



केंद्रीय विद्यालय संगठन, क्षेत्रीय कार्यालय, अहमदाबाद संभाग
Kendriya Vidyalaya Sangathan, Regional Office, Ahmedabad
शिक्षा मंत्रालय के तहत एक स्वायत्त निकाय/
An Autonomous Body under Ministry of Education

ज्ञानदीप सैक्टर 30 गांधीनगर गुजरात – 382030

Gyandeep, Sector 30 Gandhinagar (Gujarat) - 382030

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ई-मेल/ **e-mail ID - acahmedabad@yahoo.com**

☎ **079-23261360/ 23260711**

“Public Procurement Policy” as per KVS (HQ), New Delhi
instructions being followed as under:

केंद्रीय विद्यालय संगठन (मुख्यालय), नई दिल्ली के निर्देशों के अनुसार "सार्वजनिक
खरीद नीति" का निम्नानुसार पालन किया जा रहा है:

KENDRIYA VIDYALAYA SANGATHAN
18, INSTITUTIONAL AREA
SHAEED JEET SINGH MARG
NEW DELHI - 1100602

F.No. 125 29/2004-05/Budget/KVS (Cr.)

DI/6 Jan.2009

The Asstt. Commissioner
Kendriya Vidyalaya Sangathan
All Regional Offices

Subject: Amendment in purchase procedure stipulated in Accounts
Code - Article No. 169 to 183.

Sir/Madam,

I am to state that Govt. of India has promulgated new GFR w.e.f. 1.7.2005. KVS has already adopted the GFR and intimated all the units through the circular dt. 28.9.2005 and 31.3.2006.

In the wake of the revision of the GFR-2005, a direction was received from Min. of HRD to the KVS (Hqr.) to amend its purchase manual and finance procedure to bring them in conformity with the new GFR-2005. Accordingly a committee was constituted under the chairmanship of Sh. Kanhaiya Chaudhry, Assistant Commissioner (Admn.) which went into the entire gamut of the purchase system in KVS and also after due interaction with the Principal R.O functionaries and other officers in KVS (Hqr.), submitted a report recommending amendment to the Accounts Code relating to the purchase system and also standard bid/tender document for the following:

1. Purchase of Goods & equipments
2. AMC for computer & peripherals
3. Hiring of service provider for providing manpower for various services.

The amendments proposed by the committee were scrutinized and put up to Finance Committee in its meeting held on 25.11.2008 which recommended to the BOG for approval. The BOG in its 81st meeting held on 18.12.2008 approved the amendments.

In pursuant to the approval of the BOG, documents indicating the amendment to article 169 to 183 of A/c's code are forwarded herewith for information and strict compliance.

This may be circulated along with the standard forms enclosed there to, among all the Vidyalayas of the region and also loaded on the website of the Regional Office.

It may please be noted that all the purchases and procurement of the services etc. which were done by the vidyalaya, ROs, ZIET and Hqr. in conformity with the instruction contained in new GFR-2005 stand approved by the competent authority of KVS through this letter.

The Audit paras if any raised by the internal audit for the purchases made which were held as violative of Accounts Code provision for purchases may be settled, if the purchase relate to the period 1.7.2005 -- todate, & if they are in conformity with the new GFR-2005 as an one time measure. All the units may be strictly advised to adhere to the amended provision of the Accounts Code hereafter to adopt the standard form enclosed herewith.

Receipt of this document and action taken for circulation may be advised to this office within a fortnight.

Yours faithfully,



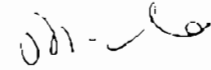
(PRAGYA RICHA SRIVASTAVA)
Joint Commissioner (Admn.)

Encl:As stated

Copy to:

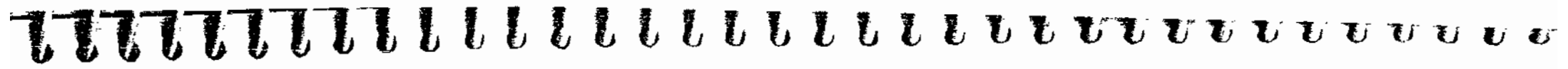
1. All Divisional Heads of KVS(Hqr.)
2. All Branch Officers of KVS(Hqr.)
3. The Director of ZIETs.
4. Principal, Kendriya Vidyalaya Kathmandu/Tehran/Moscow.
5. The Gen. Secretary, All recognized associations.
6. EO(EDP) KVS(Hq.) for necessary action.
7. Information Cell, KVS(Hqr.)
8. Guard file.

4/11 DF



Joint Commissioner (Admn.)

<u>Existing Provision</u>	<u>Revised Provision</u>	
<p>169.</p> <p>In order to impart quality education to the students, every school has to purchase a number of teaching aids and equipment out of the funds given for various purposes. As the expenditure on Kendriya Vidyalayas is met out of the grants sanctioned by the Government of India it is incumbent on the schools to follow the rules and procedures prescribed by Government. The objectives, policies and principles involved in making purchases are explained below:</p>	<p><u>Article No. 169. General Principles</u></p> <p>169.1 In order to impart quality education to the students, every Vidyalaya has to purchase, a number of teaching aids, goods and equipment out of the funds allocated for various purposes from Government Grants, Vidyalaya Vikas Nidhi (VVN) etc. The Vidyalayas need to procure different kinds of services including hiring of service providers for providing housekeeping and security services etc. and also procurement of works. Similarly, the Regional Offices, ZIETs and the KVS(HQ) do need to procure goods and equipment, works and services to cater to their needs. The rules and procedure for procurement of goods, works and services as contained in the General Financial Rules, 2005 of the Govt. of India shall be followed. However, keeping in view the specific needs of the KVS being an educational institution shall use its own documents for inviting quotation/bids as the case may be depending upon the nature of procurement and value of individual contract. The procurement manual of the Govt. of India on Policies and Procedures for purchase of goods adapted for KVS shall be followed. The guiding principles shall be :</p> <p>169.1.1 Every officer incurring or authorizing expenditure from public moneys should be guided by high standards of financial propriety. Every officer should also enforce financial order and strict economy and see that all relevant financial rules and regulations are observed, by his own office and by subordinate disbursing officers. Among the principles on which emphasis is generally laid are the following : —</p> <p>(i) Every officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.</p> <p>(ii) The expenditure should not be prima facie more than the occasion demands.</p> <p>(iii) No authority should exercise its powers of sanctioning expenditure to pass an</p>	



<p>A. Objectives</p> <p>The objectives in making purchases are:</p> <p>(i) procuring articles of the requisite quality at the most economical rates; and</p> <p>(ii) procuring articles within the available funds in order of priorities and within the period fixed for utilization of the funds.</p>	<p>order which will be directly or indirectly to its own advantage.</p> <p>(iv) Expenditure from public moneys should not be incurred for the benefit of a particular person or a section of the people, unless —</p> <p>(a) a claim for the amount could be enforced in a Court of Law, or</p> <p>(b) the expenditure is in pursuance of a recognized policy or custom.</p> <p>(v) The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients.</p> <p>169.1.2 Every authority delegated with the financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy, transparency in purchases and for fair and equitable treatment of suppliers and promotion of competition in public procurement.</p> <p>169.1.3 To reduce delay, appropriate time frame for each stage of procurement should be prescribed.</p> <p>169.1.4 Approval of the competent authority to the purchase Demand for Goods should not be divided into smaller quantities for making piece meal purchases for the sole purpose of avoiding the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand.</p> <p>169.1.5 Purchase of Goods financed by Loans/Grants extended by International Agencies The Articles of Agreement with the International Agencies, like the World Bank, Asian Development Bank etc. stipulate specific procurement procedures to be followed by the borrowers. The procurement procedures, as finalized and incorporated in the Agreements after consideration and approval of the Ministry of Finance are to be followed accordingly.</p> <p>169.2 The term 'goods' applies generally to all articles, material, commodities, livestock, furnitures, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant etc. purchased or otherwise acquired for the use of Government but excluding books, publications periodicals, etc. for a library.</p>	<p>Merged in Article 169</p>
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<p>B. Policies</p> <p>The policies in making purchases are:</p> <ul style="list-style-type: none"> (i) procuring as far as possible articles of indigenous production; (ii) undue emphasis should not be laid on the quality of articles, if articles of equal durability are available at a lesser cost; (iii) wherever possible, articles which are approved by the Indian Standards Institution or by the State Government in respect of the higher secondary schools run by them, should be purchased and at the approved rates (proof of approved rates should be kept on record). 	<p>169.3. Powers for procurement of Goods each contract</p> <p>Upto Rs.3,00,000/- Principal</p> <p>However, purchases beyond Rs.1,00,000 each contract shall be reviewed by the Chairman with the assistance of the Vidyalaya Executive Committee to ensure that the purchase is need based, sufficient fund exists and provision is made in the budget. It may also comment on the procedure followed. Notwithstanding this, the responsibility of following the codal formalities shall rest with the Principal concerned.</p> <p>Rs.3,00,001/- to 5,00,000/- AC of the concerned Region Above Rs.5,00,001/- JC(Admn.), KVS (HQ).</p> <p>In case of purchase of proprietary items, the concurrence of the Chairman, VMC shall be obtained for the purchases beyond Rs.25,000 at the Vidyalaya level. The approval of the Asst. Commissioner, Regional Office and the Joint Commissioner(Admn.), KVS(HQ) shall be obtained for purchase of goods costing Rs.1,00,000/- and above and Rs.3,00,000 and above respectively each contract.</p>	<p>In consonance under rule GFR 144 & purchase manual for GOI.</p>
<p>C. Principles</p> <p>The principles to be followed in making purchases are enumerated below:-</p> <ul style="list-style-type: none"> (i) Excepting cases wherein it is optional to call for quotations, a minimum of three effective quotations is essential before going in the purchase of any article. The parties should be requested to send their quotations in sealed covers. (ii) Calling for quotations may be dispensed with only in the following cases:- <ul style="list-style-type: none"> (a) Articles approved by the Indian Standards Institution or by the State Governments in respect of the higher secondary schools run by them, at the rates approved by the State Governments (proof of approved rates should be kept on record). 	<p>169.4 Reserved Items:</p> <p>169.4.1</p> <ul style="list-style-type: none"> i) The Govt. of India through administrative instructions, has reserved all items of handspun and hand-woven textiles (Khadi goods) for exclusive purchase from Khadi Village Industries Commission (KVIC). ii) It has also reserved all items of handloom textiles required for exclusive purchase from KVIC and/or the notified handloom units of ACASH (Association of Corporations and Apex Societies of Handlooms). iii) The Govt. of India has also reserved some items for purchase from registered Small Scale Industrial Units <p>The purchases for such reserved goods and items shall be made from such units in accordance with the instructions issued by the Government (in the Kendriya Vidyalaya Sangathan in this regard) from time to time.</p>	<p>Separately reflected in different paragraphs GFR 144</p>

170. A Purchase Advisory Committee consisting of at least three members of the Management Committee (including the Principal) should be constituted by the Chairman, VMC in each Vidyalaya. In this Committee, such other experts whose advise will be useful in making purchases should also be co-opted. For example, for purchase of laboratory equipment, staff of the State Institute of Science or local science colleges may be co-opted. Only those persons who can devote some time in processing the purchases and tender their advise should be selected for the Committee. If there are other Kendriya Vidyalayas in the City or neighborhood, they could pool together their major purchases by having a bigger Advisory Committee consisting of three members from the Management Committee of each Vidyalaya

Article No.170 Registration of Suppliers

- i) With a view to establishing reliable sources for procurement of goods commonly required for the procuring unit, the purchasing unit will prepare and maintain item-wise lists of eligible and capable suppliers in the locality/city. Such approved suppliers will be known as 'Registered Suppliers' with the approval of Chairman, Vidyalaya Management Committee (VMC). Such registered suppliers are prima facie eligible for consideration for procurement of goods through Limited Tender Enquiry. They are also ordinarily exempt from furnishing bid security alongwith their bids.
- ii) Credentials, manufacturing capability, quality control system, past performance, after-sales service, financial background, proof of registration of IT/TAN/VAT etc. of the supplier(s) should be carefully verified before registration.
- iii) The supplier(s) will be registered for a fixed period of one year. At the end of the period, the registered supplier(s) willing to continue with registration are to apply afresh for renewal of registration. New supplier(s) may also be considered for registration at any time, provided they fulfill all the required conditions.
- iv) Performance and conduct of every registered supplier shall be monitored. The registered supplier(s) are liable to be removed from the list of approved suppliers if they fail to abide by the terms and conditions of the registration or fail to supply the goods on time or supply sub-standard goods or make any false declaration to the KVS or its constituent unit or for any ground which is the opinion of the purchase authority is not in public interest.

The Purchase Committee is Sub-Committee of the Management Committee and is as such collectively responsible to the Sangathan through the Management Committee for faithfully implementing the purchase procedure. Notwithstanding the position explained above, the Principal in his capacity as the Drawing the Disbursing Officer of the Vidyalaya is responsible strictly to adhere to the

<p>purchase procedure and other instructions issued by the Sangathan. The Purchase Committee is to be associated with all the purchases /procurements of goods and services exceeding Rs.5000/- in value, right from the stage of selection of firms for inviting quotations till the purchases are actually made.</p>		
<p>171. A pre-requisite for making purchases is a list of actual requirements of various articles. The teacher-in-charge of the subject should be asked to prepare the list duty indicating the existing stock, and the additional requirement of each article with due regard to the ceiling limits prescribed by the Ministry/ Sangathan which should not be exceeded under any circumstances. Articles which are required in more than one department should be pooled together and a separate list of all such articles should be prepared</p>		
<p>172. The procedure for making purchases, i.e. whether to issue an advertisement or call for sealed quotations, should then be decided. Advertisement in newspaper should be resorted to in respect of purchases for Rs.2 Lakhs and above at a time, while sealed quotations from specified firms may be called for in other cases. For this purpose, the requirements of a year should be taken into account and piece-meal purchases should not be made on any account. Sealed quotations should be called for only from reputed firms dealing in the particular class of goods and not from general order suppliers of commission agents who do not store the articles for sale, put who act purely as intermediaries for procuring the articles. The selection of the firms should be objective and in the interest of the Sangathan. Quotations should be called for only from firms which have distinct legal existence and not firms which are inter-related.</p>	<p><u>Article No.172. Purchase of Goods without quotations:</u> Purchase of goods up to the value of Rs.15,000/- (Rupees Fifteen Thousand) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the authority competent to approve the purchases in the following format:- "I _____, am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price"</p>	<p>In consonance with GFR Rules 145</p>
<p>173. The notice inviting quotations should be complete in all respects so as to allow the prospective firms to have a clear idea of the articles required, the conditions to be fulfilled in supplying the articles including the period of currency of the quotations, etc. The detailed specifications of articles should</p>	<p><u>Article No. 173 Purchase of goods by purchase committee:</u> Procurement of goods costing above Rs.15,000/- (Rupees Fifteen thousand) and upto Rs.1,00,000/- (Rupees One Lakh) only on each occasion may be made on the recommendations of a local purchase committee consisting of three members of an</p>	<p>In consonance with GFR Rules 146</p>

175.2 Text of Tender Notice

The tender notice for an ATI should be carefully drafted. It should contain all the salient features of the requirement in brief to give a clear idea to the prospective tenderers about the requirements. Superfluous or irrelevant details should not be incorporated in the tender notice, as it will increase the cost of the advertisement.

The Tender Notice should contain:

- Description and specification of the goods and quantity
- Period and terms of delivery
- Cost of the tender-bidding document
- Place(s) and timing of sale of tender documents
- Place and deadline for receipt of tenders
- Place, time & date for opening of tenders Amount & Form of Bid Security Earnest Money Deposit
- Any other important information

175.3 Cost of Tender Documents

Price of the tender document should take care of the preparation and delivering cost only. If it is too high, it will discourage the prospective bidders to purchase the document and participate in the bidding process.

175.4 Sale of Tender Documents

Tender documents should preferably be sold upto one day prior to date of opening of tenders and the same should be clearly indicated in the documents. The complete tender document should also be posted on the web site and prospective tenderers be permitted to make use of the document downloaded from the web site. If the tender document is a priced one, there should be clear instructions for the tenderers in the document (which has been downloaded) to pay the amount by demand draft etc along with the tender, prepared in the downloaded document.

The sale of tender documents against ATI should not be restricted and should be available for sale freely.

The purchase organization shall maintain proper records about the number of tender documents sold, list of parties to whom sold, details of the amount received through sale and, also, the number of unsold tender documents, which are to be cancelled after the opening of the tenders.

