



Lahore Garrison University

SOP's Purchase /Civil Works

Prepared by: Treasurer Office

Abbreviations:

PO=Purchase Officer

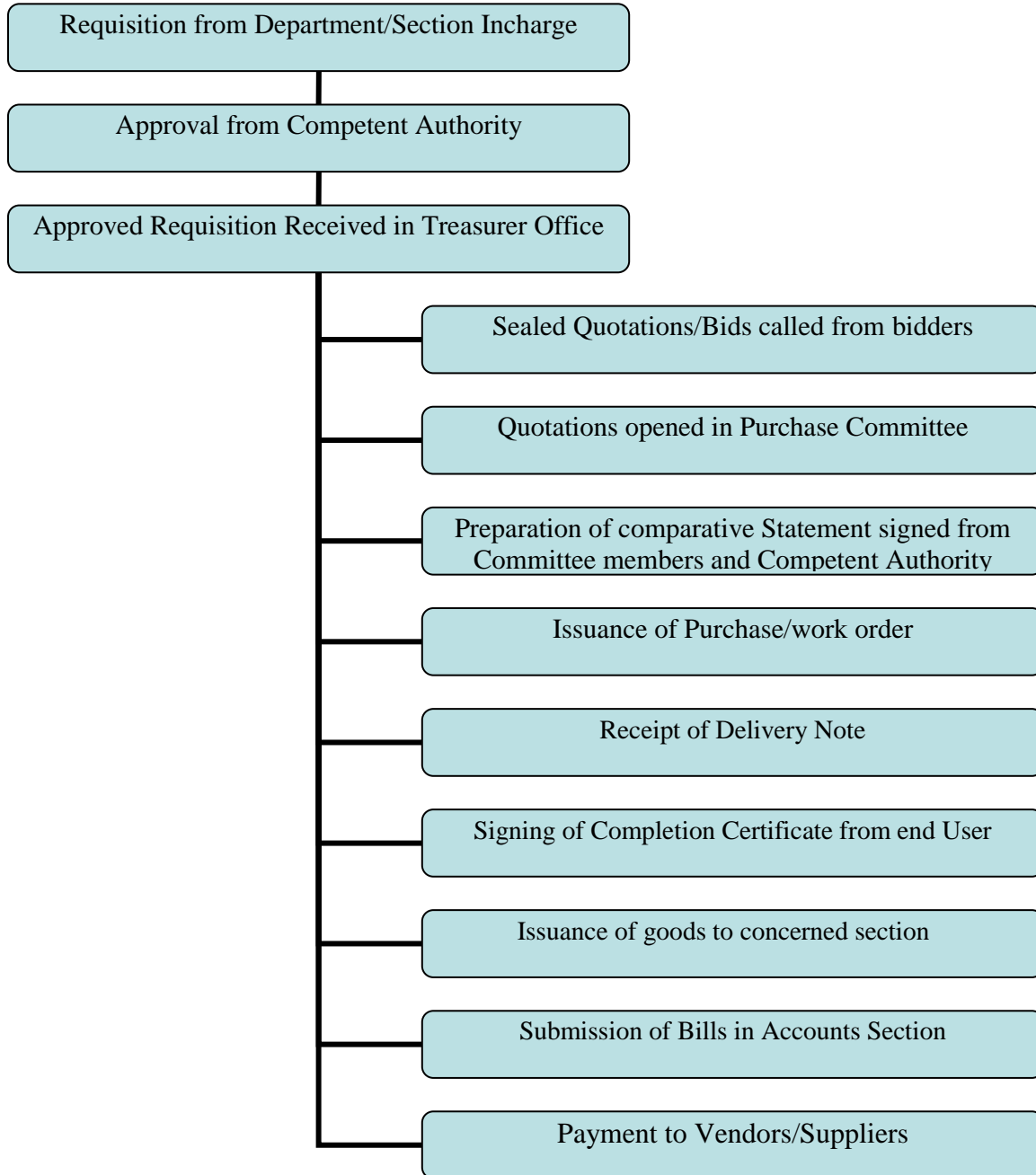
BOQ = Bill of Quantity

CPC= Convener Purchase Committee

SPC= Secretary Purchase Committee

BOC=Brought on Charge

Process of Procurement



Methods of Procurement

S. NO.	Procurement Value	Procurement Method	Remarks	Tender Fee
1	Procurement value upto Rs. 50,000	Petty Cash	The Competent authority can increase the amount of petty cash keeping in view the frequency and volume of purchases	Nil
2	Procurement Rs. 50,000 to Rs.200,000	Request for Quotations	Three sealed quotation shall be collected from open market or may be collected from prequalified vendors	Nil
3	Procurement Rs. Above Rs. 200,000 to 2,000,000	Tendering	Sealed quotations shall be collected from prequalified vendors and shall be opened in purchase committee	Rs. 500
4	Procurement Above Rs. 2,000,000	Tendering	Open competitive bidding process shall be followed and advertised in news papers. Prequalified vendors may also be used keeping in view the circumstances and consultation with VC.	Rs. 1,000

