however, it must be asked for the purchases above Rs. 10 lakhs (including taxes). 	<ul style="list-style-type: none"> • Sufficient time should be allowed for submission of quotations. • Two bid systems should be followed • Tender fees, EMD and PBG may be asked as per the estimated value of Purchase order, however, it must be asked for the purchases above Rs. 10 lakhs (including taxes).
4	2.1.6	New Addition	Procurement of Goods/Services through Government e-Marketplace and outside GeM as per notification no. F.6/14/2020-PPD, of Procurement Policy Division, Department of Expenditure, Ministry of Finance. In the said notification it is mentioned that "Buyers will be required to generate GeMAR&PTS ID in all cases"
5	1.4.xiv	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.	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 with the approval of Competent Authority.
6	3.6(i)	A Department/ School/ Section / Unit may undertake auction of goods to be disposed of either directly or through approved auctioneers.	The Institute Purchase Cell may undertake auction of goods to be disposed of either directly or through approved auctioneers.
7	3.7	If a Department/School/Section/Unit is unable to sell any surplus or obsolete or unserviceable item in spite of its attempts through advertised tender or auction, it may dispose of the same at its scrap value with the approval of the competent authority in consultation with Finance division. In case the Department/School/Section/Unit is unable to sell the item even at its scrap value, it may adopt any other mode of disposal including destruction of the item in an eco-friendly manner.	If Institute Purchase Cell is unable to sell any surplus or obsolete or unserviceable item in spite of its attempts through advertised tender or auction, it may dispose of the same at its scrap value with the approval of the competent authority in consultation with Finance division. In case the Institute Purchase Cell is unable to sell the item even at its scrap value, it may adopt any other mode of disposal including destruction of the item in an eco-friendly manner.

B. Following notifications be included in the new Store and Purchase Manual 2019.

S. No.	Notification No. & Date	Subject
1.	IIT(BHU)/I.P.Cell/e-Proc./2020-21/613 & Dated 25 th March, 2021	Bid Securing Declaration Form.
2.	IIT(BHU)/I.P.Cell/GEN/2020-21/487 & Dated 19 th February, 2021	Global Tender Enquiry (GTE) under Rule 161(iv) of GFR – Departmental guidelines for seeking approval.
3.	IIT(BHU)/Annual A/cs./2020-21/24081 & Dated 29 th December, 2020	GST on Tender Processing Fees (Non-refundable)
4.	IIT(BHU)/I.P.Cell/e-Proc./2020-21/314 & Dated 10 th December, 2020	<ol style="list-style-type: none">1. Reg. Recent changes in Public Procurement (Preference to Make in India) Order, 2017(PPP-MII order, 2017 of DPIIT)2. Procurement of Goods/Services through Government e-Marketplace (GeM)3. Procurement of Good/services through Government e-Marketplace (GeM) and outside GeM.4. Procurement of Good/services through Government e-Marketplace (GeM) and outside GeM.5. Additional Performance Security in case of Abnormally Low Bids (ALBs.)6. Performance Security.7. Bid Security/ Earnest Money Deposit.



Office of the Registrar
(Institute Purchase Cell)

कुलसचिव कार्यालय
(संस्थान क्रय प्रकोष्ठ)

Ref. No.: IIT (BHU)/I. P. Cell/e-Proc./2020-21/613
NOTICE

Dated: 24th March, 2021
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In continuation to notice No. IIT (BHU)/I.P.Cell/e-Proc./2020-21/314 dated 10th December, 2020 regarding bid security /earnest money deposit, in which OM No.F9/4/2020-PPD dated 12.11.2020 issued from Procurement Policy Division of DoE, MoF, GoI was notified to all the Departments/Schools/Sections of this Institute.

The aforesaid OM provides as under:

1. "No provisions regarding Bid Security should be kept in the Bid Documents in future and only provision for Bid Security Declaration should be kept in the Bid Documents".
2. "Wherever, there are compelling circumstances to ask for Bid Security, the same should be done only with the approval of the next higher authority to the authority to the authority competent to finalize the particular tender or the Secretary of the Ministry/Department, whichever is lower.
3. The above provision is applicable for all the tenders issued till 31.12.2021.

Therefore, in compliance with aforesaid OM, suitable amendment should be made in the tender document for further tendering process. Further, all the Departments/Schools/Sections are requested to issue a corrigendum regarding the same for ongoing tender.

A copy of Bid Security Declaration Proforma is attached with this notice to adhere and strict compliance.

This may please be brought to notice of all the concerned.

This issue with the approval of the Competent Authority.

Yours faithfully,


Encl: As above.


Jt. Registrar (Accounts)

Copy forwarded for information to the following:

1. All the Deans,
2. All the Heads of the Departments / Coordinators of the Schools,
3. The Coordinators / In-charges of Units / Centers / Offices,
4. All the Professor In-charges,
5. The Chief Councilor, Gymkhana,
6. The Chairman, Institute Works Committee,
7. The Superintending Engineer, Institute Works Committee,
8. The Chairman, Senate Library Committee,
9. The Chairman, Cafeteria Committee,
10. The Chairman, Council of Wardens,
11. The Chairman, Web Management & E-mail Services Committee,
12. The Coordinator, GTAC,
13. The Joint Chief Proctor,
14. All the Admin Wardens/Wardens, IIT(BHU) Hostels,
15. All the Joint Registrar,
16. All the Assistant Registrars,
17. P.S. to Director,
18. P.A. to the Registrar,

Indian Institute of Technology (BHU), Varanasi


Jt. Registrar (Accounts)

(Letterhead of the bidder)

Bid Securing Declaration Form

To

(insert complete name and address of the purchaser)

I/We. The undersigned, declare that:

I/We understand that bids must be supported by a Bid Securing Declaration.

I/We accept that I/We may be disqualified from bidding for any contract with IIT(BHU), Varanasi for a period of two years from the date of notification if I am /We are in a breach of any obligation under the bid conditions, because I/We

a) have withdrawn/modified/amended, impairs or derogates from the tender, my/our Bid during the period of bid validity or its extended period, if any; or

b) having been notified of the acceptance of our Bid by the purchaser during the period of bid validity

(i) fail or reuse to execute the contract, if required, or

(ii) fail or refuse to furnish the Performance Bank Guarantee, in accordance with the Instructions to Bidders.

c) If the bidder is found indulging in any corrupt, fraudulent or other malpractice in respect of the bid;

or

d) If there is a discrepancy between words and figures quoted by the bidder then in that case the amount quoted in words will be treated as final.