175.5 Format of Tender

The tenderers are to furnish their quotations as per the prescribed format and also as per the instructions incorporated in the tender documents.

Quotations sent by telex, cable or facsimile are to be ignored and rejected.

175.6 Extension of Tender Opening Date

Sometimes, situations may arise necessitating modification of the tender documents already issued (LTI case) or already put on sale (ATI case). Also, after receiving the documents, a tenderer may point out some genuine mistakes necessitating amendment in the tender documents. In such situations, it is necessary to amend/modify the tender documents suitably prior to the date of submission of bids. Copies of such amendment / modification should be simultaneously sent to all the selected suppliers by registered/speed post/courier/e-mail in case of LTI. In case of ATI, the copies of such amendment / modification are to be simultaneously despatched, free of cost, by registered/speed post/courier/e-mail, to all the parties who have already purchased the tender documents and copies of such amendments are also to be prominently attached in the unsold sets of the tender documents (which are available for sale), including the tender documents put in the web site.

When the amendment/modification changes the requirement significantly and /or when there is not much time left for the tenderers to respond to such amendments, and prepare revised tender, the time and date of submission of tenders are also to be extended suitably, along with suitable changes in the corresponding time-frames for receipt of tender, tender validity period etc and validity period of the corresponding EMD/bid security. Depending on the situation, such an amendment may also need fresh publication adopting the same procedure as for publication of the original tender enquiry.

175.7 Amendments / Modifications to Tenders

The tenderer, after submitting its tender, is permitted to submit alterations/modifications to its tender so long such alterations/modifications are received duly sealed and marked like original tender, upto the date & time of receipt of tender. Any amendment/modification received after the prescribed date & time of receipt of tenders are not to be considered. Clause on Forfeiture of EMD in the article 182.1 also refers in this regard.

175.8 Pre-bid Conference

In case of turn key contract or contract of special nature for purchase of sophisticated and costly equipment, a suitable provision is to be kept in the tender enquiry document for a pre-bid conference for clarifying issues and clearing doubts, if any, about the specification and other allied technical details of the plant, equipment and machinery projected in the tender enquiry document. The date, time and place of pre-bid conference should be indicated in the tender enquiry document for information of the interested tenderers. This date should be sufficiently ahead of tender opening date.

175.9 Receipt and Custody of Tenders

Receipt and custody of tenders shall be done in a transparent manner. Tenders are to be received through tender box and, in its absence, by hand delivery to the nominated officials of the purchase department.

There may be cases where the tenders are too bulky to be put in the tender box or the purchase office is yet to install tender box and, therefore, the tenders are to be submitted by hand. In such cases, it should be ensured that names and designations of at least two officers, who will receive the tenders, are prominently mentioned in the tender documents. The information about these officers should also be displayed at the entrance / reception of the premises where tenders are to be deposited. The officer receiving a tender is to give the bearer of the tender a receipt duly signed by him with date and time of receipt of the tender. A separate register is to be maintained for keeping records of the bids, received by hand.

Such bids will be kept in safe custody with the head of the office or his authorized representative till the date & time of bid opening and then such bids will be handed over to the bid opening officer through challan, in identical manner as mentioned in the previous paragraph.

Sometimes, tenders are also received by post. Such tenders shall be received and documented in identical manner as applicable for tenders received through hand delivery.

175.16 Late Tender

In the case of advertised tender enquiry or limited tender enquiry, late tenders (i.e., tenders received after the specified date and time for receipt of tenders) should not be considered.

175.11 Opening of Tenders

All the tenders received on time shall be opened in the presence of authorized representatives of the tenderers (who have submitted regular tenders) at the prescribed time, date and place. The authorized representatives, who intend to attend the tender opening, are to bring with them letters of authority from the corresponding tenderers.

Tenders should be opened immediately after the deadline of receipt of tenders with minimum time gap in between. At least two duly authorized officials of the purchase committee should jointly open the tenders.

The tender opening officials are to announce the salient features of the tenders like description and specification of the goods, quoted price, terms of delivery, delivery period, discount if any, whether EMD furnished or not and any other special feature of the tender for the information of the representatives attending the tender opening.

After opening every tender shall be numbered serially, initialed, and dated on the first page by all the officials authorized to open the tenders. Each page of the price schedule or letter attached thereto shall also be initialed by them with

date, particularly the prices, delivery period etc., which shall also be circled and initialled with date. Blank tenders, if any, should be marked accordingly by the tender opening officials.

The original, duplicate, triplicate copies in a tender set are to be marked accordingly by the tender opening officials.

Alterations in tenders, if any, made by the tenderers, shall be initialled with date & time by the officials opening the tenders to make it perfectly clear that such alterations were present on the tenders at the time of opening. Whenever any erasing or cutting is observed, the substituted words should also be encircled and initialled with date & time to make clear that such erasing/cutting of the original entry was present on the tender at the time of opening.

175.12 Responsibility of the Tender Opening Officials

In addition to what has been mentioned in above paras, the tender opening officials will prepare a list of the representatives attending the tender opening and obtain their signatures on the same. The list will also contain the representatives' names and the corresponding tenderers' names & addresses. The authority letters brought by the representatives will be attached with this list. This list will be signed by both the tender opening officials with date & time.

An on-the-spot report containing the names of the tenderers (serial number wise) salient features of the tenders, as read out during public opening of tenders will be prepared by the tender opening officers duly signed by them with date & time.

The tenders, which have been opened, the list of the representatives attending the tender opening and the on-the spot report are to be handed over to the nominated purchase officer and acknowledgement obtained for the same.

176. The comparative statement and other records should be checked and put up before the Purchase Committee. Generally, the lowest rate for each article should be accepted by the Purchase committee. Even in accepting the lowest quotation, regard should be paid to the reasonableness of the rate. A certificate to this effect should be recorded on the comparative statement. It is not, however, desirable that lowest rates should be accepted by compromising the quality of articles. At the same time, undue emphasis should also be laid on foreign make or superior quality, if articles of lesser prices but of equal durability, which can serve the purpose, are available. Arbitrary preferences should be avoided. The ultimate object should be to protect the interest of the Sangathan and as such specific and strong reasons should be adduced for rejecting the lowest rate. If the standard conditions of supply are not acceptable to a particular firm whose rates are lower and the quality of the articles of which is up to the mark, efforts should be made to conduct negotiations with the firm, procure the article by suitably relaxing the conditions where practicable, and thereby secure economy rather than rejecting the quotation outright.

When the Purchase Committee takes a decision that the lowest rate should not be accepted, the reasons therefore should be clearly recorded in writing in a Minute of the Purchase Committee and the Minute should be put up to the Chairman of the School Management Committee for orders duly citing reference to the policies, objectives and principles set out in para 169 above. The Chairman will exercise his discretion on the merits of each case duly keeping in view the policies, objectives and principles explained above. If he desires that the case deserves to be brought to the notice of the Sangathan, a self-contained reference should be made to the Sangathan for orders. The orders of the Chairman of the Sangathan as the case may be should be carried out by the Principal.

Article No. 176 Limited Tender Enquiry (LTE)

- i) This method may be adopted when estimated value of the goods to be procured is less than Rs. 5,00,000/- (Rupees Five Lakhs). Copies of the bidding document should be sent directly by speed post/ registered post/courier/e-mail to firms, which are borne on the list of registered suppliers for the goods in question as referred under Article 170 above. Minimum three quotations should be obtained. Further web-based publicity should be given for limited tender. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis.
- ii) Purchase through limited tender enquiry may be adopted even where the estimated value of the procurement is more than Rs 5,00,000/- (Rupees Five Lakhs) in the following circumstances:
 - a) When the demand is urgent and any additional expenditure involved by not procuring through Advertised Tender Enquiry is justified in view of urgency. The Head of Office/Department shall put on record the nature of the urgency and reasons why the procurement could not be anticipated.
 - b) There are sufficient reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the goods through advertised tender enquiry.
 - c) The sources of supply are definitely known and possibility of fresh source(s) beyond those being tapped, is remote.
- iii) Sufficient time should be allowed for submission of bids in LTE cases (two weeks)
- iv) Repeat order system is not permissible

177. After the quotations are finalized on the lines indicated above, a supply order, clearly specifying the description of the articles, the number of articles, the date by which delivery should be made, place of delivery, rates and other relevant conditions of supply, should be placed on the selected firm. The supply order should be carefully compared with the accepted quotation before issue and a reference to the quotation invited therein.

Article No.177 Two Bid System

- i) For purchasing high value goods (individually costing Rs.5,00,000/- and above) of a complex and technical nature, bids may be obtained in two parts as under:
 - a. Technical bid consisting of all technical details
 - a) Financial bid indicating item-wise price for the items mentioned in the technical bid along with commercial terms and conditions.
- ii) The technical bid and the financial bid should be sealed by the bidder in separate covers duly superscribed and both these sealed covers are to be put in a bigger cover which should also be sealed and duly superscribed.
- iii) The technical bids are to be opened by the Bid Opening Committee consisting of atleast three Officers at the first instance and evaluated by a duly constituted Bid Evaluation Committee of technical and commercial experts. At the second stage, financial bids of only the technically acceptable offers should be opened for further evaluation and ranking before awarding the contract. Only the lowest evaluation responsive (both technical bid and commercial combined) bidder shall be accepted.

178. While inviting quotations, the prospective tenders may be asked to deposit a suitable sum, which should not be less than 10% of the contract value, as earnest money. In cases where the quotations are not accepted, the earnest money should be refunded. In the case of successful tenderer, the earnest money should be retained as security deposit. If a contractor fails to supply the articles in time, the Principal shall reserve the right to purchase the articles from the market or get the rest of the contract completed by another party and adjust the difference in price, if any, from the security deposit and recover the deficiency thereafter, if any, from the contractor. The security deposit should be retained for at least a period of six months after the satisfactory completion of the

Article No.178 Specification, Warranty & Training etc.

- i) The specifications of the required goods should be clearly stated without any ambiguity so that the prospective bidders can send meaningful bids. In order to attract sufficient number of bidders, the specification should be broad based to the extent feasible. Efforts should also be made to use standard specifications which are widely known to the industry.
- ii) For finalization of specification, a Purchase Advisory Committee may be constituted. Finalisation of specifications should also be preferably based on a market survey of available models and their specifications.

contract.

In the case of reputed firms of high standing, which are not prepared to tender earnest money/security deposit, there is no object to dispense with the earnest money/security deposit, if the Chairman of the Vidyalaya Management Committee considers, in the light of past dealings with the firm, or independently otherwise, that no loss is likely to result in doing so. The reasons should be recorded in writing in such cases and all precautions taken to ensure compliance with the conditions of supply, etc

- iii) Warranty and Annual Maintenance Contract (AMC) for the duration of the life of the equipment are desirable but there is a need to be careful in deciding the period for which they are to be provided. Laboratory equipment may get obsolete with time and there is a need to replace them. Providing a very long warranty with AMC coverage may therefore add to the cost without being fruitfully utilized as the length of commitment does have an effect on price. A warranty with AMC coverage of around 5 years (2+3 years or 3+2 years, respectively) may be preferred to being with. The AMC can be extended beyond this period if the equipment remains serviceable and is to be continued. The Warranty period of 24/27 months should be provided only if it is an accepted industry standard for the equipment being procured. Otherwise, this may result in reduced competition and increased cost. The period should therefore be stipulated after ascertaining the normal industry standards. Bank Guarantee (BG) coverage in the prescribed format for AMC should invariably be obtained so that the supplier or his agent has continued interest in maintaining the equipment.
- iv) It may be desirable to buy a standard model befitting the laid down specifications rather than equipment tailor-made for the purpose. This is likely to give more trouble-free service as such equipment has stood the test of time. In the qualification criteria, therefore, it may be included that the bidder or his principal should have been manufacturing and supplying the particular equipment for say six months or one year prior to bid opening. Qualification criteria like years of experience and extent of sales in the past have a bearing on quality as also on competitiveness. It is better to base them on a market survey. In case an Indian agent is to provide substantial incidental services it may be desirable to prescribe qualification criteria for the agent in addition to the qualification criteria for the manufacturer/supplier.
- v) Training for use of critical equipment is necessary and should form part of the incidental services. However, free training at a manufacturer's end adds to the cost and should be asked for only when it is considered essential. Otherwise non-utilization of this provision will only mean payment of a hidden cost, remaining unused. Further, the break-up of the cost of training must be obtained at the time of bidding itself. Also, the nature and scope of training should be clearly defined in the bid documents.

	vi) Unless onsite service is provided for both warranty and AMC, there may be problems, wherein the bidder may agree to provide replacement of parts but the work involved with documentation, import, customs clearance, insurance, etc. for replacement of parts may fall on the purchaser.	
<p>179. When the supplies are received, the same should be inspected with reference to the accepted quotation so as to satisfy that the goods are of the requisite type, specifications and quality. In the case of furniture, inspection should be carried out before polishing of the furniture is undertaken. It should be noted that a thorough inspection is a pre-requisite for quality purchases. Goods which do not conform to the specifications or which are defective in any respect should be returned and not replaced at the cost of the supplier. Costly equipment, i.e. items costing above Rs.5000/-each, like computer, epidiascope, microscope, etc. should be inspected by the Principal himself and get demonstrated or operated before approval.</p>	<p>Article No.179 Single Tender Enquiry</p> <p>Procurement from a single source may be resorted to in the exceptional circumstances viz.:</p> <ol style="list-style-type: none"> i) It is in the knowledge of the Vidyalaya/RO/Hqrs that only a particular firm is the manufacturer of the required goods. ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such decision is to be recorded and approval of the Competent authority obtained. iii) For standardization of machinery or space parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the Competent authority) the required items is to be purchased only from a selected firms. <p><u>Note:</u></p> <p>Proprietary Article Certificate in the following form is to be provided by the purchase unit before procuring the goods from a single source and after obtaining approval of competent authority:</p> <ol style="list-style-type: none"> i) The indented goods are manufactured by M/s. _____ ii) No other make or model is acceptable for the following reasons: _____ iii) Concurrence of the Chairman, VMC/ Regional Office/Hqrs to the proposal vide _____ has been obtained iv) Approval of the competent authority vide _____ has been obtained <p>Signature: _____, Principal, Office No. _____, _____, _____</p>	

180. Deleted.

Article No.180 Evaluation of Tenders, Formulation of Purchase Proposal and Placement of Contract

i) Evaluation of tenders is one of the most significant areas of Purchase Management. The contract should be placed only on responsive tender.

The Purchase Officer should prepare a comparative statement of quotations received in the order in which tenders were opened. This statement will have information about specifications of the material offered by the tenderer, rates quoted (including taxes or otherwise), discount, if any, delivery schedule, earnest money deposit, validity of the offer, payment schedule etc. this action should be taken before preliminary examination of the tenders. The comparative statement so prepared should be signed by the concerned officers.

All the tenders are to be evaluated strictly on the basis of the terms & conditions incorporated in the tender enquiry document (based on which offers have been received) and the terms, conditions etc. stipulated by the tenderers in their tenders. No new condition should be brought in while evaluating the tenders. Similarly, no tender enquiry condition (specially the significant/essential ones) should be overlooked while evaluating the tenders. Aim should be to ensure that no tenderer gets undue advantage at the cost of other tenderers and/or at the cost of the purchaser.

ii) All the tenders so received will first be scrutinized to see whether the tenders meet the basic requirements as incorporated in the tender enquiry document. The tenders, who do not meet the basic requirements, are to be treated as unresponsive and ignored

The following are the important points, for which a tender may be declared as unresponsive and to be ignored, during the initial scrutiny:

- (i) The tender is unsigned.
- (ii) The tenderer is not eligible.
(Example: The tender enquiry condition says that the bidder has to be a registered SSI unit; but the tenderer is a, say, Large Scale Unit).
- (iii) The tender validity is shorter than the required period.
- (iv) Required EMD has not been provided.
- (v) The tenderer has quoted for goods manufactured by a different firm without the required authority letter from the proposed

183.13 Placement of Supply Orders

Supplies are to be obtained against a rate contract by placing on the rate contracted firm supply order containing the quantity of the goods to be supplied and incorporating the prices and other relevant terms and conditions of the rate contract. The officials placing such supply orders should be duly competent and authorized to do so,

A supply order should generally contain the following important details:

- (a) Rate Contract No. and date.
- (b) Quantity. (Where there is more than one consignee, the quantity to be despatched to each consignee is to be indicated).
- (c) Price.
- (d) Date of Delivery by which supplies are required.
(In the supply order, a definite delivery date based on the delivery period stipulated in the rate contract is to be provided).
- (e) Full address of the purchase organization along with telephone No., Fax No. and E. mail address.
- (f) Complete and correct designation and full postal address of the consignee(s)/goods receiving officer(s) along with telephone No., Fax No. and E-mail address.
- (g) Nearest Railway Siding (NRS) of the consignee(s).
- (h) Despatch instructions
- (i) Designation and address of the inspecting officer.
- (j) Designation and address of the paying authority to whom the bills are to be raised by the supplier

Copies of supply order are to be endorsed to all concerned.