SOP for Purchases

1. INDENT / REQUISITION

- 1- The user fill/provide purchase requisition that clearly mention following matters:
 - a. The complete specifications of the item(s) / nature of work services required.
 - b. The purchase requisition should mention quantity required.
 - c. The estimated cost of the items required. Quotation may be obtained and attached with purchase requisition (if available)
 - d. Complete justification of item(s) required
 - e. Estimated time for completion of delivery of items/work services to be specified.
 - f. In case of civil works the design/structure/layout should be vetted by Competent Authority.
- 2- The purchase requisition should be thoroughly checked, verified and signed by the end user and Head of Department, keeping in view actual need assessment, value of money and ownership of funds.
- 3- In case of consumable items the availability will be confirmed from main store/other concerned departments. Non availability will be provided by Store officer/ other concerned official on Purchase requisition.
- 4- It is recommended to use Purchase Requisition form attached at (**Annexure-A**)

INDENT / REQUISITION APPROVAL

- 5- Dully filled requisition will be forwarded to Accounts Department for the confirmation of availability of funds and reassessment of need.
- 6- The indent / requisition form will be forwarded to Competent Authority for approval.
- 7- The competent authority can constitute special committee or assigned special task for the execution of technical/complex nature of work.

TENDERING

- 8- Approved indent / requisition will be sent to PO. The **PO** may prepare/demand detail **BOQ** from end user.
- 9- The **PO** invites prequalified vendors in case of prequalification or floats tender to participate in competition in press/LGU web site/ as per approved indent and in accordance with the laid down rules.
- 10- Tender documents (Terms & Conditions, BOQ and approved design) duly signed by **CPC** should be available from purchase office after the submission of prescribed tender fee.
- 11- Evaluation criteria must be mentioned in bidding documents.
- 12- Pre-Bid meeting may be called by the **CPC**. The date, time and venue of meeting must be mentioned in bidding documents.
- 13- **PO** will ensure collection of tender documents by all pre-qualified vendors and any other vendor in case of open bidding by the specified tender collection time and keep a record of this activity.

- 14- Tenders will be submitted in the office of **PO** after proper advertisement within the specified tender submission date and time and keep a record thereof for all received tenders/quotations.
- 15- In case poor response, the submission date may be extended with the prior written permission from CPC.
- 16- **PO** to ensure that tenders/quotations should be opened by the Purchase Committee at the fixed time and date in presence of available bidders. The members of Purchase Committee including co-opted member should be present at the time of tender/quotations opening ceremony. The CPC may defer/adjourn the meeting in case of short quorum.
- 17- **PO** reads out the price quoted by each vendor against the corresponding item as per BOQ. All committee members including co-opted member signs the quotations as well as its corresponding postal envelope.
- 18- In case of two bid processes, the technical bids should be forwarded to notified technical committee and financial bids of technically sound bidders should be opened on prescribed date which should be mentioned on bidding documents.
- 19- During the meeting, if any point of confusion arises the decision of CPC will be final.
- 20- The quantities of items may be increased/decreased before the tender opening. The time of decision should be enough to communicate the bidders.
- 21- Repeat Order clause under procurement rules will be applicable only on current financial year procurement.
- 22- Evaluation report may be uploaded on LGU web site.
- 23- Rate Contract will be valid for a year. The clause of rate contract should be mentioned in bidding documents.

RFQ CASES:

- 24- Quotations will be called/collected from pre-qualified vendors.
- 25- Notice for collection of Quotations along with detailed specifications will be prepared by the PO in consultation with the indenter.
- 26- PO will ensure the dispatch of invitation of quotations and keep it record thereof.
- 27- In case of poor response by the pre-qualified vendors, quotations may also be collected from the open market for healthy competition.
- 28- The quotation will be inclusive of all applicable Govt. taxes.
- 29- Invoice/quotation must mention the NTN/GST/CNIC

5. **BID SHEET / COMPARATIVE STATEMENT**

- 30- Comparative statement is prepared by the Purchase officer within 2 working days after the opening of financial bids.
- 31- The prepared comparative statement is signed immediately by all members of the Purchase Committee including co-opted member and it should be submitted for approval of Competent Authority through Treasurer.
- 32- The rates taken in comparative statement should inclusive of all applicable taxes.