I/We understand this Bid Securing Declaration shall cease to be valid if I am/we are not the successful Bidder, upon the earlier of (i) the receipt of your notification of the name of the successful Bidder; or (ii) thirty days after the expiration of the validity of my/our Bid.

Signed: _____

(Insert signature of person whose name and capacity are shown in Bid Securing Declaration)

Name: _____

(insert complete name of person signing the Bid Securing Declaration)

Duly authorized to sign the bid for an on behalf of *(insert complete name of Bidder)*

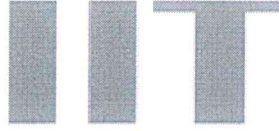
Dated on _____ day of _____ *(insert date of signing)*

Corporate Seal (where appropriate)

(Note: In case of a consortium, the Bid Securing Declaration must be in the name of all partners to the consortium that submits the bid)



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Office of the Registrar
(Institute Purchase Cell)

कुलसचिव कार्यालय
(संस्थान क्रय प्रकोष्ठ)

Ref. No.: IIT (BHU)/I. P. Cell/GEN/2020-21/ 487

Dated: 19th February, 2021

NOTIFICATION

It is notified to all concerned that in the light of O.M.No.1-15/2017-TS.1 Part (2) of Ministry of Education, Department of Higher Education dated 29th January, 2021(copy enclosed), initially Department/Principal Investigator will float domestic tender through GeM/CPP Portal to identify the domestic manufacturer/service provider for the item for which approval is being sought from Ministry of Education for issuance of Global Tender Enquiry.

Thereafter, if no bid or not responsive bid has been received from the domestic bidder/service provider then only approval of Secretary, Department of Higher Education may be sought in the enclosed format for those items. However, Custom Duty Exemption Certificate or GST Exemption Certificate may be issued to Indian bidder, if required, for sponsored project only due to fund constraints as per budget outlay already approved by the funding agency on the basis of project proposal of the Project Investigator. It will be applicable till 31st March, 2021 only as a special case, not to be taken into consideration in future cases.

Further, Project Investigators are requested to send proposals for projects by taking into account the recent changes in procurement policy of the Government in future cases.

It is also notified that all the procedures of O.M.No.1-15/2017-TS.1 Part (2) of Ministry of Education, Department of Higher Education dated 29th January, 2021 be strictly adhered to.

All the Heads of Department, Coordinators of Schools and Prof. In-charge of the Units are requested to club all the projected requirements till 31.03.2021 and submit a consolidated proposal to the Office of the Dean(R& D) with duly filled in enclosed formats i.e. Annexure-‘A’ and Format for GTE as enclosed with O.M. mentioned above on or before 26.02.2021 to the Office of the Dean(R& D) in order to seek the approval of Secretary, Department of Higher Education, Ministry of Education.

This may please be brought to notice of all the concerned.

This is issued with the approval of the Director.

Yours faithfully,


Jt. Registrar (Accounts)

Contd.....2/-

Copy forwarded for information to the following:

1. All the Deans,
2. All the Heads of the Departments / Coordinators of the Schools,
3. The Coordinators / In-charges of Units / Centers / Offices,
4. All the Professor In-charges,
5. The Chief Councilor, Gymkhana,
6. The Chairman, Institute Works Committee,
7. The Superintending Engineer, Institute Works Committee,
8. The Chairman, Senate Library Committee,
9. The Chairman, Cafeteria Committee,
10. The Chairman, Council of Wardens,
11. The Chairman, Web Management & E-mail Services Committee,
12. The Coordinator, GTAC,
13. The Joint Chief Proctor,
14. All the Admin Wardens/Wardens, IIT(BHU) Hostels,
15. All the Joint Registrar,
16. All the Assistant Registrars,
17. P.S. to Director,
18. P.A. to the Registrar,

Indian Institute of Technology (BHU), Varanasi


Jt. Registrar (Accounts)

CP36

No. 1-15/2017-TS.I Part(2)
Government of India
Ministry of Education
Department of Higher Education
T.S.I Section

Shastri Bhavan, New Delhi
Dated the 29th January 2021

To

The Director
All IITs

Subject :- Global Tender Enquiry (GTE) under Rule 161(iv) of GFR - Departmental guidelines for seeking the approval.

Sir,

I am directed to refer to O.M. No. F.20/45/2020-PPD dated 8th January 2021(Copy enclosed) from Public Procurement Division, Department of Expenditure on the above subject and forward herewith two formats Detailed & Summary on the broad guidelines for submission of the proposals on Global Tender Enquiry (GTE) to the Ministry for seeking the approval of Secretary, Department of Higher Education, Ministry of Education.

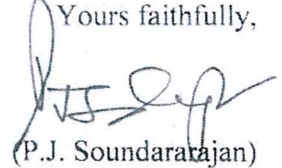
2. You are requested to submit the GTE proposals, if any, in the manner as proposed below from IITs (for the period till end of 2021-22):

1. By 28.02.2021: for the projected requirements till 31.03.2021
2. By 31.05.2021: for the projected requirements till 30.09.2021
3. By 30.11.2021: for the projected requirements till 31.03.2022.

3. Institutes are advised to club all their requirements for the period mentioned above and send a consolidated proposal to the Ministry.

This issue with the approval of Secretary (HIE), Ministry of Education.

Yours faithfully,



(P.J. Soundararajan)

Under Secretary to the Govt. of India
Tele: 23381698

Encls: As above.

Copy to All Bureau Heads with a request to send similar communication to other Institutions under the Bureau.

{AS(TE)/AS(CU)/ADG(HE&NITs)/JS(ICC&P)/JS(Admn)/JS(HE)/EA(HE)}.

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Summary of the Proposals Submitted

S. N.	Particulars	Institute's Response
1	Total no. of proposals submitted	
2	Total Cost (Rs. in Cr.) of Proposals submitted	

Following will also be complied in line with DoE's OM dated 08.01.2021:

1. Copies of all the proposals submitted herewith, along with certifications, will be tabled in meeting of Board of Governors as reporting item. The same has also been shared with the Office of PSA and DPIIT.
2. Information about the procurement of equipment will be shared across various Educational and Research Institutes, through I-STEM Portal. I-STEM Portal is updated with respect to availability of the Research Equipment in the institute.
3. Analysis will be done regarding the equipment being procured time and again from abroad, and help developing them in India by identifying potential manufacturers and providing them technical assistance and expertise for developing the equipment. Half yearly report on this action will be shared by the institute with the Office of PSA, DPIIT and Ministry of Education.
4. Preference to local suppliers over foreign supplier will be observed as per existing GoI guidelines as applicable.

(Name & Signature with Seal)
Head of the Institution

FORMAT FOR GTE

Details of proposed procurement for approval of Secretary/ IIE for invitation of Global Tender
Enquiry for procurement of goods with expected value less than Rs.200 crore.