Model format of Supply Order is available with DGS&D. The same may be obtained from them when needed.

183. Furniture - The following requirements should be kept in view in making purchases of furniture:-

- (a) Luxury items, for example, table with sunmica top, cushioned or revolving chair, etc. should not be purchased.
- (b) The type of furniture should be such that it will be durable (i.e. that can serve for a reasonable period) and at the same time not costly
- (c) Furniture should be inspected before polishing so as to find out the existence of cracks, knots, etc. where wooden furniture is purchased with specific approval in preference to steel furniture.

Article No. 184 : Procurement of services & Outsourcing of Services:

Kendriya Vidyalaya Sangathan(HQ)/Regional offices/Kendriya Vidyalaya may hire external professionals, consulting firms or consultants (referred to as consultant hereinafter) for a specific job which is well defined in

terms of contract and time frame for its completion or outsource certain services in conformity with Rule 163 to 185 of General Financial Rules, 2005.

Article No. 185 : Procurement of Works:

Kendriya Vidyalaya Sangathan(HQ)/Regional offices/Kendriya Vidyalaya shall procure works in accordance with the stipulations of Rule 123 to 133 of the General Financial Rules, 2005, except the fact that in case of KVS consultation with MHRD instead of Ministry of Urban Development shall be held, if otherwise required.

manufacturer,

- (vi) Tenderer has not agreed to give the required performance security.
- (vii) The goods quoted are sub-standard, not meeting the required specification etc.
- (viii) Against a schedule in the List of Requirement (incorporated in the tender enquiry), the tenderer has not quoted for the entire requirement as specified in that schedule.

(Example; In a schedule, it has been stipulated that the tenderer will supply the equipment, install and commission it and also train the purchaser's operators for operating the equipment. The tenderer has however, quoted only for supply of the equipment).

- (ix) The tenderer has not agreed to some essential condition(s) incorporated in the tender enquiry.

(Example: Some such important essential conditions are - terms of payment, liquidated damages clause, warranty clause, dispute resolution mechanism, applicable law and any other important condition having significant bearing on the cost/utility/performance of the required goods, etc.

iii) During the above preliminary examination, the purchaser may also find some minor informality and/or irregularity and/or non-conformity in some tenders. The purchaser may waive the same provided the same does not constitute any material deviation and financial impact and, also, does not prejudice or affect the ranking order of the tenderers. Wherever necessary, the purchaser is to convey his observation on such 'minor' issues (as mentioned above) to the tenderer by registered letter/speed post etc. asking the tenderer to respond by a specified date also mentioning therein that, if the tenderer does not confirm the purchaser's view or does not respond at all by that specified date, its tender will be liable to be ignored. Depending on the outcome, such tenders are to be ignored or considered further.

(Example : A tender enquiry stipulates, as an essential condition, that the tenderer, along with its quotation, must also submit a certified copy of its latest income tax clearance certificate (ITCC). If a tenderer does not provide this document, the purchaser may ask for it with target date as above. If the tenderer does not respond by that target date, its offer will be liable to be ignored)

iv) Non-conformities between the figures and words of the Quoted Prices -
Sometimes, non-conformities/errors are also observed between the quoted prices in figures and that in words. The same is to be taken care of as indicated below:

(a) If, in the price structure quoted for the required goods, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.

(b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and

(c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above

If there is such discrepancy in an offer, the same is to be conveyed to the tenderer with target date on the above lines and if the tenderer does not agree to the observation of the purchaser, the tender is liable to be ignored.

v) Discrepancies between original and additional copies of a Tender -
Increase of discrepancies observed between the original copy and the other copies of the same tender set. The text etc. of the original copy will prevail.

vi) All the actions mentioned in the above paragraphs should have the approval of the competent authority at appropriate stages.

vii) Details of all the tenderers, which have been declared unresponsive and to be ignored as per above analysis and, also, the grounds for their becoming unresponsive are to be accurately recorded in the purchase file.

viii) Qualification Criteria

After completing the stage as per preceding para, it is to be examined whether the remaining tenderers (i.e. other than the unresponsive tenderers) meet the required qualification criteria incorporated in the tender enquiry document. The tenderers, which do not meet the required qualification criteria are to be declared unresponsive and not to be considered further. Details of such tenderers, which do not meet the required qualification criteria are also to be recorded in the purchase file along with the grounds for their becoming unresponsive. For details please visit the website of Ministry of Finance Department of Expenditure, Govt. of India

Note: However, in case of Two Bid System the technical acceptability of the offers are first determined and, thereafter, the financial bids of only the technically acceptable offers are opened for further scrutiny and processing for placement of contract.

ix) Scrutiny of Responsive Tenders

The responsive tenders (i.e. after ignoring all the unresponsive tenderers as above) are to be evaluated and ranked as per the procedure indicated in subsequent paragraphs.

However, when the required goods are simple in nature and have standard specifications, initial scrutiny as well as scrutiny for qualification criteria may be done simultaneously in one go.

In case the required goods are of sophisticated nature and comparatively costly, then in the first stage the initial scrutiny will be done to segregate the unresponsive tenders. Thereafter, all the remaining tenders are to be evaluated and ranked. The next step will be to check fulfillment of required qualification criteria by the tenderers so ranked, starting from the lowest evaluated tender (L1). If L1 meets the required qualification criteria, that tender is to be selected for placement of contract. But if it does not meet the required criteria then similar determination is to be done for the next lowest evaluated tender (L2) and so on till reaching the tender who meets the required qualification criteria. By adopting this procedure, the purchase organization will save time by not checking the qualification aspects of all the responsive offers, simultaneously in one go.

x) Reasonableness of Price

Before placing the contract on the lowest evaluated responsive tender (LI), the purchase organization is to ensure that the price to be paid is reasonable.

The broad guidelines for judging the reasonableness of price are as under:

- (i) Last purchase price of same (or, in its absence, similar) goods
- (ii) current market price of same (or, in its absence, similar) goods
- (iii) Price of raw materials, which go into the production of the goods
- (iv) Receipt of competitive offers from different sources
- (v) Quantity involved
- (vi) Terms of delivery
- (vii) Period of delivery
- (viii) Cost analysis (material cost, production cost, over-heads, profit margin)

NB: Price paid in an emergency purchase or purchase price of goods offered by a firm through 'distress sale' (i.e. when the firm clears its excess stock at throw away prices to avoid further inventory carrying cost etc.) are not accurate guidelines for future use.

xi) Price not Reasonable - If LI's price is not reasonable, then, in the first place, the purchase organization is to review its own data & details to recheck whether the reasonable price so arrived is correct or not. If it is correct, the purchase organization may, strictly as an exception, negotiate the price only with the lowest evaluated responsive tender (LI) in an attempt to bring down the same.

If LI reduces the price to the desired level, contract may be placed on it but if it does not agree, then further action like re-tendering etc. may be decided by the purchase organization depending on the merits of the case.

xii) Lack of Competition - Sometimes the purchase organization may not receive sufficient number of tenders. A situation may also arise where, after analyzing the tenders, the purchase organization ends up with one responsive tenderer. In such situations, the purchase organization is first to check whether, while floating/issuing the tender enquiry, all necessary requirements like standard tender enquiry conditions, industry friendly specification, wide publicity,

sufficient time for formulation of tenders, etc. were fulfilled. If not, the tender is to be re-issued/re-floated after rectifying the deficiencies. However, if after scrutiny it is found that all such aspects were fully taken care of and in spite of that the purchaser ends up with one responsive tender only, then contract may be placed on that tenderer provided the quoted price is reasonable.

xiii) Dividing the Quantity

As per standard procedure, each schedule of requirement incorporated in the tender enquiry document is to be covered on the lowest responsive tenderer for that schedule without dividing the same. The tenderer who does not quote for the complete schedule as required is normally to be treated as unresponsive and ignored. However, there may be special occasions of purchase of very large quantities of goods which are beyond the capacity of a single tenderer and the lowest responsive tenderer is unable to take the lot of the entire quantity. In such cases, the remaining quantity may be ordered on the second lowest responsive tenderer (L2) at the rates offered by the lowest responsive tenders (L1), as far as feasible and for this purpose negotiation may be held with the above tenderer (viz. L2). In such cases, it may also become necessary to divide the requirement under a schedule by placing multiple contracts for part quantities on more than 2 responsive tenderers. Such eventuality should normally be foreseen and provided for in the notice inviting tenders. The formula proposed to be adopted for allocation of orders to multiple (responsive) tenderers should be clearly brought out in the notice inviting tenders. The splitting of order by purchasing organization should be an exception rather than a rule.

xiv) Award of Contract

Before expiry of the tender validity period, the purchase organization shall notify the successful tenderer in writing, by suitable foolproof method, that its tender (briefly indicating therein relevant details like quantity, specification of the goods ordered, prices etc.) has been accepted. In the same communication, the successful tenderer is to be instructed to furnish the required Performance Security within a specified period (generally 21 days). Promptly after the above notification, the purchase organization is also to issue the contract to the successful tenderer asking therein, *inter alia*, to send its unconditional acceptance of the contract within

fifteen days. It should also be made known to the successful tenderer that in case, it does not furnish the required performance security or does not accept the contract within the stipulated target dates, such non-compliance will constitute sufficient ground for forfeiture of its EMD and processing the case for further action against it (the successful tenderer)

xv) Tolerance Clause

To take care of any change in the requirement during the period starting from issue of tender enquiry till placement of the contract, a plus/minus tolerance clause is incorporated in the tender document, reserving purchaser's right to increase or decrease the quantity of the required goods upto that limit without any change in the terms & conditions and prices quoted by the tenderers. While awarding the contract, the quantity ordered may be increased or decreased, if necessary, within the prescribed plus/minus tolerance limit.

The tolerance limit should be reasonable. Higher the tolerance limit, more is the uncertainty for the tenderers in formulating their prices. Therefore, higher the tolerance limit, more is the chance of loading on the prices quoted by the tenderers to take care of such uncertainties. Generally, the tolerance limit should not be more than plus/minus fifteen percent.

xvi) Publication of Tender Result - The name of the successful tenderer awarded the contract should be mentioned in the notice board/bulletin/web site of the concerned Ministry/Department.

xvii) Return of EMD to Unsuccessful Tenderers

The EMDs of the unsuccessful tenders are to be returned to them without any interest, whatsoever

xviii) Tenderer's Right to question Purchaser

A tenderer shall have the right to be heard in case it feels that proper procurement process is not being followed and/or its tender has been rejected wrongly. The tenderer is to be permitted to send its representation in writing, which is to be

examined. But, such representation has to be sent within one month from date of placement of contract and to be replied within one month from date of receipt of the representation.

vi) Extension of Tender Validity Period

The entire process of scrutiny & evaluation of tenders, preparation of ranking statement and notification of award must be done within the original tender validity period. The validity period should not be unreasonably long as keeping the tender unconditionally valid for acceptance for longer period entails the risk of getting higher prices from the tenderers. Generally, the validity period should not be more than three months from the date of tender opening.

If however, due to some exceptional and unforeseen reasons, the purchase organization is unable to decide placement of the contract within the original validity period, it should request, before expiry of the original validity period, all the responsive tenderers to extend their tenders upto a specified period. While asking for such extension, the tenderers are also to be asked to extend their offers as it is, without any changes therein. They may also be told to extend the validity of the EMD for the corresponding additional period (which is to be specified in the request). A tenderer may not agree to such a request and this will not tantamount to forfeiture of its EMD. But the tenderers, who agree to extend the validity, are to do so without changing any terms, conditions etc. of their original tenders.

181. If a tender received is liable to rejection on the ground that it does not strictly conform to the instructions given in the invitation to tender and would result in hardship, there is no objection to waiving requirements of the following nature or getting the defects rectified on the lines indicated below:-

Article No.181 Maintenance Contract

- i) Depending on the cost and nature of the goods to be purchased, it may also be necessary to enter into maintenance contract(s) of suitable period either with the supplier of the goods or with any other competent firm, not necessarily the supplier of the subject goods.
- ii) Such maintenance contracts are especially needed for sophisticated and costly equipment & machinery. It may, however, be kept in mind that the equipment or machinery is maintained free of charge by the supplier during its warranty period or such other extended periods as the contract terms may provide and the paid maintenance should commence only thereafter.

Nature of defect on deviation	Procedure to be followed
(a) Tenders submitted on forms other than those supplied by the school.	If the contents of the tender form as supplied are exactly reproduced, the

	form tendered may be accepted. However, the contractors should be advised to use only the forms supplied by the school.		
(b) Tenderers submit their own conditions of supply.	To be rejected except on account of variations in time schedule or others, which could be accepted provided the rates are favourable, vide also Article 176 above	iii)	Some goods, especially sophisticated equipment and machinery need proper maintenance for trouble free service. For this purpose, the purchase organization may enter into maintenance contract. It must however be kept in mind that maintenance contract is to start after the expiry of the warranty period, during which period the goods are to be maintained free of cost by the supplier.
(c) Tender instructions given to tenders (which are to be returned with tenders) are not duly witnessed, or that they have not been returned.	There is no objection to getting the omission supplied before placing the supply order.	iv)	Maintenance contract may be entered into either with the manufacturer/supplier of the goods or with a competent and eligible firm, not necessarily the manufacturer/supplier of the goods in question. The purchase organization should decide this aspect on case to case basis on merit.
(d) Income Tax Clearance Certificate not furnished.	The certificate may be insisted upon before placing the supply order vide also Article 186 above.		<p>If the maintenance contract is to be entered into with the supplier of the goods, then suitable clauses for this purpose are to be incorporated in the tender enquiry document itself and while evaluating the offers, the cost component towards maintenance of the goods are also to be added in the evaluated tender value on overall basis to decide the inter se ranking of the responsive tenderers. An equipment with a lower quoted price may carry a higher maintenance liability. Therefore, total cost on purchase and maintenance of the equipment over its projected lifecycle should be assessed to consider its suitability for purchase.</p> <p>However, if the maintenance contract is to be entered into with a competent and eligible supplier separately, then a separate tender enquiry is to be floated for this purpose and tenders evaluated and ranked accordingly for placement of maintenance contract. Here, the supplier of the goods may also quote and its quotation, if received, is to be considered along with other quotations received.</p> <p>While evaluating the tenderers for maintenance of goods covering a longer period (say, more than one year), the quoted prices pertaining to maintenance in future years are to be discounted to the net present value (NPV) as appropriate for comparing the tenders on equitable basis and deciding the lowest evaluated responsive tender.</p>

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| | <ul style="list-style-type: none"> v) The details of the services required for maintenance of the goods, the required period of maintenance and other relevant terms & conditions including payment terms are to be incorporated in the tender enquiry document. The terms of payment for the maintenance service will depend on the nature of the goods to be maintained as well as the nature of the services desired. Generally, payment for maintenance are made on half-yearly or quarterly basis. vi) A suitable provision should be incorporated in the tender enquiry document and in the resultant maintenance contract indicating that the prices charged by the maintenance contractor should not exceed the prevailing rates charged by it from others for similar services. While claiming payment, the contractor is also to give a certificate to this effect in its bill. vii) If the goods to be maintained are sophisticated and costly, the tender enquiry document should also have a provision for obtaining performance security. The amount of performance security will depend on the nature of the goods, period of maintenance etc. It generally varies from 2.5 % to 5% of the value of the equipment to be maintained. viii) Sometimes, the maintenance contractor may have to take the goods or some components of the goods to its factory for repair etc. On such occasions, before handing over the goods or components, suitable bank guarantee is to be obtained from the firm to safeguard purchaser's interest. ix) Sometimes, during the tenure of a maintenance contract, especially with a longer tenure, it may become necessary for the purchase organization to withdraw the maintenance contract due to some unforeseen reasons. To take care of the same, there should be a suitable provision in the tender document and in the resultant contract. A model clause to this effect is provided below: | |
|--|--|--|

	<p>"The purchaser reserves its right to terminate the maintenance contract at any time without assigning any reason. The contractor will not be entitled to claim any compensation against such termination. However, while terminating the contract, if any payment is due to the contractor for maintenance services already performed in terms of the contract, the same would be paid to it as per the contract terms".</p> <p>Depending on the cost and nature of the goods to be maintained, suitable notice period for such cancellation to come into effect is to be provided in the documents.</p>	
	<p><u>Article No.181.1 Turnkey Contract</u></p> <p>A turnkey contract is a mix of goods contract and works contract. Generally, in the tender enquiry documents for a turnkey contract, the purchaser organization specifies the performance and output required from the plant proposed to be set up and broadly outlines the various parameters it visualizes for the desired plant. The inputs and other facilities, which the purchase organization will provide to the contractor are also indicated in the tender enquiry document. The contractor is to design the plant and quote accordingly. The responsibility of the contractor will include supplying the required goods, machinery, equipment etc. needed for the plant; assembling, installing and erecting the same at site as needed; commissioning the plant to meet the required output etc., as specified in the tender enquiry documents.</p> <p>While entering into a turn-key contract, the purchase organisation is to follow the relevant instructions prescribed in the Purchase Manual for Goods as well as in the Works Manual.</p>	
	<p><u>Article No.181.2 Disposal of Surplus Goods</u></p> <p>With the passage of time, many of the goods purchased by the purchase unit become unserviceable or obsolete. Such goods are classified as surplus goods. The purchase unit should dispose of such surplus goods at the earliest, to avoid unnecessary inventory carrying cost, decrease in resale price of those goods etc.</p> <p>Detailed comprehensive instructions for disposal of surplus goods are available under Rules 196 to 202 of General Financial Rules, 2005.</p>	

182. Equipment for Science Laboratories

(a) The requirements of science laboratories are to be regulated in accordance with the list of equipment for each laboratory approved by the Sangathan from time to time based on primarily the syllabus prescribed by the Central Board of Secondary education.

