

NPIU/ TEQIP-III/ Procurement/ 2018-19

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CIRCULAR

Sub: Guidelines for approval of revised procurement plan of the institutes/ ATUs

This in continuation to earlier email dated 25th July 2017 regarding mechanism for approval of first procurement plan and further revision under TEQIP-III. The institutes/ ATUs were informed to get the first procurement plan approved from NPIU (through SPIU) before proceeding for procurement. BoG/ Head of institutions/ ATUs are empowered to carry out further revisions/ additions/ deletions in the plan for permissible items as per necessity subject to compliance to the guidelines in procurement manual.

2. However, it has been observed during revisions of procurement plan that some of the institutions/ ATUs are not yet clear about applicability of the procurement methods which may lead to selection of improper methods and deviation from the set guidelines while revising the plan.

3. In view of this, all the institutions/ ATUs are informed to follow following procedure while proceeding with the procurement of revised requirements.

- The institutions shall prepare such revised packages including deletion/ addition/ modification in the packages based on their requirements and put up before BoG/ (Head of the institution/ ATUs in case BoG does not exist) for approval.
- The approved procurement plan shall be reviewed by SPIU for (i) Ensuring the World Bank norms and all the circulars/ guidelines issued by NPIU in this regard are complied with and (ii) Ensuring that the items are permissible under the project (**Annex-1**).
- SPIUs shall not play any role in finalizing the requirement (goods/ works) of the institute to be procured.
- Institutions/ ATUs to go ahead with the procurement after review by SPIU. Also the proper records in this connection be maintained for future review/ Audit.

4. The above mechanism shall come in effect from the date of issue of this circular and shall be applicable to procurements under Sub-component 1.1, 1.2 & 1.3 under TEQIP-III hereafter.



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To: All Institutions (TEQIP-III)
Copy to: SPIUs

Guidelines for Preparation of Procurement Plan

Key points for preparing Procurement Plan,

1. Project objectives and permitted procurement under respective sub component to which Institution belongs and coherence with the Institutional Development Plan (IDP) shall be the basis for preparation of Procurement Plan.
2. Following points are important for preparing a package,
 - a. Items/ work similar in nature and which can be done by single supplier/ contractor are to be clubbed together as each package will generate only one PO/ WO.
e.g. similar items being procured by different departments or different laboratories of same department, items being procured for same laboratory though different but likely to be sourced from single supplier etc to be packaged together.
 - b. Shopping should not be used as an expedient to by-pass more competitive methods or fraction large procurement into smaller ones (splitting of contract) solely to allow the use of Shopping.
 - c. Deliberate splitting of package is to be avoided strictly as it leads to selection of improper procurement method resulting in inefficient procurement.
 - d. Expected price of package to be procured using any method shall not be more than 90% of threshold value of the selected method to neutralize the exchange rate fluctuations.
e.g. expected price of any package in Shopping shall not be more than US\$ 90,000 (Rs 5,850,000) in spite of threshold limit of US\$ 100,000 (Rs 6,500,000).
 - e. The declaration of Proprietary items as "Proprietary items" at the stage of package preparation is mandatory.
 - f. Packaging of proprietary items or items to be procured using Direct Contracting method together is to be avoided generally as there are very less chances of having a single supplier.
 - g. In case of procuring department selected as Institutional Level, distribution of items among different departments is to be given, if any.
 - h. The description of specifications of any items shall be generic in nature to encourage competition and use of a brand name is strictly disallowed as it restricts the competition.
3. The information to be mentioned at following open fields while adding a Goods/ Works package in system,
 - Package Name: It shall be general and indicative of the items containing in package.
 - Description: It shall describe the intended use and prospective users of the items.
 - Specification: It shall be contain precise item level specifications.