S. No.	Particulars	Remarks
1	Detailed Description of the item	
2	Use of the Item	
3	Whether item is procured regularly? If so, details of procurement of the said item over the past three years (Three completed financial years and the current financial year) inclusive of supply details as per format at Annexure-A	
4	Quantity required to be procured with justification for the quantity (State/UT/Region wise projection, if applicable)	
5	Estimated procurement price along with basis for such estimation (International Price, comparison chart)	
6	Justification to be submitted as under	
	A Detailed justification for Global Tender and essentiality of Import (Item wise)	
	B Who are the (possible) vendors of the item under procurement, in the global (including India) market?	
7	1 Whether the Institute has tried and floated the tender to identify the domestic suppliers in the past financial year. (If not, the reason thereof)	
	2 Capacity of all domestic local suppliers as per the domestic tender floated, if any	
8	What are technical alternatives available within country and whether they can be used?	
9	Whether the Institute had in the past attempted at development of local suppliers/ phased indigenization/ promotion of alternative technology having sufficient local suppliers. (If so, details thereof)	
10	Consequences of non-procurement of the item through GTE.	
11	Whether BIS standards are available for the items proposed under procurement. If not, the efforts made to operationalize such standards	

It is certified that (strike off whatever is not applicable)

- (i) this is a specialized equipment required for research purposes and/ or spares and consumables for such equipment

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Proposal for GTE of _____ (Name of item)

- (ii) the above equipment/ consumables is not available through (GeM) and other sources
- (iii) the locally available alternatives with equivalent specifications are not suitable for research purposes
- (iv) it is neither available in this institute nor in any nearby institution
- (v) it is a propriety item of foreign origin

Countersigned

Signed

(Name & Signature with Seal)
Head of the Institution

(Name & Signature with Seal)
Dean/ R&D

Proposal for GTE of _____ (Name of item)

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Annexure-A

Details of procurement of the said item over the past three years (Three completed financial years and the current financial year) inclusive of supply details.

Year of contract	Item	Contract no. & date	Supplier	Quantity of supply with unit	Rate per unit	Completion date of contract	Country of origin of goods	Local content in %

(Name & Signature with Seal)
Dean/R&D

9/31

No.F.20/45/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

Room No.512, Lok Nayak Bhawan,
New Delhi dated the 8th January, 2021.

OFFICE MEMORANDUM

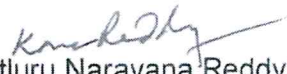
Subject: Global Tender Enquiry under Rule 161(iv) of General Financial Rules (GFRs), 2017.

Attention is invited to this Department's OM No. F.12/17/2019-PPD dated 15.05.2020 regarding amendment in Rule 161(iv) of General Financial Rules (GFRs) 2017 stipulating that no Global Tender Enquiry (GTE) shall be invited for tenders upto Rs.200 crore or such limit as may be prescribed by the DoE from time to time.

2. In partial modification to the above, it has now been decided that for procurement of specialized equipment required for research purposes, and spares and consumables for such equipments upto Rs. 200 crores for the use of Educational and Research Institutes, Secretary of Ministry/ Department concerned shall be the competent authority to approve issue of GTEs. The equipment should be of specialized nature required for research purpose and not the routine equipment used in offices.

3. Ministries/Departments are free to evolve procedure for evaluation of such cases for issuance of GTEs. Broad guidelines adapted from the D.O. letter dated 14.12.2020 from Principal Scientific Advisor(PSA) are attached herewith, which may be used as broad guidance for devising the procedure for evaluation of such GTE cases.

4. This issues with the approval of Secretary(Expenditure).


(Kotluru Narayana Reddy)
Deputy Secretary to the Govt. of India
Tel.No.24621305
Email: kn.reddy@gov.in

To,
Secretaries of all Ministries/Departments of Government of India.

Copy to:

1. Shri K. Vijay Raghavan, Principal Scientific Advisor to Government of India, Vigyan Bhawan Annexe, Maulana Azad Road, New Delhi – 110011.
Tel:23022112 Email: vijayraghavan@gov.in
2. Secretary (Coordination), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
Email: secypg@nic.in

c/30

AnnexureEfforts to locate domestic suppliers

Educational, Research institutions and other units will make full efforts towards reducing of imports in following manner. This will result in substantial effects both within the institutions and also through impact on the eco-system:

- (i) Identification of equipment being procured time and again from abroad, and help developing them in India by identifying potential manufacturers and providing them technical help and expertise for developing the equipment. This programme will be coordinated by the Empowered Technology Group (constituted by Cabinet and chaired by the PSA)
- (ii) Efforts to promote technology transfer through agreements or to encourage technological collaboration with foreign manufacturing in India at the Start-ups set up in Research Parks.
- (iii) Sharing and updating of information about the availability of research equipment across various Indian Institutes on a single portal (their I-STEM portal has been developed for this purpose) so that those can be utilized by the needy institutes.
- (iv) Without compromising quality, Institutes should indicate alternative/ equivalent technical specifications that could suit their requirement, so that there are more chances of local manufacturers participate in the tendering process.
- (v) Regular Interaction between academia and Indian industry organizations at the level of the institution about the requirement of equipment of foreign origin and for encouraging the domestic manufacturing.
- (vi) Regular requirement of proprietary/ non-proprietary research consumables may be assessed and domestic alternatives are explored for use.
- (vii) A national level programme for indigenous development of scientific equipment be initiated by the Office of PSA.
- (viii) Without compromising quality, Institutes should be flexible with specifications so that domestic manufacturers are encouraged to meet requirements.

2. Guidelines for resorting to GTE :

- (i) Market assessment should be done by the concerned institution, as certified by the Head of the Institution. Only after no Indian manufacturer is found, a GTE should be issued.
- (ii) In case no Indian manufacturer/ suppliers are found, procurement may be done, through GTE, subject to compliance of provisions of GFR and requirement of procurement through GeM.

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- (iii) DEAN (R&D) or an appropriate authority within the institute will issue certificates as per para 3 below, before inviting GTE. As a reporting matter in the Board of Governors, such certificates should be tabled, and also shared with Office of the PSA, DPIIT and concerned Administrative Ministry.
- (iv) The information about the procurement of equipment should be shared across various Educational and Research Institutes, through the I-STEM portal, already established for this purpose by the PSA's office. This will allow the equipment to be used by other institutions too, for research purposes.
- (v) Analyze the equipment being procured time and again from abroad, and help developing them in India by identifying potential manufacturers and providing them technical assistance and expertise for developing the equipment. Half-Yearly reports on this action to be shared by the Institutes with the Office of the PSA, DPIIT and concerned Administrative Ministry. A national level scheme will also be initiated by the Office of PSA for indigenous development of scientific equipment.
- (vi) Preference to local suppliers over foreign supplier as per the existing GoI guidelines, should be observed as applicable.