(b) The quantities and specifications should not, as an absolute rule, be exceeded. Additional items of equipment, if any, needed for the laboratory may, however, be obtained with the prior approval of the Executive Committee, VMC giving full justification for their requirement. In respect of articles for which specifications have not been given, only specifications suitable to the syllabus of the examination should be selected. The following points are given for guidance in regard to specifications:

Petrol gas plant for the chemistry department should be suitable only for 24 burners so as to cater for about 20 students doing practicals. If a gas plant with exact capacity of 24 burners is not available, a plant with the next lower capacity (say 20 burners) may be purchased. As this is a costly equipment elaborate enquiries of the make, should be made before making the purchase.

The photographic camera prescribed for the physics department is intended only for demonstration purposes and as such a costly camera should not be purchased.

A gramophone with records has been purchased for the physics department. There is no objection to purchasing a record player with one or two records.

Article No.182.1 Bid Security

- i) To safeguard against a bidder's withdrawing or altering its bid during the bid validity period in the case of advertised or limited tender enquiry, Bid Security (also known as Earnest Money) is to be obtained from the bidders except the following:
 - a) Registered Suppliers with the Kendriya Vidyalaya.
 - b) Registered units with the National Small Industries Corporation (NSIC)
 - c) Government Approved Suppliers
- ii) The bidders should be asked to furnish bid security alongwith their bids. Amount of bid security should ordinarily range between two(2%) percent to five (5%) percent of the estimated value of the goods and one percent(1%) to three (3%)percent for works. (In some cases, for example in vehicles, where bid security is considered not essential, it could be dispensed with.)
 - iii) The bid security may be accepted in the form of:
 - a) Account Payee Demand Draft.
 - b) Fixed Deposit Receipt.
 - c) Banker's Cheque
 - d) Bank Guarantee from any of the Commercial Banks in an acceptable form.
 - iv) The bid security is normally to remain valid for a period of forty-five (45) days beyond the final bid validity period.
 - v) Bid security of the unsuccessful bidders should be returned to them at the earliest after the expiry of the final bid validity and latest on or before the 30th day after the award of the contract.
 - vi) Forfeiture of EMD : EMD of a tenderer will be forfeited, if the tenderer withdraws or amends its tender or impairs or derogates from the tender in any respect within the period of validity of its tender. Further, If the successful tenderer fails to furnish the required performance security within the specified period, its EMD will be forfeited.

Records exceeding this number may be purchased out of the Audio-visual Grant, if available, or from the Pupils' Funds, if necessary.

Note: As far as possible N.C.E.R.T. Kits should be used up to Class XII.

Article No.182.2 Performance Security

- i) To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract.
- ii) Performance Security is to be obtained from every successful bidder irrespective of its registration status etc.
- iii) Performance Security should be for an amount of five to ten percent of the value of the contract in case of goods and five percent (50% to be retained till completion of the whole of the works and 50% to be retained till the end of defects liability period) of the contract price works. Similarly, Retention money should be five percent of the contract value in works. There is no retention money for goods
- iv) Performance Security may be furnished in the form of any one of the following:
 - a) Account Payee Demand Draft
 - b) Fixed Deposit Receipt from a Commercial bank.
 - c) Bank Guarantee from Commercial Bank in an acceptable form, safeguarding the purchaser's interest in all respects.
- v) Performance Security should remain valid for a period of sixty days beyond the date of completion of all contractual obligations of the supplier including warranty objections.
- vi) Bid Security should be refunded to the successful bidder on receipt of Performance Security.
- vii) Forfeiture of Performance Security
Performance security is to be forfeited and credited to the purchase organization in the event of a breach of contract by the supplier, in terms of the relevant contract.

Records exceeding this number may be purchased out of the Audio-visual Grant, if available, or from the Pupils' Funds, if necessary.

Note: As far as possible N.C.E.R.T. Kits should be used up to Class XII.

Article No.182.2 Performance Security

- i) To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract.
- ii) Performance Security is to be obtained from every successful bidder irrespective of its registration status etc.
- iii) Performance Security should be for an amount of five to ten percent of the value of the contract in case of goods and five percent (50% to be retained till completion of the whole of the works and 50% to be retained till the end of defects liability period) of the contract price works. Similarly, Retention money should be five percent of the contract value in works. There is no retention money for goods.
- iv) Performance Security may be furnished in the form of any one of the following:
 - a) Account Payee Demand Draft.
 - b) Fixed Deposit Receipt from a Commercial bank.
 - c) Bank Guarantee from Commercial Bank in an acceptable form, safeguarding the purchaser's interest in all respects.
- v) Performance Security should remain valid for a period of sixty days beyond the date of completion of all contractual obligations of the supplier including warranty objections.
- vi) Bid Security should be refunded to the successful bidder on receipt of Performance Security.
- vii) Forfeiture of Performance Security
Performance security is to be forfeited and credited to the purchase organization in the event of a breach of contract by the supplier, in terms of the relevant contract.

- viii) Refund of Performance
Performance Security should be refunded to the supplier without any interest, whatsoever, after it duly performs and completes the contract in all respects but not later than 60 days of completion of all such obligations under the contract.
- ix) Verification of the Bank Guarantees
Bank Guarantees submitted by the tenderers / suppliers as EMD / Performance Security need to be immediately verified from the issuing Bank before acceptance.
- x) Safe Custody and Monitoring of EMDs, Performance Securities & Other Instruments
Suitable mechanism for safe custody, etc. and monitoring of EMDs and Performance Securities and other Instruments should be evolved - and implemented by each Ministry/Department. The Ministries/Departments shall also make institutional arrangements for taking all necessary actions on time for extension or encashment or refund of EMDs and Performance Securities, as the case may be. Monitoring should also include a monthly review of all Bank Guarantees and other instruments expiring after 3 months, along with a review of the progress of the corresponding contracts. Extension of Bank Guarantees and other instruments, where warranted, should be sought immediately and implemented within their validity period.

Article No.182.3 Advance payment to supplier

Ordinarily, payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However, it may become necessary to make advance payments in the following types of cases:

- i) Advance payment demanded by firms holding maintenance contracts for servicing of Air-conditioners, computers, other costly equipment, etc.
- ii) Advance payment demanded by firms against fabrication contracts, turnkey contracts etc.

Such advance payments should not exceed the following limits:

- i) Thirty percent of the contract value to private firms;
- ii) Forty percent of the contract value to a State or Central Government Agency or a Public Sector Undertaking; or
- iii) In case of maintenance contract, the amount should not exceed the amount payable for six months under the contract.

While making any advance payment as above, adequate safeguards in the form of Bank Guarantee etc. should be obtained from the firm.

Article No.182.4 Part payment to Suppliers

Depending on the terms of delivery incorporated in a contract, part payment to the supplier may be released after it dispatched the goods from its premises in terms of the rate contract

Article No.182.5 Transparency, competition, fairness and elimination or arbitrariness in the procurement process.

All purchases should be made in a transparent, competitive and fair manner, to secure best value for money. This will also enable the prospective bidders to formulate and send their competitive bids with confidence. Some of the measures for ensuring the above are as follows.

- i) The text of the bidding document should be self-contained and comprehensive without any ambiguities. All essential information, which a bidder needs for sending responsive bid, should be clearly spelt out in the bidding document in simple language. The bidding document should contain, inter alia:
 - a) The criteria for eligibility and qualifications to be met by the bidders such as minimum level of experience, past performance, technical capability, manufacturing facilities and financial position, etc.

- b) Eligibility criteria for goods indicating any legal restrictions or conditions about the origin of goods etc., which may required to be met by the successful bidder;
- c) The procedure as well as date, time and place for sending the bids;
- d) Date, time and place of opening of the bid;
- e) Terms of delivery;
- f) Special terms affecting performance, if any.

- ii) Suitable provision should be kept in bidding document to enable a bidder to question the bidding conditions, bidding process and/or rejection of its bid.
- iii) Suitable provision for settlement of disputes, if any, emanating from the resultant contract, should be kept in the bidding document.
- iv) The bidding document should indicate clearly that the resultant contract will be interpreted under Indian Laws.
- v) The bidders should be given reasonable time to send their bids.
- vi) Bidders are usually required to furnish certificates from their consignees for satisfactory performance of the equipment supplied. If complete details are not given by the bidder, the purchaser is not able to verify. It is desirable to ask the bidder to provide the names of contact persons and their telephone numbers with a confirmation that the bidder has no objection to the purchaser verifying with the users.
- vii) The bids should be opened in public and authorized representatives of the bidders should be permitted to attend the bid opening.
- viii) It is better to constitute standing bid evaluation committees for major points of purchase at the site, to avoid delays in approvals for constituting such committees each time.
- ix) Criteria for determining responsiveness of bids, criteria as well as factors to be taken into account for evaluating the bids on a common platform and the criteria for awarding the contract to the lowest evaluated responsive bidder should be clearly indicated in the bidding documents.

- x) Bids received should be evaluated in terms of the conditions already incorporated in the bidding documents; no new condition which was not incorporated in the bidding documents should be brought in for evaluation of the bids. Determination of a bid's responsiveness should be based on the contents of the bid itself without recourse to extrinsic evidence.
- xi) Where bidders are not pre-qualified, minimum post-qualification criteria should be clearly specified in the bidding document and enforced.
- xii) Re-bidding shall not be used as a matter of routine. The reasons for not receiving sufficient bids need to be analyzed and corrective measures taken before re-invitation of bids.
- xiii) 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.
- xiv) Before accepting the ordered goods, it must be ensured that the goods have been manufactured as per the required specifications and are capable of performing the functions as specified in the contract. To achieve the same, the tender document and the subsequent contract should specify the details of inspection and tests to be carried out and stages and manner for carrying out the same.
- xv) The inspection procedure will be as per the provisions contained in the contract.
- xvi) Purchaser has the right to reject the goods on receipt at site during final inspection though the goods have already been inspected and cleared at pre-despatch stage by the purchaser's inspector. However, such rejection should be strictly within the contractual terms & conditions and no new condition should be adopted while rejecting the goods during final inspection.

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| | <p>xvii) Acceptance of Goods vis-a-vis Warranty Provisions
Goods accepted by the purchaser at initial inspection and in final inspection in terms of the contract shall in no way dilute purchaser's right to reject the same later, if found deficient in terms of the warranty clause of the contract.</p> <p>xviii) Joint Investigation against Complaints relating to Quality of Goods
In case a written complaint is received from the supplier disputing rejection of goods by the purchaser's inspecting officer, the same should be jointly investigated by a team consisting of an authorized representative of the purchase organization, a senior representative of the inspecting agency, who is well conversant with the goods and an authorized representative of the supplier. Detailed procedure to be followed in this regard and the format of the joint inspection report (to be signed by all the team members) are to be prescribed by the purchasing Ministry / Department and the matter processed accordingly for further necessary action.</p> <p>xix) In such cases of collusive (unreasonably high) prices, bidders must be requested to furnish breakdown of unit rates providing justification for higher bid prices. If this justification, after review, is determined rational, the contract should be awarded to the lowest evaluated responsive bidder. If not, these bidders must be declared as ineligible in the re-bid for that contract.</p> <p>xx) Contract should ordinarily be awarded to the lowest evaluated bidder whose bid has been found to be responsive and who is eligible and qualified to perform the contract satisfactorily as per the terms and conditions incorporated in the corresponding bidding document. However, where the lowest acceptable bidder against ad hoc requirement is not in a position to supply the full quantity required, the remaining quantity, as far as possible, be ordered from the next higher responsive bidder at the rates offered by the lowest responsive bidder.</p> <p>xxi) The name of the successful bidder awarded the contract should be mentioned on the notice board or bulletin or website.</p> <p>xxii) In case of procurement of works, Bill of quantities should have a separate schedule for those general items, which are not covered in analysis of rates adopted for estimation.</p> | |
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- xxiii) Bids should not be invited on the basis of bidders quoting a percentage premium or discount over the estimated cost of the Employer.
- xxiv) In all contracts for works, the adjudicator/technical expert or Dispute Review Committee should be in position constituted immediately on signing of the Contract Agreement.
- xxv) Bank guarantees submitted by bidders/contractors/suppliers should be unconditional and be in the specified formats. Bid and performance securities of Joint Ventures should be in the name of all partners in the Joint Ventures submitting the bid.
- xxvi) Bidding documents should general avoid submission of samples alongwith bid by bidders as this requirement discourages competition and increases the bid prices. Alternatively bidders should be requested to confirm that their product meets with the required specifications and in support attach appropriate test certificates from recognized testing laboratories.

Article No.182.6 Buy-Back Offer

- i) When it is decided with the approval of the competent authority to replace an existing old item(s) with a new and better version, the Purchase authority may trade the existing old item while purchases the new one. For this purpose a suitable clause is to be incorporated in the bidding document, so that, the prospective and interested bidders formulate their bids accordingly.
- ii) Depending on the value and conditions of the old item(s) to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard suitably incorporated in the bidding document.
- iii) Suitable provisions should also be kept in the bidding document to enable the purchaser either to trade or not to trade the old item while purchasing the new one.

183.4 Criteria for award of Rate Contract

- (a) Rate Contracts shall be awarded to the firms who are registered for the goods in question and fulfill the laid down eligibility and qualification criteria including availability of ISI mark, service centres across the country etc. Suitable stipulations are to be incorporated in the tender enquiry documents to this effect. In respect of new items being brought on rate contract for the first time where there is no registered supplier (for the subject items), the requirement of registration can be relaxed with the approval of competent authority. The award of such rate contracts will, however, be subject to the suppliers' satisfactory technical and financial capability.
- (b) Some of the tenderers (who are otherwise registered for the subject goods) may also be holding current rate contracts and/or held past rate contracts for the required goods. Their performance against such earlier/current rate contracts shall be critically reviewed before they are considered for award of new rate contracts. Specific performance and achievement criteria as on a selected cut-off date is to be evolved for this purpose and incorporated in the tender enquiry document. The tenderers will be asked to furnish the relevant details (along with their tenders) to enable the purchaser to judge their performance and achievement against the past/current rate contracts. These criteria are to be evolved and decided by the purchase organization during procurement planning stage for incorporation in the corresponding tender enquiry documents.

183.5 Special Conditions applicable for Rate Contract

Some conditions of rate contract differ from the usual conditions applicable for ad hoc contracts. Some such important special conditions of rate contract are given below:

- i) Earnest Money Deposit (EMD) is not applicable.
- ii) In the Schedule of Requirement, no quantity is mentioned; only the anticipated drawal may be mentioned without any commitment.

