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North Central Railway

Office of the
Principal Chief Materials Manager
Block-B, Saraswati Building
GM Office Complex,
Subedarganj, Allhabad.

Joint Procedure Order No. ~~12~~ 11

Date: 09.10.2018

Sub:- Joint Procedure Order for Spot Purchase.

Please find enclosed herewith Joint Procedure Order No. 11 duly signed by Sr.AFA/FE & DY.CMM/HQ for information and guidance. This Joint Procedure Order will supersede all orders issued earlier in this regard.

This is issued with the concurrence of PFA and approval of the General Manager, please.

Authority No. S/Gen/311 Part-I

Copy forwarded for information & necessary action to:-

Secy. to GM: For kind information of GM, please.

All PHODs/CHODs of NCR/HQ

PCE, PFA, PCOM, PCCM, PCSTE, PCEE, PCME, PCPO, PCSC, PCMD, CSO, PDA, SDGM, CAO(C), CAO (NCRPU), FA&CAO(C), CPRO.

All DRMs & CWMs of NCR

DRM/ALD, DRM/JHS, DRM/AGC, CWM/JHS, CWM/STLI

Secy. to PCMM: For kind information of PCMM

CMM/C, CMM/S

Divisional & Depot Stores Officers

All Stores Officers of NCR/HQ

(Gaurav Kumar)
DY.CMM/NCR/HQ
For PCMM

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Procurement through Spot Purchase
(Only for Emergent Non-Stock items including furniture etc.)

I Model guidelines and delegation of power for spot purchase are as under:

1. There may be occasions to purchase materials on the spot without following the formal tendering system but by collecting offers through physical visit of the premises of the firm/agency by the nominated officers. This mode of purchase is commonly known as 'Spot Purchase'.
2. Keeping the instructions contained in Railway Board's L. No. 2002/RS(G)/779/12 dt.14.12.2011 in view, the following instructions/guidelines is issued in supersession of all earlier orders issued on this subject.
3. The concept of Spot Purchase, for the purpose of purchase, will be followed under inescapable circumstances and should be supported by proper justification; invariably the need to resort to spot purchase shall fulfill conditions as laid down below:
 - a. The stock item shall not be procured through spot purchase.
For purchase of non- stock items where demand could not be foreseen in advance and material is required urgently for safe operation where cash purchase powers are considered inadequate and emergency purchase through formal invitation of tenders etc. is likely to take considerable time.
 - b. For purchasing of Non-Stock items which are required occasionally and making the detail specification for the same is not considered practicable/economical or items of consumable nature where the quality available in the market is rapidly changing hence it is not possible to finalize the specification and material can be obtained by personal feel, finish and appearance etc. like furniture, cutleries, linens, carpets and other furnishing items etc.
 - c. Spot purchase shall not be resorted to for purchasing such items which have got detailed specification and drawings and are required to be purchased only from approved sources.
 - d. In general, items available on GeM should not be procured through spot purchase.
 - e. Since, Spot Purchase is one of the modes of purchase, therefore there should be a proper requisition for Non-Stock items duly signed/approved and vetted by competent authority as per SOP and following extant guidelines on the subject of allocation of expenditure.

II Competent Authority to sanction Spot Purchase:

Sr. No.	Value Limit	Competent Authority to sanction Spot Purchase
II.1	AT DIVISIONAL LEVEL:	
	a) For Spot Purchase upto Rs. 5 lakh:	DRM
	b) For Spot Purchase above Rs. 5 lakhs	GM
II.2	AT HQRS LEVEL/CONSTRUCTION ORGANIZATION/WORKSHOPS:	
	For all Spot Purchase	GM

The proposal for Spot Purchase of " Non – stock items shall be submitted for the specific approvals of the authorities detailed in the table at II above, by the consuming department concerned after obtaining the concurrence of Associate Finance and ensuring adequate availability of funds.

III The Spot Purchase would invariably be made by a Spot Purchase Committee consisting of 03 Officers. One from Stores Department nominated by (DRM/PCMM), One from Accounts

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Deptt. (to be nominated by DRM/PFA) and one from indenting department (to be nominated by concerned co-ordinating PHOD/DRM) After sanction of spot purchase by the competent authority, the officer of Stores department will be the Convener of the committee.

CONSTITUTION OF STANDING COMMITTEE FOR SPOT PURCHASE:

Sl. No.	Level of Spot Purchase Committee	Remarks															
1.	AT DIVISIONAL LEVEL: After sanction of Spot Purchase by the competent authority as detailed in para II.1 above, the level of spot purchase committee will be as under:	Note:															
	<table><tr><th rowspan="2">Purchase Value</th><th colspan="3">Level of Officer</th></tr><tr><th>Consuming Deptt.</th><th>Stores Deptt.</th><th>Accounts Deptt.</th></tr><tr><td>Upto Rs. 10 lakh</td><td>Sr. Scale</td><td>Sr. Scale</td><td>Sr. Scale</td></tr><tr><td>Above Rs. 10 lakhs and upto Rs.50 lakhs.</td><td>JAG</td><td>JAG</td><td>JAG</td></tr></table>	Purchase Value	Level of Officer			Consuming Deptt.	Stores Deptt.	Accounts Deptt.	Upto Rs. 10 lakh	Sr. Scale	Sr. Scale	Sr. Scale	Above Rs. 10 lakhs and upto Rs.50 lakhs.	JAG	JAG	JAG	(1) Where more than one Sr. Scale Officer is available, the officer looking after tenders of the particular Department/Branch/Section will be the Standing Member. (2) The concerned Associate Finance Officer looking after the tenders of a particular Department/Branch/Section will be the Standing Member from Accounts Department. (3) Where Senior Scale post does not exist or is vacant, a JAG Officer will be the member of the committee. (4) Where Accounts/Stores Department is consuming Department, the third member will be the Engineering Department. (5) In the event of non – availability of an officer of Stores Department in Division/Workshop, alternate Member from Stores/Headquarters may be got nominated in consultation with PCMM.
Purchase Value	Level of Officer																
	Consuming Deptt.	Stores Deptt.	Accounts Deptt.														
Upto Rs. 10 lakh	Sr. Scale	Sr. Scale	Sr. Scale														
Above Rs. 10 lakhs and upto Rs.50 lakhs.	JAG	JAG	JAG														
2.	AT HQRS LEVEL/CONSTRUCTION ORGANIZATION/WORKSHOPS/ After sanction of Spot Purchase by the competent authority as detailed in para II.2 above, the level of spot purchase committee will be as under:																
	<table><tr><th rowspan="2">Purchase Value</th><th colspan="3">Level of Officer</th></tr><tr><th>Consuming Deptt.</th><th>Stores Deptt.</th><th>Accounts Deptt.</th></tr><tr><td>Upto Rs. 10 lakh</td><td>Sr. Scale</td><td>Sr. Scale</td><td>Sr. Scale</td></tr><tr><td>Above Rs. 10 lakhs and upto Rs.50 lakhs.</td><td>JAG</td><td>JAG</td><td>JAG</td></tr></table>	Purchase Value	Level of Officer			Consuming Deptt.	Stores Deptt.	Accounts Deptt.	Upto Rs. 10 lakh	Sr. Scale	Sr. Scale	Sr. Scale	Above Rs. 10 lakhs and upto Rs.50 lakhs.	JAG	JAG	JAG	
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- After the proposal is approved by competent authority as mentioned above, proper file will be opened in convener's office against the requisition for Non-Stock items.
- If there is more than one item to be purchased at one time, the total value of all the items will be the guiding criteria for deciding the level of the committee and the competent authority to sanction.

IV. Procedure for Spot Purchase:

- The Spot Purchase Committee will first make a market survey including GeM and then duly considering the sources indicated by the indenter shall obtain quotations from suitable sources and while obtaining the quotations for items to their specification

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normal rules laid down for obtaining the quotations (as in the case of cash purchase) will be followed. In conducting their business, the Committee shall give due regard to the Canons of Financial Propriety, while doing Spot Purchase.

2. Inspection of material. If required/called for, shall be done by Member of Indenting Department or his authorized representative.
3. The committee will draw proceedings duly covering all the aspects listed below.
 - I. Authority for constitution of the Spot Purchase Committee.
 - II. Description of the item.
 - III. Tabulation statement.
 - IV. Brief discussion of the offers obtained.
 - V. Recommendations/Acceptance with certification on reasonability of recommended rates.
 - VI. Unusual terms & conditions and deviation, if any, accepted.
 - VII. Consignee.
 - VIII. Delivery terms & delivery period.
 - IX. Paying authority and bill Passing Officer.
4. The Proceeding of the purchase finalized shall not require any further approval but this will be made available for internal check/audit and minutes of the committee shall be kept on the file.
5. All decisions in the matter of purchase will be taken by the committee and decision taken by the committee in regard to purchase will be final.
6. Formal communication (in the form of PO) detailing the description/specification of the item, terms & conditions, inspection clause delivery period, payment terms & paying authority etc shall be issued duly signed by the convener of SPC for placing order on the firm.
7. Field units i.e. Division/Workshops as well as HQrs & Construction organization shall maintain proper record of such Spot Purchase made by them.
8. The material purchased will be accounted for as is being done for material received against regular purchase orders.
9. The Spot Purchase Committee shall ensure that the purchase is completed within 45 days of appointment of the committee, failing which fresh approval of GM/DRM (as the case may be) should be obtained for purchase of the items through Spot Purchase.

V. Payments:

1. Cash payment should be avoided, unless payment is made through cash imprest.
2. Payment to the suppliers may be made generally through cheque to be issued by Accounts Officer. In case of cheque payment, the pay order against a Performa invoice will be prepared by the indenting department's representative of the Spot Purchase Committee. Alternatively, payment through Sr.DFM/PFA may also be made depending upon the agreed terms & Conditions.

This **JPO** is issued with the concurrence of PFA and approval of GM in file No. NCR/S/Gen/311/Pt-1.

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Sr PFA/PE
for PFA.

[Signature]
DY. CMM/HQ