3. Certificates to be issued

- (i) Confirmation of non-availability in India of particular equipment/ consumables of foreign origin through Government e-Marketplace (GeM) and other sources;
- (ii) Certification that locally available alternatives with equivalent specifications are not suitable for research purposes;
- (iii) The non-availability of such equipment for research purposes with nearby research institutes or within the institute.
- (vi) Certification of the requirement of proprietary items of foreign origin for research purposes (where applicable).



भारतीय
प्रौद्योगिकी
संस्थान
काशी हिन्दू विश्वविद्यालय



INDIAN
INSTITUTE OF
TECHNOLOGY
BANARAS HINDU UNIVERSITY

☎ : 91-542-6702069

FAX : 91-542-2367780, 2368428;

e-mail : registrar@itbhu.ac.in

Office of the Registrar

(Annual Accounts & Balance Sheet)

कुलसचिव कार्यालय

(वार्षिक लेखा एवं तुलन पत्र)

Ref. No.: IIT(BHU)/Annual A/cs./2020-21/24081

Date:- 29.12.2020

NOTICE

Subject: GST on Tender Processing Fees (Non-refundable).

This is in continuation to notification no. IIT(BHU)/Annual A/cs./2018-19/10363 dated 03.12.2018 and notification no. IIT(BHU)/Annual A/cs./2019-20/877 dated 03.05.2019 regarding GST applicability at the rate of 18% on Tender processing fee received from respective bidders participating in various tenders floated by the Institute. In this connection, it is once again reiterated to all the concerned to strictly adhere to the guidelines for the same so that GST should be collected and should be deposited within the stipulated time period to avoid penalty, if any.

Encl: As above.


Joint Registrar (Accounts)

Copy forwarded for information and necessary action to the following:-

1. All the Deans
2. All the Prof. In-charges
3. All the Heads/Coordinators/Departments/Schools/Centres
4. The Chairman, IWC
5. The Chairman, Senate Library Committee
6. The Chairman, IIT – Cafeteria
7. The Chairman, Council of Wardens
8. The Chairman, Web Management & E-mail Services Committee with request to kindly place this circular on the Institute Website (Intranet)
9. The Chief Councillor – Gymkhana
10. The Coordinator, GTAC
11. All Admin. Wardens – Hostels
12. The In-charge UGD/IDD/IMD/ PT-I
13. Joint Registrar/ Deputy Registrar/ All the Assistant Registrars
14. P.S to the Director
15. P.A to the Registrar

Indian Institute of Technology (Banaras Hindu University)


Joint Registrar (Accounts)



भारतीय
प्रौद्योगिकी
संस्थान
काशी हिन्दू विश्वविद्यालय



INDIAN
INSTITUTE OF
TECHNOLOGY
BANARAS HINDU UNIVERSITY

☎ : 91-542-6702069

FAX : 91-542-2367780, 2368428;

e-mail : registrar@itbhu.ac.in

Office of the Registrar

(Annual Accounts & Balance Sheet)

कुलसचिव कार्यालय

(वार्षिक लेखा एवं तुलन पत्र)

Ref. No.: IIT(BHU)/Annual A/cs./2018-19/ 10363

Date:- 03.12.2018

NOTICE

Subject: GST on Tender Fees / Tender Processing Fees (Non-refundable) and on penalty in case of violation of terms of contract.

As per GST Act, GST is applicable at the rate of 18% on Tender processing fee / Tender fee received from respective bidders participating in various tenders floated by the Institute. Further, in case of violation of terms of contract, if penalty is recovered from contractor, then such penalty is also taxable under GST Act at the rate of 18%. All the Departments / Schools / Units are requested to mention the details in the NIT as well as Purchase Order / Contract / Work Order as the case may be to ensure collection of GST as per the aforementioned Act.

Shati
Dy. Registrar (Accounts)

Copy forwarded for information and necessary action to the following:-

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Indian Institute of Technology (Banaras Hindu University)

Shati
Dy. Registrar (Accounts)



भारतीय
प्रौद्योगिकी
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काशी हिन्दू विश्वविद्यालय



INDIAN
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Office of the Registrar

(Annual Accounts & Balance Sheet)

O/C

कुलसचिव कार्यालय

(वार्षिक लेखा एवं तुलन पत्र)

Ref. No.: IIT(BHU)/Annual A/cs./2018-19/ 877

Date:- 03.05.2019

NOTICE

Subject: GST on Tender Processing Fees (Non-refundable).

This is in continuation to notification no. IIT(BHU)/Annual A/cs./2018-19/10363 dated 03.12.2018 regarding GST applicability at the rate of 18% on Tender processing fee received from respective bidders participating in various tenders floated by the Institute. In this connection, modalities of GST on Tender Processing Fee is enclosed. All the concerned are requested to follow the same so that GST should be collected and should be deposited within the stipulated time period to avoid penalty, if any.

Shat
Joint Registrar (Accounts)

Copy forwarded for information and necessary action to the following:-

1. All the Deans
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Indian Institute of Technology (Banaras Hindu University)

Shat
Joint Registrar (Accounts)

DKS
03/05/19 *Shat*

Modalities for GST on Tender Processing Fees:

GST is applicable at the rate of 18% on the Tender Processing Fees in case of tender as under:

RATE OF TAX

Bidders Registered in U.P. - Tender Fees Plus CGST-9% & SGST -9%

Bidders Registered outside U.P- Tender Fees Plus IGST- 18%

SAC CODE:

Online tender/ E- Tender : SAC- 9997 (Other Services)

INVOICEING:

Invoice shall be issued in the name and GSTN of concerned person (Bidders) within 30 days from the date of credit of tender fees or provision of service by the Tenderer. Tax Invoice shall be issued by the tenderer as per the directions referred in section 31 of CGST Act 2017 (Format attached).

PREPARATION OF BANK CREDIT CHALLAN FOR TENDER FEES:

Bank Credit Challan shall be prepared by the Departments/ Schools/Units mentioning details of respective bidders, tender Fees details, and payment reference number/UTR No. and shall be submitted to the Office of Annual Accounts & Balance Sheet Section within first week of each month for deposit of GST with Commercial Tax Department. Bidders shall be eligible to get tax credit benefits as per rule.

DEPOSIT OF GST:

GST shall be deposited and monthly GST return (GSTR 3B) shall be filled by 10th of each month by the Institute.