- iii) The purchaser reserves the right to conclude more than one rate contract for the same item,
- iv) The purchaser as well as the supplier may withdraw the rate contract by serving suitable notice to each other. The prescribed notice period is generally thirty days,
- v) The purchaser has the option to renegotiate the price with the rate contract holders,
- vi) In case of emergency, the purchaser may purchase the same item through ad hoc contract with a new supplier,
- vii) Usually, the terms of delivery in rate contracts are FOR dispatching station. The terms of delivery may be suitably modified in case it is done by the single entity purchase unit.
- viii) Supply orders, incorporating definite quantity of goods to be supplied along with all other required conditions following the rate contract terms, are to be issued for obtaining supplies through the rate contract.
- ix) The purchaser and the authorized users of the rate contract are entitled to place supply orders upto the last day of the validity of the rate contract and, though supplies against such supply orders will be effected beyond the validity period of the rate contract, all such supplies will be guided by the terms & conditions of the rate contract
- x) The rate contract will be guided by "Fall Clause" (as described later in this chapter).

183.6 Parallel Rate Contracts

In case it is observed that a single supplier does not have enough capacity to cater to the entire demand of an item, the rate contract issuing authority may enter into more than one rate contract with different suppliers for the same item. Such rate contracts are known as Parallel Rate Contracts.

183.7 Conclusion of Rate Contracts including Parallel Rate Contracts

Techniques for conclusion of rate contract are basically identical to that of ad hoc contract. Identical tender documents may be utilized for conclusion of rate contracts subject to inclusion therein the special terms & conditions as applicable for rate contracts.

In the normal course, the rate contract is to be awarded to the lowest responsive tenderer (L1). However, depending on the anticipated demand of the item, location of the users, capacity of the responsive bidders, reasonableness of the prices quoted by the responsive bidders, etc. it may become necessary to award parallel rate contracts also. For this purpose, a reasonable price band above the L1's price is to be decided and parallel rate contracts awarded to the responsive tenderers falling within that price band. Efforts should be made to conclude parallel rate contracts with suppliers located in different parts of the country. For the sake of transparency and to avoid any criticism, all such rate contracts are to be issued simultaneously.

183.8 Price Negotiation/Counter-Offer

Price Negotiation with the tenderers should be severely discouraged. However, in case the price quoted by the lowest responsive tenderer (L1) is not reasonable and acceptable, the price may be negotiated with L1 only and, if it reduces the price to the desired level, rate contract may be concluded with L1.

There may be a situation, where parallel rate contracts are needed, but though the price of L1 is reasonable, the number of responsive tenderers falling within the reasonable price band is inadequate. To take care of such situation, with special permission negotiation may be resorted to and counter offering as indicated below:

To start with, the rate contract may be awarded to L1 tenderer. Then the price of L1 is to be counter offered to the higher quoting responsive tenderers under intimation to L1 asking them to send their revised tenders in sealed covers to be opened in public at a specified place, date and time (as per the standard procedure). L1 may be specifically informed that it may, if it so desires, reduce its price and send its revised tender accordingly as above. The tenderers who accepts the counter offer rate or rate lower than that are to be awarded parallel rate contracts. If L1 lowers its rate in its revised offer, same may also be accepted with effect from that date and its rate contract amended accordingly.

There may also be a situation where parallel rate contracts are necessary, but even the price of the lowest responsive tenderer (L1) is not reasonable. In that case, price negotiation may be conducted with L1 in the first instance. If L1 agrees to

bring down the price to the desired level, rate contract may be concluded with it and that price counter offered to other responsive tenderers under intimation to LI for further action in identical manner as indicated in the above paragraph. If, however, LI does not agree to reduce its price in the first instance itself, then the price, which has been decided as reasonable may be counter offered to all the responsive tenderers (including LI) for further action on above lines.

183.9 Cartel Formation / Pool Rates

Sometimes a group of tenderers quote identical rates against a rate contract tender. Such Pool/Cartel formation is against the basic principle of competitive bidding and defeats the very purpose of open and competitive tendering system. Such practices should be severely discouraged with strong measures. Suitable administrative actions like rejecting the offers, reporting the matter to Registrar of Companies, MRTP Commission, National Small Industries Corporation etc. should be initiated against such firms, on case to case basis, as decided by the competent authority besides bringing to the notice of the concerned trade associations like FICCI, ASOCHAM, NSIC, etc. requesting them, inter alia, to take suitable strong actions against such firms. The purchase organisation may also encourage new firms to get themselves registered for the subject goods to break the monopolistic attitude of the firms forming cartel.

183.10 Fall Clause

Fall clause is a price safety mechanism in rate contracts. The fall clause provides that if the rate contract holder reduces its price or sells or even offers to sell the rate contracted goods following conditions of sale similar to those of the rate contract, at a price lower than the rate contract price, to any person or organization during the currency of the rate contract, the rate contract price will be automatically reduced with effect from that date for all the subsequent supplies under the rate contract and the rate contract amended accordingly. Other parallel rate contract holders, if any, are also to be given opportunity to reduce their price as well, by notifying the reduced price to them and giving them 15 (fifteen) days time to intimate their revised prices, if they so desire, in sealed cover to be opened in public on the specified date and time and further action taken as per standard practice.

On many occasions, the parallel rate contract holders attempt to grab more orders by unethical means by announcing reduction of their price (after getting the rate contract) under the guise of Fall Clause. This situation is also to be dealt with in similar manner as mentioned in the preceding paragraph.

It is however, very much necessary that the purchase organizations keep special watch on the performance of such rate contract holders who reduce their prices on one pretext or other. If their performances are not upto the mark, appropriately severe action should be taken against them including de-registering them, suspending business deals with them, etc.

183.11 Performance Security

Depending on the anticipated overall drawal against a rate contract and, also, anticipated number of parallel rate contracts to be issued for an item, the Purchase Organization shall consider obtaining performance security of reasonable amount from the rate contract holders. A suitable clause to this effect is to be incorporated in the tender enquiry documents. Performance Security shall, however, not be demanded in the supply orders issued against rate contracts.

183.12 Renewal of Rate Contracts

It should be ensured that new rate contracts are made operative right after the expiry of the existing rate contracts without any gap for all rate-contracted items. In case, however, it is not possible to conclude new rate contracts due to some special reasons, timely steps are to be taken to extend the existing rate contracts with same terms, conditions etc. for a suitable period, with the consent of the rate contract holders. Rate contracts of the firms, who do not agree to such extension are to be left out.

Period of such extension should generally not be more than three months. Also, while extending the existing rate contracts, it shall be ensured that the price trend is not lower.

Kendriya Vidyalaya Sangathan
18, Institutional Area
Shaheed Jeeb Singh Marg
New Delhi-110016

F.No.110240/ (6)/2009/KVS (Hq.) (Budget)

Dated: 25.11.2010

The Asstt. Commissioner,
Kendriya Vidyalaya Sangathan
All Regional Offices


Subject: Amendment to Article 202 & 203 of Accounts Code for KVs in respect of
Revision of ceilings & financial powers for incurring expenditure under VVN

Sir/Madam,

Please refer to this office letter of even No. dated 16.02.2010 on the subject cited above. In this context, it is to inform you that the following amendment has been made in column 6 of the norms of expenditure under VVN with the approval of Vice-Chairman, KVS.

Sl.No.	Existing	Revised
6.	Purchase of Audio-visual aids and musical instruments	Purchase of Audio-visual aids, CCTV (one time purchase) and musical instruments.

You are therefore requested to adopt the revised norms in column 6 as given above and circulate the same to all Kendriya Vidyalayas of your region.


(M. Arumuga)
Dy. Commissioner (Fin.)

Copy to:

1. The Director, ZIETs Chandigarh, Gwalior, Mysore and Mumbai.
2. All Officer & Sections of KVS(Hq.)
3. The EO (EDP) with a request to upload this letter on KVS website.
4. Principal, KV, Moscow, Kathmandu and Tehran.

Dy. Commissioner (Fin.)

**KENDRIYA VIDYALAYA SANGATHAN
18, INSTITUTIONAL AREA
SHAEED JEET SINGH MARG
NEW DELHI - 110062**

F.No. 125-29/2004-05/Budget/KVS(Hq.)
F.No. 1182/9/5/2008/PC/2008 (Budget)

Dt. 23 Jan. 2009
30

The Asstt. Commissioner
Kendriya Vidyalaya Sangathan
All Regional Offices.

Subject: Amendment in article 202 of Accounts Code regarding incur expenditure in connection with the maintenance of NCC troops out of VVN Fund
Sir/Madam,

I am to state that a proposal to incur expenditure in connection with the maintenance of NCC troops out of VVN Fund was received for consideration of Finance committee.

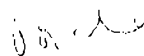
The Finance committee in its meeting held on 25.11.2008 considered and recommended the proposal to incur an expenditure of Rs.1.9 crore in connection with the maintenance of NCC troops out of VVN fund during 2008-09 and 2009-10, until such time the funds are made available specifically under the Non-Plan grant by the MHRD. The committee also recommended to amend Article 202 of Accounts Code to include the expenditure to be incurred in connection with the maintenance of NCC troops in the Vidyalaya at Rs. 2.2 lakh for every troop (100 Cadets) in the Kendriya Vidyalaya where NCC troops are sanctioned by the NCC Directorate.

The Board of Governor in its 81st meeting held on 18.12.2008 has approved the recommendation of the Finance Committee and accordingly Article 202 of Accounts Code stand amended.

Therefore it is requested that the amendment to article 202 of Accounts Code may be circulated among all the Vidyalayas of the region.

Receipt of this document and action taken for circulation may be informed to this office within a fortnight.

Yours faithfully,


(PRAGYA RICHA SRIVASTAVA)
Joint Commissioner (Admn.)
& Offg. Commissioner

Copy to:

1. All Divisional Heads of KVS(Hqr.)
2. All Branch Officers of KVS(Hqr.)
3. The Director of ZIETs
4. Principal, Kendriya Vidyalaya Kathmandu/Tehran/Moscow.
5. The Gen. Secretary, All recognized associations.
6. Information Cell, KVS(Hqr.)
7. Guard file.
8. Education Officer, EDP Cell, KVS(HQ), New Delhi.

Joint Commissioner (Admn.)
& Offg. Commissioner

Website
Pr. Secy
19/1/09
C.B.

Kendriya Vidyalaya Sangathan
18, Institutional Area,
Shaheed Jeet Singh Marg,
New Delhi

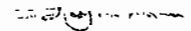
No F.6 7/2005-06/KVS(Budget)

Dated: 31.03.2006

Office Memorandum

Chapter 21 of Accounts Code for Kendriya Vidyalayas dealing with Vidyalaya Vikas Nidhi was reviewed by the Finance Committee of the Kendriya Vidyalaya Sangathan in its meeting held on 08.03.2006 and has recommended the new Chapter 21 for approval of the Board of Governors. The Chairman, Board of Governors of the Sangathan has approved the new Chapter 21 of the Accounts Code for Kendriya Vidyalayas dealing with Vidyalaya Vikas Nidhi under his delegated powers. A copy of new Chapter 21 is enclosed. The new Chapter 21 is also duly published in the website 'kvsangathan.nic.in'.


The amended provisions of Article 197 to 207 of Accounts Code for Kendriya Vidyalayas (Chapter 21) will be effective from 01.04.2006.


(S. Jayaraman),
Dy Commissioner(Fin.)

Encl: As above

Distribution:-

1. Asstt. Commissioner, KVS, All Regional Offices.
2. Principal, all Kendriya Vidyalayas.
3. All Officers and Sections at KVS(IHQ)
4. The General Secretary, all Recognised Staff Association of KVS
5. Guard File.


17/04

CHAPTER -- 21

VIDYALAYA VIKAS NIDHI

[Revised Chapter approved by the Hon'ble Chairman, KVS on 30.3.2006
effective from 1st April, 2006]

197. Background

Upto 31.3.1999, the Sangathan was charging money from students over and above tuition fee (to the extent applicable) under the following heads :-

- 1 Pupil Fund, and
- 2 Science Fund

Instructions relating to these were contained in Chapters 21 and 5 of the Accounts Code for Kendriya Vidyalayas (1989 Edition).

As decided in 63rd and 65th meetings of the Board of Governors held on 21.7.1998 and 19.3.1999 respectively, a third charge viz. towards "Maintenance & Development Fund" was levied w.e.f. 1.4.1999 @ Rs.25/- per child per month.

However, in 66th meeting dated 16.9.1999 of the Board, it was decided that the three funds i.e. (i) Pupil Fund, (ii) Science Fund, and (iii) Maintenance & Development Fund should be merged into a single fund called 'Vidyalaya Vikas Nidhi' (VVN) w.e.f. the next financial year. Accordingly, the VVN was introduced w.e.f. 1.4.2000. Rates at which contribution towards Vidyalaya Vikas Nidhi is to be collected from students were approved by the Board of Governors from time to time as under, based on recommendation of the Finance Committee :-

Sl. No.	Date with effect from	Amount collected from all students except students of Classes XI and XII	Amount collected from Science Students of Classes XI and XII	Date on which recommended by Finance Committee	Date of approval by Board of Governors
1.	1.4.2000	Rs.100/-	Rs.125/-	11.08.1999	16.09.1999
2.	1.4.2002	Rs.120/-	Rs.150/-	12.12.2001	22.02.2005
3.	1.4.2004	Rs.160/-	Rs.200/-	01.08.2003	22.02.2005

Contribution to VVN is being charged from all students and is collected on a quarterly basis. However, the following are exempted from payment of VVN

- i) Children of the officers and men of the Armed Forces and Para-military personnel killed or disabled during the hostilities in 1962, 1965, 1971, 1999 and Kargil war; and
- ii) as approved by Board of Governors in its meeting dated 14.12.2005, girls studying in Class VI onwards, who are a single child in their family have been exempted from payment of VVN contribution w.e.f. 1.1.2006.

The above rates are subject to revision as approved by Board of Governors from time to time.

197-A. Classification of Vidyalayas

For the purpose of utilization of VVN, Vidyalayas shall be classified into two categories as follows :-

"Small" Vidyalayas shall be those having one section each for class I to XII, and total strength not exceeding 500.

"Large" Vidyalayas shall be those, which do not come within the category of 'Small' Vidyalayas.

197-B. Liability of "Large" Vidyalayas to contribute 10% of their VVN collection to other Vidyalayas' Activities :

'Large Vidyalayas' shall transfer 10% of their quarterly collection under VVN to various authorities outside the Vidyalaya in the last week of each quarter, as follows :-

- (i) 8% to the Regional Office of which
 - a) 5% would go to the Regional Office VVN Deposit Account for re-distribution to "Small" Vidyalayas of the Region, and
 - b) 3% would go to the Regional Sports Control Board Account.
- (ii) 2% to KVS HQs - National Sports Control Board Account.

197-C Purposes for which VVN may be utilized

(1) Subject to the financial ceilings specified in Article 202, the Vidyalaya Vikas Nidhi shall be utilized exclusively for the purpose of School Development

(2) Broadly, the purposes for which the VVN may be utilized shall be the following :

- (i) Engagement of part time teachers (including Computer Instructors/Teachers) on contract basis against leave vacancies, vacancies caused by suspension of regular employees, and for other temporary activities but excluding remuneration of part-time teachers appointed against vacancies in regular sanctioned posts. Remuneration of contract teachers appointed against clear vacancies in regular sanctioned posts shall be met out of School Fund i.e. Govt. Grant;
- (ii) Petty Construction work undertaken;
- (iii) Repairs and maintenance of
 - a) School building including toilets, septic and overhead tanks, campus and playground,
 - b) Classroom furniture and fixtures;
 - c) Laboratories and Laboratory equipments,
 - d) Audio Visual and Musical Instruments; and
 - e) Sports Articles/Goods.
- (iv) Purchase of sports articles/kits;
- (v) Sports Meets, Participation in Adventure Activities, SGFI Sports Meet, etc.,
- (vi) Scout & Guide Activity;
- (vii) Pupil Societies; Annual Function, Other School Functions (e.g. Republic Day, Independence Day, Teachers' Day, etc.) and other Children Group Activities;

- (viii) School excursions;
- (ix) Conduct of Examinations and related activities;
- (x) Incidental expenses connected with visits to the school by dignitaries like Hon'ble Ministers, Parliamentary Committees, etc.;
- (xi) Beautification and horticultural development of the school campus including tree plantation;
- (xii) Purchase of laboratory equipment, audio visual aids, musical instruments and library books,
- (xiii) Publication and printing of Vidyalaya Magazine and Student Diary;
- (xiv) Purchase and maintenance of Computer Hardware and Software including e-mail/inter-net facility for students.
- (xv) Provision of first aid and other necessary facilities for the school during school hours;
- (xvi) Security of the School.

