

Eastern Railway

No.G.176/17-W/Stores/MSOP/Revision/2018

Dated, 21-11--2018.

All concerned

Sub :- Incorporation of Extant Joint procedure Order for Procurement through Spot Purchase Committee in MSOP 2018.


Ref : (i) Railway Board's letter vide No.2017/Trans/01/Policy, dated 08-12-2017.

(ii) Eastern Railway earlier Joint Procedure Order for procurement through Spot Purchase Committee duly signed by the then CMM/S/ER & FA&CAO/SG/ER dated 27.05.2015 as per Railway Board's letter No.2002/RS(G)/779/12 dated 14.12.2011 .

In terms of item No. 2.3 of MSOP 2018 Part-D Stores Matters, it is advised by Board to follow the extant instructions vide Railway Board's letter No.2002/RS(G)/779/12 dated 14.12.2011 regarding procurement through **Spot Purchase Committee**.

In this connection the MSOP/2018 Part-D Stores Matter is hereby incorporated the earlier Joint Procedure Order vide No.S/Policy/P/SPC for **Procurement through Spot Purchase Committee** duly approved by competent authority i.e. the then CMM/S/ER & FA&CAO/SG/ER dated 27.05.2015 to be followed continuously till further revision. The relevant Joint Procedure order will be available in Eastern Railway website subsequently.

This has the concurrence of Finance.


(S.Sengupta)
Secretary to G.M

2/16

JOINT PROCEDURE ORDER

Sub: Spot Purchase

S/Policy/P/SPC- JPO

Dated: 27th May 2015

1. Preamble

This procedure order will be applicable for purchase of materials in exceptional circumstances on the spot without following the formal tendering system but by calling offers through physical visit to the premises of the firms by nominated officers. There is no codal provision or any guidelines/instructions of Railway Board on this mode of purchase called 'spot purchase'. However the same is resorted to by almost all zonal Railways/Production Units to deal with emergent/un-usual circumstances with the approval of General Manager.

2. Scope

Spot purchase shall be resorted to in very exceptional circumstances, to be recorded in writing by PHODs/CHODs, DRMs or CWMs and adhering to the conditions laid down hereunder:

- 2.1 For purchase of non-stock items urgently required where demand could not be foreseen in advance and where cash purchase powers are considered inadequate and emergency purchase through formal invitation of tenders etc. is likely to take considerable time.
- 2.2 For purchase of non-stock items which are required occasionally and where it is not possible to make detailed specification and also for such items quality of which available in the market keeps changing rapidly and it is not possible to finalize the specification and materials can be obtained by personal examination like furniture(table, chair, almirah etc.) crockeries, linens, curtains, carpets, other furnishing items etc.
- 2.3 Spot purchase shall not be resorted to for purchasing such items which have got detailed specification and are required to be purchased only from approved sources and against Rate contract.
- 2.4 Spot purchase power delegated on the basis of the High Level Committee's report on Disaster Management over Indian Railways will be in addition to the power mentioned in this JPO.
- 2.5 Purchase of material from MPLAD fund.
- 2.6 The spot purchase should not be resorted in a routine manner to bypass normal procurement process.

Procured by 27.5 A. Sankar
27.5.15

3. Procedure

- 3.1 There should be a proper vetted requisition with description duly supported with proper sanction and clear fund availability for the non-stock item(s) intended for spot purchase. The quantity is to be restricted to bare minimum.
- 3.2 Spot purchase proposals up to Rs.3 lakh for Divisions, Workshops can be sanctioned by DRM/CWM concerned respectively after concurrence of Sr.DFM/DFM (where Sr.DFM post does not exist) or Dy. FA & CAO(WS)/Sr. AFA(WS)(Where Dy. FA&CAO/WS post does not exists).
- 3.3 All spot purchase proposals for more than Rs.3 lakh for Divisions, Workshops after being agreed in principle by DRM, CWM and all proposals irrespective of value for Headquarters. (Open Line)/Construction should be agreed in principle by PHOD/CHOD of the consuming Department/Construction Unit. The proposal should be concurred by FA&CAO/F&B/FA&CAO/CON and should be submitted to AGM/CAO(C) through COS for his sanction.
- 3.4 Purchase through Spot Purchase Committee should be proceeded with only after all necessary formalities for procurement including fund certification, finance concurrence and approval of competent authority as per 3.1, 3.2 and 3.3 above are completed.
- 3.5 Constitution of Spot Purchase Committee will be as under:

Sl. No.	Value of Purchase	Stores Department	Concerning Department	Accounts Department
1	Up to Rs 3 lakh	Jr. Scale	Jr. Scale	Jr. Scale
	Above Rs 3 lakh to Rs.8 lakh	Sr. Scale	Sr. Scale	Sr. Scale
2	Above Rs.8 lakh up to Rs.30 lakh	JAG	JAG	JAG

NOTE: i) If more than one item is to be purchased through the SPC at the same time, the total value of all the items shall be taken into account for the purpose of determining the purchase (Para 3.5)

- ii) Purchases through SPC will be limited to maximum of Rs.30 lakh in each case (all items taken together). For the purchases beyond Rs.30 lakh in value, normal procurement process will be followed. In exceptional cases if any beyond Rs 30 lakh needs to be processed through spot purchase, the same will require personal approval and concurrence of GM and FA&CAO respectively.

Procurement 27.5

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3.6 Constitution of Committee:-

Spot Purchase Committee will consist of three officers, one from Stores Department (to be nominated by COS), one from Accounts Department (to be nominated by FA & CAO/FA&CAO(CON) and one from the indenting department (to be nominated by concerned PHOD/CHOD) The officer of the indenting department will act as the convener of the Spot Purchase Committee. After sanction of proposal by competent authority, proper file will be opened in the convener's office against the non-stock requisition.

3.7 The Committee will first make a market survey along with the sources suggested by the indenters, shall obtain three or more quotations as considered necessary by the committee. While obtaining the quotation for items to their specification, normal rules laid down for obtaining quotation as in the case of cash purchase will be followed. In conducting their business the committee shall give due regards to the canons of financial propriety.

3.8 To expedite the spot purchase DRM/CWM or respective PHOD/CHOD at HQ may nominate standing committee in their respective units.

3.9 The committee shall draw up proceedings clearly indicating the following:

- a) Brief details of the offers obtained.
- b) Recommendations along with reasonableness of rates for the recommended item or items.
- c) Unusual terms & conditions and deviation accepted, if any.
- d) Consignee
- e) Paying Authority
- f) Delivery Date
- g) Any other points considered worth mentioning by the committee

3.10 The purchase order, generally in the normal Stores Department format, giving description quantity and rate of the item(s) and other terms and conditions duly signed by the Convener Member of the Spot Purchase Committee shall be placed on the firm.

3.11 All decisions in the matter of purchase shall be taken by the Spot Purchase Committee and the same will be final and will not require approval of higher authority. In case of difference of opinion amongst the committee members, the matter shall be referred to the DRM/CWM for case approved by them and in all other cases it shall be referred to PHOD/CHOD of indenting department concerned for a final decision. However, the reasons for taking the decision shall be recorded on file.

December 27.5-

A. Sarker

4. Payment
 - 4.1 Payment to suppliers should normally be made after collection of the stores, through NEFT/RTGS/A/C payee cheque, against firm's bills or against the Proforma Invoice (PI). On receipt of bill, it will be accepted by the convener or the consignee which will be further countersigned by the convener. Bills or Pay Order (in case of Proforma Invoice) will be accepted by the consignee in token of receipt of material or materials to be supplied as per terms and conditions finalized by SPC and as contained in Purchase Order. The convener will countersign the bill or Pay Order and send to accounts for payment.
 - 4.2 The payment shall be made after taking delivery of material. In no case, payment shall be made to the firms in advance/anticipation of the supply of materials.
 - 4.3 The material(s) purchased shall be accounted for by an entry in the ledger book of the user department within a suitable time frame say within 15 (fifteen) days as is done for material received against regular purchase orders.
 - 4.4 The purchase shall be completed within 30 (thirty) days from the date approval of competent authority failing which fresh approval of competent authority shall be obtained for purchase of items through Spot Purchase Committee.

This is issued with approval of General Manager and supersedes the earlier JPO on Spot Purchase.

Pranmohit 22.5.15

CMM/S

A. Sarker
27.5.15

FA&CAO/SG