PENALTY:

For late filing

Late filing attracts penalty called late fee. The late fee is Rs. 100 per day per Act. So it is 100 under CGST & 100 under SGST. Total will be Rs. 200/day. The maximum is Rs. 5,000. There is no late fee on IGST in case of delayed filing.

Along with late fee, interest has to be paid at 18% per annum. It has to be calculated by the taxpayer on the tax to be paid. The time period will be from the next day of filing to the date of payment.

For not filing

If GST return is not filed then subsequent returns cannot be filed. Hence, late filing of GST return will have a cascading effect leading to heavy fines and penalty.

In view of above modalities, All the tenderer departments /Schools /Units are requested to ensure charging of GST on tender fees, preparation of bank credit challans and issue of tax invoices in respect of tender fee received so that the same may be deposited with GST Dept. within stipulated time.

Tax Invoice

India Institute of Technology (BHU)

Banaras Hindu University

Varanasi

GSTIN/UIN: 09AAAJI0396R1ZJ

State Name : Uttar Pradesh, Code : 09

Buyer

GSTIN/UIN:

State Name :

Sl. No.	Description of Goods/Service	HSN/ SAC	Quantity	Rate	Amount (in Rs.)
		9997			
	+ SGST				
	+ CGST				
	+ IGST				
	Total				

Amount Chargeable (in words)

E. & O.E

INR

HSN/SAC	Taxable Value	SGST	CGST	IGST	Total Tax Amount
Total					

Tax Amount (in words):

Remarks:

Pre Authenticated by for Indian Institute of Technology (BHU)

Authorised Signatory

Name :

Designation :

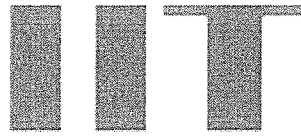
Issuing Signatory

Name :

Designation :

Declaration: We declare that this invoice shows the actual price of the goods/ Services described and that all particulars are true and correct.

This is a Computer Generated Invoice



☎ : 0542-6702070 - 72; FAX : 91-542-2368428; e-mail : registrar@iitbhu.ac.in

Ref. No.: IIT (BHU)/I. P. Cell/e-Proc./2020-21/ 314

Dated: 10th December 2020

NOTICE

I am directed to enclose the following Notification/OM of the Government of India, for information and further action at your end:

Sl.No	Notification/OM no. and issuing authority	Subject
1.	D.O.No.P-45021/2/2017-PP (BE-II) (E-1588) dated 8 th June, 2020 of the Secretary Department of Promotion of Industry and Internal trade, Ministry of commerce & Industry, Udyog Bhawan, New Delhi & Order No.P-45021/2/2017-PP (BE-II) dated 4 th June, 2020 of the Director, Ministry of Commerce and Industry, Department of Promotion of Industry and Internal Trade, (Public Procurement section)Udyog Bhawan, New Delhi.	Reg. Recent changes in Public Procurement (Preference to Make in India) Order, 2017(PPP-MII order, 2017 of DPIIT.
2.	No.F.6/18/2019-PPD dated the 23 rd January, 2020 of the Deputy Secretary, Government of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division, New Delhi.	Procurement of Goods/ Services through Government e-Marketplace (GeM).
3.	No.F.6/14/2020-PPD dated 27.08.2020 of the Deputy Secretary, Government of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division, New Delhi.	Procurement of Goods/ Services through Government e-Marketplace (GeM) and outside GeM.
4.	No.F.6/14/2020-PPD dated 23.10.2020 of the Deputy Secretary, Government of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division, New Delhi.	Procurement of Goods/ Services through Government e-Marketplace (GeM) and outside GeM.
5.	No. F.9/4/2020-PPD dated 12.11.2020 of the Deputy Secretary, Government of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division, New Delhi.	Additional Performance Security in case of Abnormally Low Bids (ALBs).
6.	No. F.9/4/2020-PPD dated 12.11.2020 of the Deputy Secretary, Government of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division, New Delhi.	Performance Security.
7.	No. F.9/4/2020-PPD dated 12.11.2020 of the Deputy Secretary, Government of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division, New Delhi.	Bid Security /Earnest Money Deposit.

This may please be brought to notice of all the concerned.

Yours faithfully,

Jt. Registrar (Accounts)

Copy forwarded for information to the following:

1. All the Deans,
2. All the Heads of the Departments / Coordinators of the Schools,
3. The Coordinators / In-charges of Units / Centers / Offices,
4. All the Professor In-charges,
5. The Chief Councilor, Gymkhana,
6. The Chairman, Institute Works Committee,
7. The Superintending Engineer, Institute Works Committee,
8. The Chairman, Senate Library Committee,
9. The Chairman, Cafeteria Committee,
10. The Chairman, Council of Wardens,
11. The Chairman, Web Management & E-mail Services Committee,
12. The Coordinator, GTAC,
13. The Joint Chief Proctor,
14. All the Admin Wardens/Wardens, IIT(BHU) Hostels,
15. All the Joint Registrar,
16. All the Assistant Registrars,
17. P.S. to Director,
18. P.A. to the Registrar,

Indian Institute of Technology (BHU), Varanasi

Jt. Registrar (Accounts)

डॉ. गुरुप्रसाद महापात्र
DR. GURUPRASAD MOHAPATRA
सचिव
Secretary



भारत सरकार
उद्योग संवर्धन और आंतरिक व्यापार विभाग
वाणिज्य एवं उद्योग मंत्रालय
उद्योग भवन, नई दिल्ली-110 011

Government of India
Deptt. for Promotion of Industry and Internal Trade
Ministry of Commerce & Industry
Udyog Bhawan, New Delhi-110 011
Tel. : 23061815, 23061667 Fax : 23061598
E-mail : secy-ipp@nic.in
08th June, 2020

Dear Secretary,

I am writing this regarding recent changes in Public Procurement (Preference to Make in India) Order, 2017 (PPP-MII Order, 2017) of DPIIT.

2. As you are aware, DPIIT issued PPP-MII Order, 2017 to promote procurement of made in India goods/works/services by central government procuring entities by providing purchase preference to local manufactured items in public procurement and other related measures.

3. Recently, Government of India has taken fresh initiative for "Atmanirbhar Bharat" and as a part of it Hon'ble Finance Minister announced on 12.05.2020 that no global tender shall be issued for procurement for less than Rs. 200 crore. Accordingly, as a major policy initiative, PPP-MII Order, 2017 has been amended to provide that only items with minimum 20% domestic value addition/local content can participate in public procurement unless global bid are invited. Also, items with more than 50% local content will get purchase preference over other items. A copy of the Order as amended on 04.06.2020 is enclosed for your ready reference.