197-D. Emergency Assistance to students in distress

In case of untimely death of the parent/guardian of a student, VMC may consider financial assistance to such student for continuation of studies for that academic session as per Article 202 subject to satisfaction that there are no other family members to enable the student to pursue with studies.

197-E Purposes for which the Vidyalaya Vikas Nidhi shall not be utilized

The Vidyalaya Vikas Nidhi shall not be spent on any purpose other than those specified in Article 197-C. In particular, it shall not be utilized for :-

- (i) Meeting expenditure on pay and allowances, office expenses other than those specified in Article 202;
- (ii) Construction/repairs of staff quarters;

- (iii) Meeting expenditure in connection with the maintenance of NCC troops;
- (iv) Meeting expenditure for the benefit of a particular person or persons (including the officers of the Sangathan); and
- (v) For running of bus service, subsidy for canteen, books, store or subsidy of any kind.

197-F. Transfer of the 'Vidyalaya Vikas Nidhi' to 'School Fund' and other purposes is forbidden except for salary payments in emergency and in anticipation of receipt of funds from the Sangathan.

198. Management of the Vidyalaya Vikas Nidhi

Management of the Vidyalaya Vikas Nidhi shall vest in the Vidyalaya Management Committee of the Vidyalaya subject to instructions and guidelines of the KVS.

199. Budgetary Control

In March every year, each Kendriya Vidyalaya shall prepare and present its Annual Budget in respect of VVN for the next financial year showing opening balance, estimated receipts and expenses under various heads for consideration and approval of the Vidyalaya Management Committee. Expenditure out of Vidyalaya Vikas Nidhi shall be incurred only after and in accordance with the budget approved by the Vidyalaya Management Committee of the Vidyalaya.

200. Bank Account

The account of the 'Vidyalaya Vikas Nidhi' should be maintained with State Bank of India or any scheduled bank of Indian origin. As far as possible,

each Vidyalaya will maintain School Fund Account and VVN Fund Account in the same bank. The account should be operated jointly by the Principal and Vice-Principal/Senior-most Teacher of Vidyalaya. For meeting petty cash payments relating to the Fund, a permanent imprest not exceeding Rs.5000/- may be kept by the Principal. Rules regarding the operation of the bank account and maintenance of Cash Book contained in Chapter 8 of the Accounts Code would be followed.

201. Accounts

The periodical account shall be prepared based on the Cash Book and Ledger maintained and same are subject to internal audit as well as AGCR audit. The Annual Accounts of the VVN alongwith the audit observations of the Accountant General, Internal Audit Party of the Sangathan and replies thereon shall be placed before the Executive Committee for consideration and adoption. A report on the working of the fund should also be submitted to the VMC annually.

202. Financial Ceilings

The financial limit upto which expenditure can be incurred at the School level out of VVN on various items per annum are as under :-

Sl. No.	Item	Financial limit
1	Engagement of part-time teachers (including Computer Instructors/Teachers) on contract basis	Rs.3.00 lakh per annum subject to terms and conditions for such engagement as decided by the Commissioner from time to time.
2	Petty construction work concerning the school viz. Toilets, Sewerage Tank, Overhead Tank, Stage, Activity Room, etc.	Rs.2.00 lakh per annum

3	Repairs and maintenance of A. School building, its toilets, septic and overhead tanks including playground and campus.	(a) Schools having one section - Rs.1.00 lakh per annum; (b) Schools having two sections - Rs.2.00 lakh per annum; and (c) Schools having three or more sections - Rs.3.00 lakh per annum
	B. Classroom furniture & fixtures	Rs.10,000/- per annum
	C. Lab Equipments	Rs.10,000/- per annum
	D. Audio Visuals and Musical Instruments	Rs.10,000/- per annum
4	Purchase of classroom furniture and fixtures.	Rs.1.00 lakh per annum.
5	Purchase of Lab. Equipment including consumables and also the upkeep of the laboratories.	Rs.1.00 lakh per annum.
6	Purchase of audio visuals and musical instruments	Rs.50,000/- per annum.
7	Purchase of sports goods & kits; prizes to winners in School Sports and inter-class or inter-house matches; entry fees of the school teams for tournaments, photography and providing of refreshments.	Rs.1.00 lakh per annum. (Atleast 25% of the amount should be utilized for Primary Section of the School)
8	Pupils Societies; Annual Function; Other School Functions (e.g. Republic Day, Independence Day, Teachers' Day, etc.)	Rs.1.50 lakh per annum.
9	School excursions	Rs.50,000/- per annum.
10	Conduct of Examinations.	Rs.1.00 lakh per annum.

11	Incidental expenses connected with visits to the School by dignitaries like Hon'ble Ministers, Parliamentary Committees, etc.	Rs.20,000/- per annum.
12	Beautification and horticultural development of the school campus including tree plantation.	Rs.50,000/- per annum.
13	Development of facilities for library such as purchase of books, educational technology and reprographic facilities, furniture, Vidyalaya magazine and Student Starv.	Rs.1.00 lakh per annum
14	Procurement, maintenance and development of Computers and Computer related technologies, hardwares as well as softwares, including e-mail, inter-net for students (not for office or administration).	Rs.1.00 lakh per annum.
15	Provision of medical facilities of emergent nature during school hours.	Rs.20,000/ per annum.
16	Security of School Expenditure on outsourcing agencies	Rs.1.00 lakh per annum.
17	<u>Misc. Office Expenses</u> A. Taxes and other such payments	Rs.50,000/- per annum.
	B. Electricity & Water Charges	Rs.50,000/- per annum.
	C. Other expenses	Rs.50,000/- per annum.
18	Emergency Assistance to the student	Exemption of VVN for one academic session

NOTE

- 1) In respect of items at serial numbers 1, 4, 5, 6, 7, 8, 9, 10, 13, 14 and 17 schools having more than two sections with an average student strength exceeding 1000 can incur expenditure with pro-rata increase.
- 2) In respect of other items school having more than two sections can incur expenditure as per actual requirement upto a maximum 20% in excess of prescribed ceiling proportionate to the increase in the student strength.

203. Powers

The expenditure out of VVN shall be incurred in the Vidyalaya as per the following delegated powers :-

Sl. No.	Level of Delegation	Financial limits on one occasion
1	Principal	Rs.25,000/-
2	Executive Committee	Rs.1.00 lakh
3	Vidyalaya Management Committee	a) Rs.2.00 lakh b) Rs.3.00 lakh in respect of Maintenance & Repairs in respect of Vidyalayas having three or more sections
4	Assistant Commissioner of the Region	a) Rs.3.00 lakh b) Above Rs 3.00 lakh and upto Rs.5.00 lakh for Maintenance & Repairs in respect of Vidyalayas having five or more sections.
5	Joint Commissioner (Admn.)	Full powers with concurrence of Dy. Commissioner (Fin.), KVS.

204. Surplus Funds

As far as possible, contributions made to the VVN in a year should be utilized within that year itself as per well planned programme of activities aimed at overall school development including the extra curricular activities, health and welfare of the student community. Surplus funds i.e. funds remaining unutilized shall be allowed to be carried forward for a period of three years. Thereafter, the said unutilized balance, which remains beyond three years, shall be transferred to VVN Deposit Account of the Regional Office. Likewise, surplus funds remaining unutilized in Regional Office VVN Deposit Account beyond a period of three years shall be transferred to VVN Deposit Account of KVS HQ. The amount of VVN Deposit Account with KVS HQ shall be reflected and adjusted in Non-Plan School Fund Deposit during that financial year.

205. Advance from the Vidyalaya Vikas Nidhi

Save in exceptional circumstances on grounds of urgency, no advance should be taken from the Fund except with the prior approval of the Executive Committee. Advances in exceptional circumstances should satisfy the following requirements :-

- (i) The expenditure to be met out of the advance should be a legitimate charge against the 'Vidyalaya Vikas Nidhi'
- (ii) The advance is intended to meet expenditure at an outside place, which cannot be precisely estimated and which cannot brook any delay in payment in the normal course.
- (iii) The advance should be limited to the anticipated expenditure. An account of the advance should be rendered within a month after the event is over and note of the advance should be kept

in the Register of Advances and Recoveries for the purpose of watching the adjustment thereof.

206. Reports and Returns

Each Kendriya Vidyalaya shall prepare a quarterly statement of receipts and expenditure and furnish the same to the Regional Office on the 15th April, 15th July, 15th October and 15th January of each year in respect of each of the preceding quarters. The Regional Office, in turn, shall submit a consolidated quarterly statement of receipts and expenditure to the KVS Headquarters by 30th April, 31st July, 31st October and 31st January of each year in respect of the respective previous quarters.

207. Annual Accounts

Each Kendriya Vidyalaya shall prepare Annual Accounts in respect of 'Vidyalaya Vikas Nidhi' in the prescribed forms and submit to the Regional Office alongwith the Annual Accounts for 'School Fund'. The Regional Office shall include the same in its consolidated Annual Accounts and forward it to the Sangathan. The accounts so received shall be incorporated as part of Annual Accounts of KVS.

प्रजा रीचा श्रीवास्तव आ.पु.मे
संयुक्त आयुक्त (प्रशासन एवं सनकीना)
Pragya Richa Srivastava IAS
Joint Commissioner (Admin. & Vig)



केन्द्रीय विद्यालय संगठन

18, संभागत क्षेत्र, शरीर जीव विद्या मठ
नई दिल्ली - 110 016
फोन 26855532 फैक्स 26514179

KENDRIYA VIDYALAYA SANGATHAN

18 Institutional Area, Shri Aurobindo Ashram, New Delhi-110 016

Ph: 26855532, Fax: 26514179

E-mail: Pragya.srivastava@kvs.org.in

No.F.6-7/2007=-08/KVS(Budget)

Dated 06.07.2007

OFFICE MEMORANDUM

Article 202 and 203 of Accounts Code for Kendriya Vidyalayas (Chapter 21) dealing with the ceilings of expenditure out of Vidyalaya Vikas Nidhi and delegated powers to the various authorities were reviewed by the Finance Committee of KVS in its meeting held on 13th June, 2007 and recommended the revised ceilings and delegation of powers for approval of the Board of Governors. The recommendations of the Finance Committee are approved by the Board of Governors of the Sangathan in its meeting held on 20th June 2007.

The amended provisions of Article 202 and 203 of Accounts Code for Kendriya Vidyalayas (Chapter 21) are enclosed which are effective with immediate effect.

(Pragya R. Srivastava)
Joint Commissioner(Admin.)

Encl. As above

Distribution

- 1 Asstt. Commissioner, Kendriya Vidyalaya Sangathan, all Regional Offices
- 2 Principals, all Kendriya Vidyalayas
- 3 All Officers and Sections at KVS(HQ)
- 4 Education Officer (EDP Cell) for displaying in KVS website
- 5 All Recognised Staff Association
- 6 Guard File

Article- 202 Financial Ceilings

The financial limit upto which expenditure can be incurred at the school level out of VVN on various items per annum are as under:-

Sl.No.	Item	Financial Limit
1.	Engagement of Part-time teachers (including Computer Instructors/Teachers) on contract basis.	Rs.3.00 lakh per annum
2.	Petty construction work concerning the school viz. Toilets, Sewerage Tank, Overhead Tank, Stage, Activity Room, etc.	Rs.2.00 lakh per annum
3.	Repairs and maintenance of- A. School building, its toilets, septic and overhead tanks including playground and campus and conservancy services B. Classroom, furniture & fixtures C. Lab Equipments D. Audio Visuals and Musical instruments	Schools having upto two Sections-Rs.3.00 lakh per annum Schools having three Sections & above Rs.1.00 lakh per annum Rs.25,000/- per annum Rs.10,000/- per annum Rs.10,000/-per annum
4.	Purchase of classroom, furniture and fixtures	Rs.1.00 lakh per annum.
5.	Purchase of Lab. Equipment including consumables and also the upkeep of the laboratories	Rs.1.00 lakh per annum
6.	Purchase of audio-visuals and musical instruments.	Rs.50,000/- per annum
7.	Purchase of sports, goods & kits, prizes to winners in school sports and inter-class or inter-house matches; entry fees of the school teams for tournaments, photography and providing of refreshments	a) Rs.1.00 lakh per annum (Atleast 25% of the amount should be utilized for primary section of the school) b) Contribution @ Rs.5/- per student towards Regional Bharat Scouts & Guides Fund & c) Contribution @ Rs.3/- per student towards National Bharat Scouts & Guides Fund

8.	Pupils Societies, Annual Function, other school functions (e.g. Republic Day, Independence Day, Teachers Day, etc.) and printing of Vidyalaya magazine & students diary	Rs.2.00 lakh per annum
9.	School excursions	Rs.50,000/- per annum.
10.	Conduct of examinations	Rs.2.50 lakh per annum
11.	Incidental expenses Connected with visits to the school by dignitaries like Hon'ble Ministers, Parliamentary Committees etc.	Rs.20,000/- per annum
12.	Beautification and horticultural development of the school campus including tree plantation.	Rs.1,00,000/- per annum
13.	Development of facilities for library such as purchase of books, educational technology and reprographic facilities, furniture.	Rs.50,000/- per annum
14.	Procurement, maintenance and development of computers and computers related technologies, hardware as well as software including e mail, internet for students (not for office or administration)	Rs.1.00 lakh per annum
15.	Provision of medical facilities of emergent nature during school hours	a) Rs.20,000/- per annum for medical facilities of emergent nature during school hours and b) Rs.30/- per child per annum for two medical check ups
16.	Security of School.	Rs.1.50 lakh per annum
17.	<u>Expenditure on outsourcing agencies</u> <u>Misc.office expenses</u> A. Taxes and other such payments, B. Electricity and water charges. C. Other expenses	On actual basis On actual basis Rs.50,000/-
18.	Emergency assistance to the students	Exemption of VVN for one academic session.

NOTE

- 1) In respect of items at Serial numbers 1,4,5,6,7,8,9,10,13,14 and 17 schools having more than two Sections with an average students strength exceeding 1000 can incur expenditure with pro-rata increase.
- 2) In respect of other items schools having more than two Sections can incur expenditure as per actual requirement upto a maximum 20% in excess of prescribed ceiling proportionate to the increase in the students' strength.
- 3) There will not be any upper ceiling for incurring expenditure on the above approved activities in those cases where the expenditure has been incurred on the authority/directives of the Sangathan.

Article- 203 POWERS

The expenditure out of VVN shall be incurred in the Vidyalaya as per the following delegated powers.

Sl.No.	Level of Delegation	Financial Limits
1.	Principal	Rs.25,000/-per annum on each item of expenditure or the ceiling prescribed for each item whichever is less
2.	Executive Committee	Rs.1.00 lakh per annum for each item or the ceiling prescribed for each item, whichever is less
3.	Vidyalaya Management Committee	a) upto the ceiling prescribed for each item. b) In respect of Maintenance & Repair (I) Schools having upto two Sections - Rs.3.00 lakh per annum (II) Schools having three and above Sections - Rs.4.00 lakh per annum

4.	Asstt. Commissioner	Rs.5.00 lakh per annum per KV for each item except for the following items: i) In respect of maintenance & repair upto Rs.7.00 lakh per annum per KV ii) For conduct of examination upto Rs.7.00 lakh per annum per KV
5.	Joint Commissioner(Admn.)	Full - powers with concurrence of Dy.Commissioner(Fin.), KVS.



केन्द्रीय विद्यालय संगठन
१८ संस्थागत क्षेत्र, नई दिल्ली ११०६०२
KENDRIYA VIDYALAYA SANGATHAN
18, INSTITUTIONAL AREA,
SHAHEED JEET SINGH MARG
NEW DELHI 110 602

No.F.110240/(6)/2009-KVS(HQ)(Budget)

Dated: 26.8.2009

The Assistant Commissioners,
Kendriya Vidyalaya Sangathan,
All Regional Offices.

Subject: Amendment in Article 187 of Accounts Code for KVs in respect of
Condemnation & Disposal of I.T. equipments.

Sir/Madam,

I am to invite a reference on the subject cited above and to inform you that the matter regarding formulation of guidelines on condemnation & disposal of I.T. equipments was deliberated in the Finance Committee Meeting held on 29.6.2009 which was recommended for the approval of BOG. BOG in its meeting held on 29.7.2009 has approved the recommendations of Finance Committee. Detailed guidelines are forwarded herewith for information and necessary action.