7. **EARNEST/RETENTION MONEY**

- 33- Earnest money @ 2% of total bid price will have to be submitted by the vendors in form of Call Deposit Receipt (CDR) in favor of LGU along with the tender documents. The same will be returned to vendors just after the approval of comparative statement except the vendor who has been awarded the work.
- 34- The earnest money of awardee will be released on satisfactory delivery of items.
- 35- An amount of 5% to 10% of the total value of invoice price or bank guarantee will be retained till the warranty period keeping in view the nature of purchase.

8. **SUPPLY ORDER / PURCHASE ORDER / WORK ORDER**

- 36- After approval of the Competent Authority, PO will accordingly issue the supply order in accordance with the terms and conditions enlisted in the tender documents.
- 37- Supply/Purchase order must be issued through courier and a copy is given to indenter, CPC, PO and the store officer for subsequent Brought on Charge (BOC) action.

9. **AMENDMENT / VARIATIONS**

- 38- Amendment in any terms and conditions involving change in the delivery period as per the Purchase Order; due to some unforeseen circumstances beyond control; must be submitted in writing by the vendor to the Purchase Committee before the expiry of the delivery time.
- 39- Request of the vendor is discussed in a meeting of Purchase Committee with the consultation of end user.
- 40- After deliberation Purchase Committee may extend delivery time against the request of the vendor. The decision of Purchase Committee will be final.
- 41- In case the request for extension is received after the expiry of delivery date the CPC will decide in consultation with the concerned Department/end user.
- 42- Vendor is apprised by the PO in writing about the decision of the Competent Authority on his request on the recommendation of Purchase Committee.
- 43- The variation in civil work will be acceptable upto 10% of the cost. Beyond this limit the approval from competent authority will be mandatory.

10. **FOLLOW UP / TRACK OF DELIVERABLES/WORKS**

- 44- Supply orders are monitored and tracked constantly by the PO for timely completion / deliveries and its copies retained the record/concerned file.
- 45- PO should remain in touch with the vendors/contractor for supplying the items/completion of work in time. However, if the vendor fails to deliver the items in time then the vendor will be charged penalty as under:-
 - i) 1% of the total invoice price for 5 working days.
 - ii) 2% per of the total invoice price for further 5 working days.
 - iii) If the vendor fail to deliver the items during the extended period then the supply order will be cancelled, earnest money and payment(s) will be forfeited.
- 46- PO will submit a weekly report on the progress of all in-hand supply orders specially highlighting hold-ups, expired delivery dates and actions taken to expedite deliveries.
- 47- Purchase Committee within rules and regulations recommends measures / solutions to the competent authority for handling the expired delivery period, hold-ups or any connective issues.

11. **RECEIPT OF ITEMS / SUPPLIES / WORK SERVICES**

- 48- The vendor(s) through delivery challan; hand over the supplies as per purchase order to the PO.
- 49- The Inspection Committee including indenter and PO will carry out inspection and forward its report (an acceptance certificate) to the Purchase Officer for the supplied equipment with a copy to store officer.
- 50- The PO completes the BOC action after the acceptance certificate.
- 51- The measurement sheet, inspection reports and quality reports will be required in case of civil work which will be vetted by care taker and Deputy Registrar (Estate). Overall supervision of civil work shall be carried out by the care Deputy Registrar (Estate) keeping all updates in the information of Registrar.

12. **RELEASE OF PAYMENT**

- 52- User/indenter acceptance certificate, BOC action and completion of all CODAL formalities are mandatory requirement for release of payment including a completion/verification certificate duly signed by the PO and co-opted member/end user. Completion certificate attached at (**Annex-B**)
- 53- The CPC recommends release of payment for supplied equipment/work services when all conditions are fully met.
- 54- In case of partial payments, the scheme of payment will be mentioned in terms and conditions.