4. I request you to kindly advise all procuring entities, including CPSUs/CPSEs/Autonomous Bodies, under administrative control of your Ministry/Department to comply with the revised Order. It is also requested to direct all procuring entities to interact with industry associations regarding the proposed changes, share their procurement projection with industry, and advise industry to gear up their capacities/ capabilities to meet projected public procurement demand in accordance with Hon'ble Prime Minister vision of "Atmanirbhar Bharat".

With regards,

Encl: as above.

All Secretaries to the Govt. of India
As per list attached.

Yours sincerely,

(Guruprasad Mohapatra)

391817/2020/Coordination Section No. P-45021/2/2017-PP (BE-II)

Government of India
Ministry of Commerce and Industry
Department for Promotion of Industry and Internal Trade
(Public Procurement Section)

Udyog Bhawan, New Delhi
Dated: 04th June, 2020

To

All Central Ministries/Departments/CPSUs/All concerned

ORDER

Subject: Public Procurement (Preference to Make in India), Order 2017– Revision; regarding.

Department for Promotion of Industry and Internal Trade, in partial modification [Paras 2, 3, 5, 9(a), 9(b) and 10(b) modified and Para 3A added] of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017 as amended by Order No.P-45021/2/2017-B.E.-II dated 28.05.2018 and Order No.P-45021/2/2017-B.E.-II dated 29.05.2019, hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' dated 04.06.2020 effective with immediate effect.

Whereas it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

Now therefore the following Order is issued:

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions:** For the purposes of this Order:

'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50%, as defined under this Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20% but less than 50%, as defined under this Order.

.....Contd. p/2

'Non - Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20%, as defined under this Order.

'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L1 for the purpose of purchase preference.

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR- 2017, and will also include 'turnkey works'.

3. Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement

(a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.

(b) In procurement of all goods, services or works, not covered by sub-para 3(a) above, and with estimated value of purchases less than Rs. 200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global tender enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure. Only 'Class-I local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to bid in procurements undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

3A. Purchase Preference

(a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to 'Class-I local supplier' in procurements undertaken by procuring entities in the manner specified here under.

.....Contd. p/3

- 3 -

(b) In the procurements of goods or works, which are covered by para 3(b) above and which are divisible in nature, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.
- ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.

(c) In the procurements of goods or works, which are covered by para 3(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1.
- ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.
- iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the 'Class-I local supplier' within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.

(d) "Class-II local supplier" will not get purchase preference in any procurement, undertaken by procuring entities.

.....Contd. p/4

- 4 -

4. **Exemption of small purchases:** Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.
5. **Minimum local content:** The local content requirement to categorize a supplier as 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local supplier' shall be as defined in the Para "2" of the Order. No change is permissible on this account. However, if any nodal Ministry/ Department finds that for any particular item, pertaining to their nodal ministry/department, the definition of Local Content, as defined in the Order, is not workable/ has limitations, it may notify alternate suitable mechanism for calculation of local content for that particular item.
6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.
7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.
8. **Government E-marketplace:** In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.
9. **Verification of local content:**
 - a. The 'Class-I local supplier'/ 'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier'/ 'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.
 - b. In cases of procurement for a value in excess of Rs. 10 crores, the 'Class-I local supplier'/ 'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
 - c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.

.....Contd. p/5

- d. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.
- e. Nodal Ministries and procuring entities may prescribe fees for such complaints.
- f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.
- g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9h below.
- h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
 - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
 - ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
 - iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

10. Specifications in Tenders and other procurement solicitations:

- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of 'Class-I local supplier'/ 'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.

.....Contd. p/6

- 6 -

- d. If a Nodal Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/ or other items relating to that Nodal Ministry. A copy of every instruction or decision taken in this regard shall be sent to the Chairman of the Standing Committee.
- e. For the purpose of sub-paragraph 10 d above, a supplier or bidder shall be considered to be from a country if (i) the entity is incorporated in that country, or ii) a majority of its shareholding or effective control of the entity is exercised from that country; or (iii) more than 50% of the value of the item being supplied has been added in that country. Indian suppliers shall mean those entities which meet any of these tests with respect to India."

10A. Action for non-compliance of the Provisions of the Order: In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee.

11. Assessment of supply base by Nodal Ministries: The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.

12. Increase in minimum local content: The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.

13. Manufacture under license/ technology collaboration agreements with phased indigenization: While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

14. Powers to grant exemption and to reduce minimum local content: The administrative Department undertaking the procurement (including procurement by any entity under its administrative control), with the approval of their Minister-in-charge, may by written order, for reasons to be recorded in writing,

- a. reduce the minimum local content below the prescribed level; or
- b. reduce the margin of purchase preference below 20%; or

.....Contd. p/7

- 7 -

- c. exempt any particular item or supplying entities from the operation of this Order or any part of the Order.

A copy of every such order shall be provided to the Standing Committee and concerned Nodal Ministry / Department. The Nodal Ministry / Department concerned will continue to have the power to vary its notification on Minimum Local Content.

15. **Directions to Government companies:** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.

16. **Standing Committee:** A standing committee is hereby constituted with the following membership:

Secretary, Department for Promotion of Industry and Internal Trade—Chairman
 Secretary, Commerce—Member
 Secretary, Ministry of Electronics and Information Technology—Member
 Joint Secretary (Public Procurement), Department of Expenditure—Member
 Joint Secretary (DPIIT)—Member-Convenor

The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. **Functions of the Standing Committee:** The Standing Committee shall meet as often as necessary, but not less than once in six months. The Committee
- shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
 - shall annually assess and periodically monitor compliance with this Order
 - shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
 - may require furnishing of details or returns regarding compliance with this Order and related matters
 - may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
 - may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization
 - may consider any other issue relating to this Order which may arise.

18. **Removal of difficulties:** Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.

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No.F.6/18/2019-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

512, Lok Nayak Bhawan,
New Delhi Dated the 23rd January, 2020.

OFFICE MEMORANDUM


Subject: Procurement of Goods / Services through Government e-Marketplace (GeM).

Rule 149 of GFR states that procurement of common use goods and services by Ministries or Departments will be mandatory for Goods or Services available on GeM. Further amendment dated 02.04.2019 of GFR Rule 150 provides that for goods and services not available on GeM, Head of Ministry/ Department may also register suppliers of Goods and Services. Such registered suppliers should be boarded on GeM as and when the item or service gets listed on GeM.