You are therefore requested to adopt the guidelines for condemnation & disposal of I.T. equipment from 1.9.2009 annexed. Article 187 of Accounts Code stands accordingly amended. This may be circulated to all Kendriya Vidyalayas of your Region with the instructions to adopt the guideline while condemnation & disposal of I.T. equipments.

Incl: As above.

Yours faithfully,

(M. Arumugam)
Dy. Commissioner (Finance)

Copy for information and adopting the guidelines to:-

1. The Director, ZIET, Gwalier, Mysore & Mumbai.
2. All Officers & Sections of KVS (HQ).
3. The Education Officer (EDP Cell) with a request to upload these guidelines on KVS Website.

(M. Arumugam)
Dy. Commissioner (Finance)

GUIDELINES FOR CONDEMNATION & DISPOSAL OF I.T. EQUIPMENTS

Article 187 of the Accounts Code for Kendriya Vidyalayas stipulates the procedure for condemnation of stores of all kinds in Kendriya Vidyalayas. It has been felt that there are no exclusive guidelines for condemnation and disposal of I.T. equipments procured by KVS(HQ) / / Regional Offices / ZIETs / Kendriya Vidyalayas. Many a times, it has been observed that the I.T. equipments procured by KVs are technically obsolete and unserviceable. These equipments are kept in stores in un-serviceable conditions thereby occupying a lot of space. KVS(HQ) is receiving several queries regarding process followed for condemnation and disposal of these equipments at Vidyalaya level. As the existing guidelines for condemnation of other store equipments are not relevant to condemnation of I.T. equipments, KVS has prepared separate guidelines for condemnation and disposal of I.T. equipments. These guidelines are based on the guidelines developed by Govt of NCT of Delhi (Department of Information & Technology).

1. I.T. equipments in KVS(HQ) / Regional Offices / ZIETs / Kendriya Vidyalayas will include the following Items :

- (i) Personal Computers (PCs)
- (ii) Servers
- (iii) Dumb Terminals
- (iv) Printers
- (v) Uninterrupted Power Supply (UPS)
- (vi) Laptops
- (vii) Original packaged software
- (viii) Technical books and manuals pertaining to Hardware and Software
- (ix) Data Communication Equipments (Switches, hubs and other LAN equipments)
- (x) LCD Projectors and other projection devices.

2. Guidelines for condemnation and disposal of I.T. equipments will be applicable to:

- o KVS(HQ)
- o Regional Offices
- o Zonal Institutes of Education & Training
- o Kendriya Vidyalayas

3. The Computers / I.T./ equipments will be condemned only on the following grounds:

(a) Technically obsolete:
Hardware / Data Communication Equipments / Packaged Software which have been used for last 5 years or more and are not in working condition.

(b) Beyond economic repair:
When repair cost in respect of Hardware / Data Communication Equipment / Packaged Software is too high as compared to the current value (taking depreciation into account) and the age of the equipments.

4. Procedure for declaration and disposal of obsolete computers and peripherals

This lays down the procedure for declaring the obsolete I.T. equipments as obsolete / unserviceable / beyond economical repair for and their disposal. There are a number of I.T. equipments which are more than five years old.

i) Preliminary Action:

The following actions shall be taken before declaring I.T. equipments as **Beyond Economic Repair (B.E.R.)**:

- (a) The I.T. equipments will continue to be used as long as they can be maintained or upgraded economically. The I.T. equipments shall be listed for condemnation only when they cannot be upgraded or maintained economically / warrant extensive repairs and replacement of sub-assemblies / accessories and combined cost of which exceeds 50% of the current cost of an equivalent system.
- (b) Possibility for replacement with buy-back procedure shall be explored prior to disposal.
- (c) Ascertain from the vendor who is giving A.M.C. support that the machine is **Beyond Economic Repair (B.E.R.)**.
- (d) Record the reasons for the I.T. equipment to be declared as obsolete.

ii) Declaration of I. T. equipments as B. E. R.

5. All the I.T. equipments to be declared as B.E.R. by following competent authorities:

Level	Competent Authority
Vidyalaya	Executive Committee of VMC with one regular PGT(Computer Science). In case regular PGT(Computer Science) is not available, PGT (Computer Science) from neighbouring KV should be associated.
Regional	Committee consisting of Assistant Commissioner, Education Officer (In-charge Computer Education), Administrative Officer and one regular PGT (Computer Science) from KV.
ZIET	Committee consisting of Director (Education Officer), Assistant Education Officer, Section Officer, Assistant and one regular PGT(Computer Science) from nearby KV.
KVS(HQ)	Committee consisting of Deputy Commissioner (Acad), Education Officer, Statistical Officer and one PGT(Computer Science) from nearby KV.

6. All the categories as mentioned at Para 1 may be declared as obsolete after 05 years from the date of purchase, if found so.
7. The designated competent authority mentioned at Para 5 should take into account the prescribed or stipulated life period of the item to be declared as obsolete / unserviceable. If no life period on any prescribed item is mentioned, it should be examined by the competent authority(s) as to whether item is unserviceable due to normal wear and tear.
8. The competent authority will also assess the cost of items declared obsolete / unserviceable and recommend for disposal.

9. Disposal of Computer System / Peripherals

The proceedings with the necessary recommendations of competent authority shall be forwarded through following channel for obtaining the approval:

Up to the limit of Rs.50,000/- in a year for a particular KV	Executive Committee of VMC of the KV concerned.
Up to the limit of Rs.2 lakhs in a year for a particular KV	Assistant Commissioner of the Regional Office concerned
Up to the limit of Rs.5 lakhs in a year for a particular KV	Joint Commissioner (Admn), KVS
Beyond the limit of Rs.5 lakhs in a year for a particular KV	Commissioner, KVS

10. I.T. goods declared as obsolete will be auctioned as per existing norms for other store items.
11. On receipt of the orders of the Regional Office / KVS(HQ), action should be taken by the Principal as indicated therein. No equipment should be written off from the Stock Register without proper sanction. A reference to the sanction number and date should be given in the Stock Register in support of the entry for write off. If the equipment has been damaged due to fire or other reason, proposal shall be sent by the Kendriya Vidyalayas to the concerned Regional Office and the Regional Office, in turn, should send a proposal along with comments and recommendations to Commissioner, KVS for consideration and approval.
12. Such equipments shall be disposed of strictly following the procedure as laid down in Rule 196 to 201 of GFR 2005. Once the equipment has been condemned, it will be removed from the office use and kept in the area allotted for scrapped equipments. KVS(HQ)/Regional Offices/ZIETs/KVs will also ensure removal of service and inventory labels from such I.T. equipments. All data including operating system must be removed after taking proper backup.
13. Each I.T. Department at the level of KVS(HQ)/Regional Office/ZIET/KV will prepare Equipment Condemnation Note which will be individually numbered having equipment description (including make, model) Sl. No of Asset Register, Purchase date, purchase price, reason for condemnation and additional information, if any. The I.T. Wing of KVS will constitute a Condemnation Committee which will review the Condemnation Note and decide about the condemnation of equipments as per guidelines specified above. The Committee should have at least one member having I.T. background.
14. All procedures and rules of KVS on maintenance of records for condemnation of non-consumable Items will be adhered to in these cases. The Condemnation Report prepared by the I.T. Department of KVS(HQ)/ROs/ZIETs/KVs based on these guidelines shall be sent to the competent authorities described at Table 13-A. As per the delegation of powers for write off irrecoverable losses (excluding cases of theft / embezzlement etc.) as contained in Appendix II of the Education Code, the competent authorities given at Table 13-A shall be considered:

Table 13-A : competent authorities for writing off irrecoverable losses

Up to the limit of Rs.50,000/- in a year for a particular KV	Executive Committee of VMC of the KV concerned.
Up to the limit of Rs.2 lakhs in a year for a particular KV	Assistant Commissioner of the Regional Office concerned
Up to the limit of Rs.5 lakhs in a year for a particular KV	Joint Commissioner (Admn), KVS
Beyond the limit of Rs.5 lakhs in a year for a particular KV	Commissioner, KVS

The condemnation will be done only after approval of the competent authority. The write off from the books of accounts shall be done only after proper sanction is received.

15. To avoid piece-meal approach, all cases of condemnation and disposal of computer / I.T. equipments should start within one week of receipt of the guidelines in this financial year (2008-2009). But in subsequent years, it must be processed at least twice in a year during the months of May-June and Nov-Dec.

The BOG approved the proposals in principle and authorized the Finance Committee to work out the detailed modalities for necessary implementation.



केन्द्रीय विद्यालय संगठन
१८ संस्थागत क्षेत्र, नई दिल्ली ११०६०२
KENDRIYA VIDYALAYA SANGATHAN
18, INSTITUTIONAL AREA,
SHAHEED JEET SINGH MARG
NEW DELHI 110 602

No.F.110240/(6)/2009-KVS(HQ)(Budget)

Dated: 16.2.2010

The Assistant Commissioners,
Kendriya Vidyalaya Sangathan,
All Regional Offices.

Subject: Amendment in Article 202 & 203 of Accounts Code for KVs in respect of Revision of ceilings & financial power for incurring expenditure under VVN.

Sir/Madam,

I am to invite a reference on the subject cited above and to inform you that the matter regarding revision of ceilings & financial power for incurring expenditure under VVN (for a period of 3 years i.e. 2009-10, 2010-11 & 2011-12 and thereafter an increase of 10% for every three years subject to decision of the Committee constituted at KVS level) was deliberated in the Finance Committee Meeting held on 24th November, 2009 which was recommended for the approval of BOG. BOG in its meeting held on 14.12.2009 approved the recommendations of Finance Committee. The revised norms of expenditure under VVN & delegation of powers under VVN are given in the Annexure -B & C attached herewith.

You are therefore requested to adopt the revised norms of expenditure under VVN and delegation of powers as per Annexure B & C. Article 202 & 203 of Accounts Code stands accordingly amended. This may be circulated to all Kendriya Vidyalayas of your Region with the instructions to adopt the revised norms w.e.f. 2009-10. It would be appropriate if the item wise sanctions are issued to KVs after scrutinizing the existing Budget proposals of the KV/ obtaining revised requisition for funds from KVs

Encl: As above.

Yours faithfully,


(M. V. Patkar)

Asstt. Commissioner (Finance)

Copy for information to:-

1. The Director, ZIET, Gwalier, Mysore Mumbai & Chandigarh.
2. All Officers & Sections of KVS (HQ).
3. The Education Officer (EDP Cell) with a request to upload these guidelines on KVS Website. Dy. Commissioner (Finance)

NEW NORMS OF EXPENDITURE UNDER VVN

S. No	Item	Financial Limit (In Rs.)		Remarks
		Existing	Proposed	
1	Engagement of Part time teachers (Including Instructors/Teachers/ Art & Craft/Coaches/Spoken English etc.) on contract basis	3,00,000	Actuals	Computer Instructor is shifted to S.No 14
2	Petty construction work concerning the school viz Toilets, Sewerage Tank, Overhead Tank, Stage/Activity Room etc.	2,00,000	4,00,000	
3	Repairs and maintenance of :			
3 (A)	School Building, its toilets, Septic and overhead tanks, including playground and campus. School Building: 1. White Wash/Enamel Paint/Oil Bond (Internal & External 2. Electrical work 3. Civil Works: Patch work, repairs of floor, plasfering of walls, roof sepage (minor) repair & replacement of doors & windows, black board etc. Up to 2 Section Up to 3 Section Up to 4 Section		3,00,000 4,00,000 5,00,000	Internal & External white wash to be done once in two years * Note : for double shift School, Internal White wash to be done every year.

	Up to 5 Section		6,00,000	
	Up to 6 Section		7,00,000	
	Up to 7 Section		8,00,000	
	Up to 8 Section		9,00,000	
3 (B)	Repair and maintenance of classroom furniture & fixtures: (Per Shift)			
	i) 1 Section school		35,000	
	ii) 2 Section School		60,000	
	iii) 3 Section School		70,000	
	iv) 4 Section School		80,000	
	v) 5 Section School		90,000	
	vi) 6 Section School		1,00,000	
	vii) 7 Section School		1,10,000	
	viii) 8 Section School		1,20,000	
3 (C)	Repair & maintenance of Lab Equipments	10,000 p.a	35,000	
3 (D)	Repair of P.A System and Musicial Instrument	10,000 p.a	20,000 p.a	
3 (E)	House Keeping/Conservancy Services (Per Section) Per shift		1,50,000 p.a	
4.	Purchase of Class room furniture & fixtures	1,00,000 p.a	2,00,000 p.a	
5.	Purchase of Lab equipments/ Consumable and also upkeep of the laboratories	1,00,000 p.a	2,00,000 p.a	
6	Purchase of Audio-visual aids and musical Instruments	50,000 p.a	50,000 p.a	
7	Purchase of sports good and kits, Prize to winners in school sports and inter-class or inter-house matches: entry fee of the school teams for tournaments, photography and providing of refreshments, TA/DA of Students.	1,00,000 pa	3,00,000 p.a #	

9	Pupils societies, Annual function, other school function (e.g Republic Day, Independence day, Teachers Day etc.)	2,00,000 p.a	2,00,000 p.a	
9	School Excursions	50,000 P.a	1,00,000 p.a	
10	Conduct of Examinations (Per Shift)	2,50,000 p.a	3,00,000 p.a	
11	Incidental expenses connected with visits to the school by dignitaries like Hon'ble Ministers, Parliamentary Committee etc.	20,000 p.a	30,000 p.a	
12	Beautification & horticultural development of the school campus including tree plantation. 1. Upto 5 acres of land 2. More than 5 acres of land	1,00,000 p.a	1,00,000 p.a 2,00,000 p.a	
13	Development of facilities for library such as purchase of books, educational technology aids (CDS teaching learning packages etc.) and printing of magazine students diary, newsletters etc. (Per Shift)	50,000 p.a	1,50,000 p.a	Furniture be deleted.
14	Procurement, Maintenance and development of computer and computers related technologies hardware as well as software including broadband connectivity for internet for students/teachers and Principal, interactive	1,00,000 p.a	Limited to actual collection of Computer Fund.	

	white boards and similar technological aids which can be very useful for enhancing effectiveness of teaching learning process for the students. Computer Instructor, AMC of Computers, Stationary etc.			
15	Provision of medical facilities of emergent nature during school hours:			
	a) for medical facilities of emergent nature during school hours	20,000 p.a	20,000 p.a	
	b) for two medical check ups per child	30 p.a	40 p.a	
16	Security of School: Expenditure on outsourcing agencies	1,50,000 p.a	3,50,000 p.a	
17	Misc. office expenses A. Taxes. B. Electricity/Water charges, C. Other expenditure (Telephone charges, toner cartridge, office stationary etc.)	On actual basis On actual basis 50,000	On actual basis On actual basis 50,000	
18	Misc. Printing as per direction of KVS • Study Materials • Split of Syllabus etc.	- -	On actual basis	

NOTE:

1 In respect of items at serial Numbers 4,5,6,7,8,9,10,13,14 and 17 schools having more than two sections with an average students strength exceeding 1000 can incur expenditure with pro-rata increase.

2 In respect of other items schools having more than two sections can incur expenditure as per actual requirement upto a maximum 20% in excess of prescribed ceiling proportionate to the increase in the students' strength.

3 There will not be any upper ceiling for incurring expenditure on the above approved activities in those cases where the expenditure has been incurred on the authority/directives of the Sangathan.

- # At least 25% of the amount should be utilized exclusively for primary section of the school
- Contribution @ Rs. 5/- per student towards Regional BS & G fund and
Contribution @ Rs. 3/- per student towards NBS & G fund

In the light of the above the Finance Committee may kindly consider & recommend the following to BOG:

1. The nomenclature of VVN & Computer Fund may be changed as Student Support Services Fee.
2. The fee structure as revised w.e.f. 1.10.2009 may be allowed to be reimbursed in full under C.E.A to all the central Govt. employees including KVS employees from the effective date of the issue of the order, i.e. 1.10.2009.
3. The revised financial limits, norms and delegated powers may be approved.