Lahore Garrison University

DHA Phase VI, Sector C

TERMS AND CONDITIONS

1. The contract will be executed and supplies thereof handed over to the entire satisfaction of Lahore Garrison University (LGU).
2. The tender must be submitted by _____ hrs on _____ and will be opened on _____ at _____ hrs, at LGU in the presence of the representatives of the bidders, who wish to be present.
3. The tender shall be accompanied by Earnest Money (refundable) @ 2% of total quoted price in shape of pay order / bank draft in favour of Lahore Garrison University (LGU).
4. All prices should be quoted on F.O.R (Pak Rupees) *and* C I F and C&F basis (by air only) in US \$ at Allama Iqbal International Airport, Lahore as per interest of LGU.
5. All prices should be valid for at least 30 days. Withdrawal or any modification of the original offer within the validity period shall entitle LGU to forfeit the earnest money in favor of the LGU as well as allow LGU to put a ban on such vendor participation in LGU tenders / works.
6. The payment of net C I F value (by air only) where in full or part depending upon shipment(s), will be made through an irrevocable letter of credit open in favour of the principal supplier.
7. Only manufacturer/authorized distributors should quote the equipment and provide its country of origin/manufacturer as quoted in the bid. Bidder(s) must attach a letter as authorized distributor of the equipment manufacturer.
8. The selected bidders may be required to give complete presentation of their equipment(s) and if order is awarded, the bidder must provide complete training (to end user) free of cost at LGU premises (within thirty days after the delivery).
9. It is responsibility of the authorized agent/ supplier/ manufacturer to satisfactorily complete the supplies as per supply order, which includes installation, testing and LGU's acceptance / inspection thereof.
10. In case of C I F supply:
 - (i) LGU will appoint a clearing agent to clear the goods received as per supply order at Allama Iqbal International Airport, Lahore.
 - (ii) All admissible taxes as levied by the Government from time to time are applicable to the quoted rates.
11. An amount of 3% to 10% of the total value of invoice price or bank guarantee will be retained till the warranty period keeping in view the nature of purchase
12. Complete delivery of each sub-head/ component of equipment will only be accepted.

13. Items being ordered should be new and unused and should comply with the laid down specifications. Brochure and product details must be attached. This will include free service and technical support at the premises of Lahore Garrison University (LGU) for the warranty period, mentioned above.
14. Offer should indicate the cost of basic items along with the standard accessories and its optional accessories separately with prices of each item.
15. Offer should also include/mention the additional optional accessories, which are must and are required to complete the experiment/ tasks. Offer without this information / detail / specifications will be considered as incomplete offer.
16. If the vendors fail to deliver the items in time then the vendor will be charged penalty as under:-
 - i) 1% per day of the invoice price for 5 working days.
 - ii) 2% per day of the invoice price for further 5 working days.
 - iii) If the vendor fail to deliver the items during the extended then the supply order will be cancelled, earnest money and payment will be forfeited.
17. No offer of a supplier/firm will be considered if: -
 - (i) Received without earnest money.
 - (ii) Received later than the date and time fixed for tender submission.
 - (iii) The tender document is unsigned/ unstamped.
 - (iv) The offer is ambiguous.
 - (v) The offer is conditional.
 - (vi) Offer is made by an unauthorized agent/ supplier of the original equipment manufacturer.
 - (vii) The offer is from a firm, which is black listed by any Govt. Office.
 - (viii) The offer is received by telephone/telex/fax/telegram.
 - (ix) Any unsigned / ambiguous erasing, cutting / overwriting etc. is made on the bidding/tender document.
18. It is the sole responsibility of the agent / supplier / manufacturer to comply with the applicable national or international law.
19. In case of any dispute, decision of the VC, LGU will be final and binding upon the parties.
20. The LGU reserves the right to modify equipment specifications/quantities at any time before the award of contract/supply order for equipment/ work/services.
21. LGU reserves the right to accept or reject part or whole of the tender without assigning any reason thereof.
22. The bidder should furnish a certificate as worded below in token of acceptance of all the terms and conditions of the tender; otherwise the tender will not be considered under any circumstances.
23. I/We the undersigned certify that the terms and conditions as contained in the documents Viz, “ Terms and Conditions of

Tender for supply of----- floated by Lahore Garrison University (LGU) are accepted and that in the event of selection of my/our rate the agreement in the prescribed form will be abided by.

24. The envelope shall bear the words “CONFIDENTIAL” followed by words “tender for -----
-----“as identification mark. The envelope should be addressed to:

Purchase Officer

Lahore Garrison University,
DHA Phase VI, Sector C
Tel: 042-37181821, Ext: 136

Signature of Bidder with Stamp



Lahore Garrison University

Dated: _____

Completion/Verification Certificate

M/s _____ has supplied the
_____ as per requisition/supply order.

It is certified that above-mentioned item (s)/work (s)/supply (s) have been received satisfactorily within due date. The items have been entered in the relevant stock register. The bill has been checked and may please be processed for payment as per LGU rules.

Co-opted Member/End user

Name: _____ Designation: _____ Signature: _____

Purchase Officer: Name: _____ Signature: _____

SPC: Name: _____ Signature: _____