2. As per the instructions contained in OM No.F.18/3/2017-PPD dated 25.07.2017 by Department of Expenditure, it has been clearly stipulated that while publishing any Bid for procurement through Central Public Procurement Portal (CPPP), procuring entities are required to give an undertaking that category of goods/ services being tendered/ procured is not available on GeM and they have no objection in providing this information for making available such products/ services in GeM.
3. In view of the above provisions of GFR, the procurement of common use goods and services by Ministries or Departments through GeM is mandatory for Goods or Services for which product/service categories are available on GeM.
4. In order to effectively implement the above provisions, a functionality for generating "GeM Availability Report & Past Transaction Summary" is being made available on GeM. This would greatly help and benefit the Buyers and Competent Authorities in taking informed procurement decisions in respect of availability of a product/service on GeM along-with necessary details relating to past transaction summary.
5. With effect from 01.07.2020, when the above functionality will be deployed on GeM, it will be mandatory for a buyer to generate a "GeM Availability Report and Past Transaction Summary" (GeMAR&PTS) with a unique ID on GeM portal using his login credentials on GeM for procurement outside GeM. The Past Transaction Summary will be provided, wherever available. "GeMAR&PTS" shall be a pre-requisite for arriving at a decision by the competent authority for procurement of required goods and services by floating a bid outside GeM and its unique ID would be required to be furnished on the publishing portal along with the tender proposed to be published.

6. However, in case it is not possible to extract GeMAR&PTS report due to urgency and non-functioning of GeM at that time or due to non availability of internet connection, screenshots in such cases shall be placed in procurement files, along with details of reasons/ circumstances. Further, in these circumstances, furnishing of unique ID on publishing portal will not be insisted.

7. This issues with the approval of Secretary (Expenditure).


(Kotluru Narayana Reddy)
Deputy Secretary to the Govt. of India
Tel: 24621305
Email: kn.reddy@gov.in

To,

All the Secretaries and Financial Advisers to Government of India

Copy to:

1. CGA, CGDA, FC/Railway Board - For information and necessary action.
2. Secretary, Department of Public Enterprises with a request to issue appropriate instructions to Public Sector Undertakings in this regard.

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No.F.6/14/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

Room No.512, Lok Nayak Bhawan,
New Delhi. Dated the 27th August, 2020

OFFICE MEMORANDUM

Subject: Procurement of Goods/Services through Government e-Marketplace (GeM) and outside GeM.

The undersigned is directed to refer to this Department's OM No.F.6/18/2019-PPD dated 23rd January 2020 (copy enclosed) on the above subject, wherein it had, inter alia, been stipulated that w.e.f. 1st July 2020, it will be mandatory for a buyer to generate a GeM Availability Report and Past Transaction Summary (GeMAR&PTS) with unique ID on GeM Portal using his login credentials on GeM for procurement outside GeM. This was to be a pre-requisite for arriving at a decision by the Competent Authority for procurement of required goods and services by floating a bid outside GeM and its unique ID would be required to be furnished on the publishing portal along with the tender proposed to be published. The said O.M. also provided exceptions to the mandatory requirement on the ground of urgency & non-functioning of GeM at that time or due to non-availability of Internet connection.

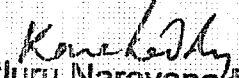
2. Data generated regarding GeMAR&PTs from 1st July 2020 has been examined in this Department. It has been observed: -

- i) That since its inception, a large number of GeMAR&PTS reports have been generated by Central Government Departments/Ministries.
- ii) That analysis of data on CPPP shows that the exceptions provided in the OM No.F.6/18/2019-PPD dated 23rd January 2020 have been used in more than 90% of cases.
- iii) That, for around 70% of the cases on CPPP, exception clauses being non-functional internet and non-availability of GeM Portal have been used.
- iv) That GeMAR&PTS reports are not commensurate with the tenders published outside GeM.

3. Considering the above, the following modifications are made to the OM No.F.6/18/2019-PPD dated 23rd January 2020 with immediate effect: -

- a) Clause "due to non-availability of internet connection" it is hereby omitted since publishing of tenders on other portals would also require internet connectivity.
- b) That along with Clause "non-functioning of GeM at that time" the following may be read as added "*the tender publishing portal will automatically confirm from GeM in real time as to whether GeM Portal is available and if available, will direct the*

buyer to obtain GeMAR&PTS from the GeM Portal. If not available, the tender publishing portal may proceed without the GeMAR&PTS."


(Kotturu Narayana Reddy)

Deputy Secretary to the Govt. of India

Telfax: 24621305

Email: kn.reddy@gov.in

To

All Secretaries and Financial Advisors of All Ministries/Departments to Government of India.

Copy to:

1. Secretary, Department of Public Enterprises with a request to issue appropriate instructions to Public Sector Undertakings in this regard.
2. CGA, Department of Expenditure, Ministry of Finance, New Delhi.
3. CGDA, Ministry of Defence, New Delhi.
4. Financial Commissioner, Railway Board, New Delhi.
5. CEO, GeM, New Delhi.

No.F.6/14/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

Room No.512, Lok Nayak Bhawan,
New Delhi. Dated the 23rd October, 2020

OFFICE MEMORANDUM

Subject: Procurement of Goods/Services through Government e-Marketplace (GeM) and outside GeM.

Reference: (i) Department of Expenditure's OM No.F.6/18/2019-PPD dated 23.01.2020 regarding "Procurement of Goods/ Services through Government e-Marketplace (GeM)"

(ii) Department of Expenditure's OM No.F.6/14/2020-PPD dated 27.08.2020 regarding "Procurement of Goods/ Services through Government e-Marketplace (GeM) and outside"

With regard to the above references, it has now been decided that **buyers will be required to generate GeMAR&PTS ID in all cases.** Wherever the same is not possible due to urgency, buyers will be required to upload the approval of associated finance in support of his claim for the urgent nature of procurement alongwith taking relevant screenshots as laid down in this Department OM dated 23.01.2020.



(Koturu Narayana Reddy)

Deputy Secretary to the Govt. of India

Telfax: 24621305

Email: kn.reddy@gov.in

To

All Secretaries and Financial Advisors of All Ministries/Departments to Government of India.

Copy to:

Secretary, Department of Public Enterprises with a request to issue appropriate instructions to Public Sector Undertakings in this regard.

Secy (PE)
19/11/2020

No. F.9/4/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

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SCANNED

512, Lok Nayak Bhawan, New Delhi
Dated the 12th November 2020

OFFICE MEMORANDUM

Subject: Additional Performance Security in case of Abnormally Low Bids (ALBs).

The Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among many commercial entities and contractors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of contractors to bid in tenders and hence reduce competition. Requests are being received for reduction in quantum of Security Deposits in the Government contracts.