DELEGATION OF POWERS UNDER VVN

The expenditure out of VVN shall be incurred in the Vidyalaya as per the following delegated powers:

Sl. No.	Level of Delegation	Financial Limits	
		Existing	Proposed
1	Principal	Rs.25,000/- per annum on each item of expenditure of the ceiling prescribed for each item whichever is less.	As it is
2	Executive Committee	Rs.1.00 lakh per annum for each item or the ceiling prescribed for each item, whichever is less.	As it is
3	Vidyalaya Management Committee	a) Up to the ceiling prescribed for each item. b) In respect of Maintenance & Repair. (i) Schools having up to two Sections - Rs.3.00 lakh per annum. (ii) Schools having three and above Sections - Rs.4.00 lakh per annum.	As it is
4	Asstt. Commissioner	Rs.5.00 lakh per annum per KV for each item except for the following items. (1) In respect of maintenance & repair up to Rs.7.00 lakh per annum per KV. (2) For conduct of examination upto Rs.7.00 lakh per annum per KV.	As it is
5	Joint Commissioner (Admn.)	Full powers with the concurrence of Dy. Commissioner (Fin., KVS.	Rs.10.00 lakh per annum per KV for each item except for the following items: (1) In respect of maintenance & repair up to Rs.12.00 lakh per annum per KV. (2) For conduct of examination up to Rs.10.00 lakh per annum.
6	Commissioner	----	Full powers with the concurrence of Dy. Commissioner (Fin.), KVS.



केन्द्रीय विद्यालय संगठन
१८ संस्थागत क्षेत्र, नई दिल्ली ११०६०२
KENDRIYA VIDYALAYA SANGATHAN
18, INSTITUTIONAL AREA,
SHAHEED JEET SINGH MARG
NEW DELHI 110 602

No.F.110240/(6)/2009-KVS(HQ)(Budget)

Dated: 16.2.2010

The Assistant Commissioners,
Kendriya Vidyalaya Sangathan,
All Regional Offices.

Subject: Amendment in Article 67- A of Accounts Code for KVs in respect of
Re-imburement of Computer fund under Children Education
Allowance Scheme.

Sir/Madam,

I am to invite a reference on the subject cited above and to inform you that the matter regarding re-imburement of computer fund under CEA Scheme was deliberated in the Finance Committee Meeting held on 24th November, 2009. The Committee recommended to the BOG for approval of renaming the Computer Fund as Computer Education Fee and for re-imburement of entire Computer Education Fee charged in KVS under the C.E.A. Scheme w.e.f. 1.9.2008. BOG in its meeting held on 14.12.2009 has approved the recommendations of Finance Committee subject to the overall ceiling prescribed under CEA Scheme of GOI.

You are therefore requested to circulate the decision to all Kendriya Vidyalayas of your Region with the instructions to adopt the revised norms. Article 67-A of Accounts Code stands accordingly amended.

Encl: As above.

Yours faithfully,


(M. V. Patkar)

Asstt. Commissioner (Finance)

Copy for information to:-

1. The Director, ZIET, Gwalier, Mysore, Mumbai & Chandigarh.
2. All Officers & Sections of KVS (HQ).
3. The Education Officer (EDP Cell) with a request to upload these guidelines on KVS Website.
4. Principal KV Moscow, Kathmandu & Tehran



KENDRIYA VIDYALAYA SANGATHAN

18, INSTITUTIONAL AREA,

SHAHEED JEET SINGH MARG

NEW DELHI 110 602

Telephone No.26528351

E-mail: kvsjcfm@gmail.com

Fax No.26514179

onal class rooms/.../repairs and...
F. No. 110240/04/2013/KVS (Budget) 13.05.2013

The Deputy Commissioner,
Kendriya Vidyalaya Sangathan,
All Regional Offices/ ZIETs.

Sub.: - Amendment to the provisions of chapter 21 of the KVS
Accounts Code - reg.

Sir/Madam,

The enhancement of fees structure was recently implemented by the Sangathan from 1st April, 2013 as per letter of even number dated 19.03.2013 after giving due consideration to four main components such as exempted categories from the payment of fees, existence of reimbursement facilities to the Govt. employees, reasons for enhancement of fees and utilization of additional funds etc. Further, the matter regarding the generation of additional funds and the new schemes proposed by KVS for utilization of such resources were examined at length in the appropriate forum. Accordingly, it is decided that additional funds thus generated due to enhancement of fees will be utilized for various existing as well as new activities.

2) In order to give effect to all aspects stated in the preceding paragraph, it becomes necessary to incorporate the following new provisions in the Accounts Code as under:-

Article 197 – C Purposes for which VVN may be utilized:

2. (xvii) Creation of ICT - enable class rooms in the Vidyalayas to modernize the teaching - learning environment as mandated through ICT policy of Govt. of India which has further been stressed upon by the CBSE calling its affiliated institutions for conversion of at least one class room in each class into IT-enabled smart E-class rooms, to begin with and increase the said infrastructure in a phased manner.

(xviii) Creation of suitable infrastructure for language labs etc.

(xix) Provide for suitable operational requirements of fire safety.

▲ Article 197 - G Funds for meeting infrastructural (Building/ Sports) requirements.

All Kendriya Vidyalayas irrespective of their size shall transfer 20% of their VVN quarterly collection in the last week of each quarter to KVS (HQ) through their Regional offices for creation of corpus at KVS (HQ). Corpus thus created will be utilized towards major maintenance/repairs and construction of additional classrooms/ laboratories/ play grounds/ auditorium etc. for the existing Vidyalayas. This contribution may not be utilized for construction of school building/ staff quarters for the newly sanctioned Vidyalayas for which financial support is provided by Govt.

3) With the issue of this letter the provisions of Chapter 21, Accounts Code stand amended w.e.f. 01.04.2013.

You are requested to circulate the revised provisions of Article 197 - C and 197 - G to all the Vidyalayas under the jurisdiction of your region for immediate implementation.

Receipt of this letter may please be acknowledged.

Yours faithfully,


(M. Arumugam)
Joint Commissioner (Fin.)

Copy to:-

1. PS to Commissioner, KVS (HQ).
2. PS to Addl. Commissioner, (Admn) & (Acad.) KVS (HQ).
3. All Divisional Heads of KVS (HQ).
4. All Branch Officers of KVS (HQ).
5. The Director, All ZIETs.
6. The AC (EDP) with the request to upload the letter in KVS website.
7. The Principal, Kendriya Vidyalaya Kathmandu/ Tehran/ Moscow.
8. The General Secretary All recognized Associations.
9. All Sections of KVS (HQ).


Joint Commissioner (Fin.)



केन्द्रीय विद्यालय संगठन / Kendriya Vidyalaya Sangathan
18, संस्थानिक क्षेत्र / 18, Institutional Area
शाहीद जीत सिंह मार्ग / Shaheed Jeet Singh Marg
नई दिल्ली-16 / New Delhi - 16
Phone No. 011-26523070

F.No.125-29/2011/KVS (Budget) | 181

Dated: 20.09.2013

The Deputy Commissioner
Kendriya Vidyalaya Sangathan
All Regional Offices.

Subject: Amendment in Article No.175.1 (i) and 176(i) and (ii) of Accounts Code for Kendriya Vidyalayas.

Sir,

This has a reference to this office letter No.125-29/2004-05/Budget/KVS (Hq.) dated 16.1.2009 vide which necessary amendments in purchase procedure stipulated in Accounts Code Article No.169 to 183 were circulated to all the Deputy Commissioners of the Region for further circulation to all Kendriya Vidyalayas.

2) In this regard it is stated that financial ceilings prescribed for Advertised Tender Enquiry and for Limited Tender Enquiry stand amended in GFR-2005 which necessitate amendment in relevant Articles of Accounts Code to keep it in conformity with the General Financial Rules 2005. Accordingly an agenda for amendment in Purchase Procedure stipulated in the Accounts Code Article 175(1) (i) and 176(i) and (ii) was placed before the Finance Committee of KVS in its meeting held on 18.6.2013. The BOG of KVS in its 95th meeting held on 26.7.2013 approved the recommendation of Finance Committee for the Amendment in Article No.175.1 (i) and 176(i) and (ii) of Accounts Code for Kendriya Vidyalayas. Now these articles will be read as under:

Article No.	Existing provision	Amended provision
175.1 (i)	Except in cases covered under Rate Contract of KVS and Reserved items, open bids should be invited through advertisement to bid for procurement of goods of estimated value of Rs.5,00,000/- (Rupees Five lakhs) and above. Advertisement in such cases should be given in one national daily & one local daily having wide circulation	Except in cases covered under Rate Contract of KVS and Reserved items, open bids should be invited through advertisement to bid for procurement of goods of estimated value of Rs.25,00,000/- (Rupees Twenty Five lakhs) and above. Advertisement in such cases should be given in one national daily & one local daily having wide circulation

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03/09/13

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page No. 24/10/13
St. Anil

(Handwritten signature)

176 (i)	<p>The method may be adopted when estimated value of the goods to be procured is less than 5,00,000/- (Rupees five lakhs). Copies of the bidding document should be sent directly by speed post/registered post/courier/e-mail to firms which are borne on the list of registered suppliers for the goods in question as referred under Article 170 above. Minimum three quotations should be obtained. Further web-based publicity should be given for limited tender. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis.</p>	<p>The method may be adopted when estimated value of the goods to be procured is less than 25,00,000/- (Rupees Twenty five lakhs). Copies of the bidding document should be sent directly by speed post/registered post/courier/e-mail to firms which are borne on the list of registered suppliers for the goods in question as referred under Article 170 above. Minimum three quotations should be obtained. Further web-based publicity should be given for limited tender. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis.</p>
176 (ii)	<p>Purchase through limited tender enquiry may be adopted even where the estimated value of the procurement is more than Rs.5, 00,000/- (Rupees Five Lakh in the following circumstances.</p> <p>a) When the demand is urgent and any additional expenditure involved by not procuring through Advertised Tender Enquiry is justified in view of urgency. The Head of Office/Department shall put on record the nature of the urgency and reasons why the procurement could not be anticipated.</p> <p>b) There are sufficient reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the</p>	<p>Purchase through limited tender enquiry may be adopted even where the estimated value of the procurement is Rs.25,00,000/- (Rupees Twenty Five Lakh) & above in the following circumstances.</p> <p>a) When the demand is urgent and any additional expenditure involved by not procuring through Advertised Tender Enquiry is justified in view of urgency. The Head of Office/Department shall put on record the nature of the urgency and reasons why the procurement could not be anticipated.</p> <p>b) There are sufficient reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the</p>



	goods through advertised tender enquiry. c) The sources of supply are definitely known and possibility of fresh source (s) beyond those being tapped is remote.	goods through advertised tender enquiry. c) The sources of supply are definitely known and possibility of fresh source (s) beyond those being tapped, is remote.
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The above mentioned articles are stand amended with immediate effect.

You are requested to circulate these amended Articles to all the Kendriya Vidyalayas under your jurisdiction.

Yours faithfully

(M.Arumugam)

Joint. Commissionner (Fin.)

Copy to:

1. All Divisional Heads of KVS(Hqrs.)
2. All Branch Officers of KVS(Hqr.)
3. The Director of ZIETs.
4. Principal, Kerndriya Vidyalaya Kathmandu/Tehran/Moscow.
5. The GeneralSecretary All recognized Associations.
6. ~~Asst.~~ Commissioner (EDP) KVS (Hqr.) for necessary action.
7. Information Cell, KVS(Hqr.)
8. Guard file.

Joint. Commissionner (Fin.)



केन्द्रीय विद्यालय संगठन(एच)
18, INSTITUTIONAL AREA,
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SHAHIED JEET SINGH MARG
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नई दिल्ली- 110602
TEL. 26858570; FAX 26514179
Website: www.kvsangathan.nic.in.

F. 28-66/2005- KVS(Acad)

Dated : 7-1-2008

Speed Post

The Asstt Commissioner
Kendriya Vidyalaya Sangathan
All Regional Offices.

Subject : Amendment in Article 108(E) of KVS Education code.

Madam/sir,

The BOG, KVS in its 78th meeting held on 3-12-2007 has approved the recommendations of the 31st meeting of the Academic Advisory Committee held on 20-11-2007. The Committee in its recommendations has allowed that interested students at +2 level in all streams be allowed to offer additional subject like Physical Education, Political Science, any regional or foreign language, Music and fine Arts provided the theory portion of these subjects are to be covered by the concerned students themselves. Henceforth Article 108(E) of the KVS Education code in its amended form should be read as under:

Article 108(E)

Classes XI & XII

1. Science Group:

Compulsory: Core language (English or Hindi or Sanskrit), SUPW, General Studies.

Elective: Any four of the following: (i) Physics (ii) Chemistry (iii) Biology (iv) Mathematics (v) Informatics Practices (vi) Computer Science (vii) Multimedia & Web Technology (viii) Economics (ix) Biotechnology

Additional 6th Subject: Any one of the following. (i) Any Regional or foreign Language other than that offered as Compulsory Core language. (ii) Physical Education (iii) Political Science (iv) Music & Fine Arts.

II. Commerce Group:

Compulsory: Core language (English or Hindi or Sanskrit), SUPW, General Studies.

Elective: Any four of the following: (i) Accountancy (ii) Business Studies (iii) Mathematics (iv) Geography (v) Informatics Practices (vi) Computer Science (vii) Multimedia & Web Technology (viii) Economics

Additional 6th Subject: Any one of the following: (i) Any Regional or foreign Language other than that offered as Compulsory Core language. (ii) Physical Education (iii) Political Science (iv) Music & Fine Arts.

III. Humanities Group:

Compulsory: Core language (English or Hindi or Sanskrit), SUPW, General Studies

Elective: Any four of the following: (i) History (ii) Economics (iii) Mathematics (iv) Geography (v) Informatics Practices

Additional 6th Subject: Any one of the following: (i) Any Regional or foreign Language other than that offered as Compulsory Core language (ii) Physical Education (iii) Political Science (iv) Music & Fine Arts

Note. A student can also opt for any other subject(s) other than the above, even if the number of students is less than 15, provided he/she makes his/her own arrangement for study. This applies for both compulsory and elective subjects.

Necessary instructions on the above decisions be issued to all Principals of Kendriya Vidyalayas functioning under your jurisdiction immediately.

Yours faithfully



(Dr. U.N. Singh)
Jt. Commissioner(Acad)

Copy to.

The Principal, Kendriya Vidyalaya, Moscow/Kathmandu/Tehran.



केन्द्रीय विद्यालय संगठन(यु.)
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TEL. 26858570; FAX 26514179
Website: www.kvsangathan.nic.in

I. 28-66/2005- KVS(Acad)

Dated : 7-1-2008

Speed Post

The Asstt Commissioner
Kendriya Vidyalaya Sangathan
All Regional Offices.

Subject: Amendment in Article 106(A) & (C) of KVS Education code.

Madam/sir,

The BOG, KVS in its 78th meeting held on 3-12-2007 has approved the recommendations of the 31st meeting of the Academic Advisory Committee held on 20-11-2007. The Committee in its recommendations amended article 106 (A) & (C) of the KVS Education code dealing with promotion rules. The article in its amended form will read as under:

Article 106

(A) The final assessment of a pupil will be based on his total achievement out of a maximum of 100 marks in each subject would be distributed as under:

(i) Class work and homework assignment(session ending only)-	5 marks
(ii) Projects/Practical(session ending only)	5 marks
(iii) Unit test (5x3)	15 marks
(iv) Half yearly exam.	25 marks
(v) Session Ending Exams	50 marks
Total	100 marks

(Only grades will be awarded for (i) & (ii) above in first two terms and quantified evaluation will be done for (i) & (ii) in the final term only based on the work of the student during the whole year.)

Grades will be awarded to students in non-scholastic subjects like work Experience, Physical Education, Music, Yoga etc. on the basis of their performance in the particular activity throughout the session

C. A student will have to secure overall 33% to be promoted. Thus, each student shall need to obtain not less than 33 marks out of 100 in annual examination. There will be no awarding of comparative position/rank in section/class based on aggregate marks. However, for making any subject wise/class wise, analysis of the achievement/performance of the teachers, marks obtained at the Half yearly/Session ending examination only will be considered.

Consequently para (E) also stands amended automatically and will now read as under:

E) Grace marks will be awarded to the students of classes VI to VIII only, and shall not be more than 10 in all subjects put together restricted to a maximum of 5 marks obtained by a student in a subject out of 100 marks.

Note: Now onwards performance of a student will not be assessed in the continuous & continuous evaluation and annual examination separately. Only overall percentage comprising both the components will be considered for promotion

Necessary instructions on the above decisions be issued to all Principals of Kendriya Vidyalayas functioning under your jurisdiction immediately.

Yours faithfully



(Dr. U.N. Singh)
Jt. Commissioner(Acad)

Copy to:

The Principal, Kendriya Vidyalaya, Moscow/Kathmandu/Tehran.