2. In this context, it is noted that Additional Performance Security in case of Abnormally Low Bids (ALBs) is being taken from the contractors by various Ministries/ Departments though there is no provision for the same in General Financial Rules (GFRs) 2017 or the Manuals for Procurement issued by this Department.
3. As per para 7.5.7 of the Manual for Procurement of Goods 2017 issued by this Department, an Abnormally Low Bid is one in which the bid price, in combination with other elements of the Bid, appears so low that it raises material concerns as to the capability of the bidder to perform the contract at the offered price. Procuring Entity may in such cases seek written clarifications from the bidder, including detailed price analyses of its bid price in relation to scope, schedule, allocation of risks and responsibilities, and any other requirements of the bids document. If, after evaluating the price analyses, Procuring Entity determines that the bidder has substantially failed to demonstrate its capability to deliver the contract at the offered price, the Procuring Entity may reject the bid/ proposal. However, it would not be advisable to fix a normative percentage below the estimated cost, which would be automatically be considered as an abnormally low bid. Due care should be taken while formulating the specifications at the time of preparation of bid document so as to have a safeguard against the submission of abnormally low bid from the bidder.
4. In view of above, it is reiterated that no provisions should be kept in the Bid Documents regarding Additional Security Deposit/ Bank Guarantee (BG) in case of Abnormally Low Bids.
5. Wherever, there are compelling circumstances to ask for Additional Security Deposit/ Bank Guarantee (BG) in case of ALBs, the same should be taken only with

ES-in-charge
JSRFA

for n/s
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all BHS.
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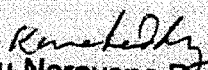
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Min. of Education
File No. 789055
23 NOV 2020

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the approval of the next higher authority to the authority competent to finalise the particular tender, or the Secretary of the Ministry/ Department, whichever is lower.

6. These instructions will be applicable for all kinds of procurements viz. Goods, Consultancy, Works, non-consulting Services etc.


(Kotluru Narayana Reddy)
Deputy Secretary to the Govt. of India
Tel: 24621305
Email: kn.reddy@gov.in

To,

All the Secretaries and Financial Advisers to Government of India

Copy to: Secretary, Department of Public Enterprises with a request to issue the same instructions to Central Public Sector Undertakings (CPSUs).

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No. F.9/4/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

512, Lok Nayak Bhawan, New Delhi
Dated the 12th November 2020

OFFICE MEMORANDUM

Subject: Performance Security.

As per Rule 171 of General Financial Rules (GFRs) 2017, Performance Security is to be obtained from the successful bidder awarded the contract for an amount of five to ten percent of the value of the contract to ensure due performance of the contract. Similar provisions also exist in the Manual for Procurement of Works 2019 and Manual for Procurement of Consultancy & other Services 2017 issued by this Department.

2. The Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among many commercial entities and contractors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of contractors to bid in tenders and hence reduce competition. Requests are being received for reduction in quantum of Security Deposits in the Government contracts.

3. In view of all above, it is decided to reduce **Performance Security from existing 5-10% to 3% of the value of the contract** for all existing contracts. However, the benefit of the reduced Performance Security will not be given in the contracts under dispute wherein arbitration/ court proceedings have been already started or are contemplated.

4. Further, all tenders/ contracts issued/ concluded till 31.12.2021 should also have the provision of reduced Performance Security.

5. In all contracts where Performance Security has been reduced to 3% in view of above stipulations, the reduced percentage of Performance Security shall continue for the entire duration of the contract and there should be no subsequent increase of Performance Security even beyond 31.12.2021.

Similarly, in all contracts entered into with the reduced percentage of Performance Security of 3%, there will be no subsequent increase in Performance Security even beyond 31.12.2021.

6. Wherever, there is compelling circumstances to ask for Performance Security in excess of three percent as stipulated above, the same should be done only with the approval of the next higher authority to the authority competent to finalise the

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particular tender, or the Secretary of the Ministry/ Department, whichever is lower. Specific reasons justifying the exception shall be recorded.

7. These instructions will be applicable for all kinds of procurements viz. Goods, Consultancy, Works, non-consulting Services etc and are issued under Rule 6(1) of the GFRs 2017.


(Kotluru Narayana Reddy)

Deputy Secretary to the Govt. of India

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Email: kn.reddy@gov.in

To,

All the Secretaries and Financial Advisers to Government of India

Copy to: Secretary, Department of Public Enterprises with a request to issue the same instructions to Central Public Sector Undertakings (CPSUs).

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No. F.9/4/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

512, Lok Nayak Bhawan, New Delhi
Dated the 12th November 2020

OFFICE MEMORANDUM

Subject: Bid Security/ Earnest Money Deposit.

The Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among many commercial entities and contractors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of contractors to bid in tenders and hence reduce competition. Requests are being received for reduction in quantum of Security Deposits in the Government contracts.

2. As per Rule 170 of General Financial Rules (GFRs) 2017, Micro and Small Enterprises (MSEs) and the firms registered with concerned Ministries/ Departments are exempted from submission of Bid Security. Further, in lieu of Bid Security, Ministries/ Departments may ask bidders to sign "Bid Security Declaration" accepting that if they withdraw or modify their bids during period of validity etc., they will be suspended for the time specified in the tender documents. Similar provisions also exist in the Manuals for Procurement of Works 2019 and Manual for Procurement of Consultancy & other Services 2017.

3. In this context it is noted that Bid Security (also known as Earnest Money Deposit) is still being taken from the contractors by the various Ministries/ Departments, though the relaxations have already been provided in General Financial Rules (GFRs) 2017.

4. In view of above, it is reiterated that notwithstanding anything contained in Rule 171 of GFRs 2017 or any other Rule or any provision contained in the Procurement Manuals, no provisions regarding Bid Security should be kept in the Bid Documents in future and only provision for Bid Security Declaration should be kept in the Bid Documents.

5. Wherever, there are compelling circumstances to ask for Bid Security, the same should be done only with the approval of the next higher authority to the authority competent to finalise the particular tender or the Secretary of the Ministry/ Department, whichever is lower.

6. The above instructions will be applicable for all the tenders issued till 31.12.2021.

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7. These instructions will be applicable for all kinds of procurements viz. Good., Consultancy, Works, non-consulting Services etc and are issued under Rule 6(1) of the GFRs 2017.

K. Narayana Reddy

(Kotluru Narayana Reddy)

Deputy Secretary to the Govt. of India

Tel: 24621305

Email: kn.reddy@gov.in

To,

All the Secretaries and Financial Advisers to Government of India

Copy to: Secretary, Department of Public Enterprises with a request to issue the same instructions to Central Public Sector Undertakings (CPSUs).