

1. ORGANISATIONAL SETUP

The functions of the Materials Management Division are mainly carried out by two wings for administrative purposes. It is the 'prime responsibility' of the Materials Management Division to ensure smooth and timely supply of stock and non-stock items of the required quantity to the departments concerned. For this purpose, there are Officers and staff concerned deployed for different nature of work. There are many stock items and non-stock items which are procured through the system of Bulletin Tender, Limited Tender, Single Tender, Advertised Tender etc. The two wings of the Materials Management Division are as under:-

- (A) Administrative Wing and
- (B) Store Keeping Wing

1.1 Administrative Wing

The staff of this wing is further divided into following sections on the basis of functions carried out by them.

(a) Purchase Sections

- (i) Electrical Purchase Section (P4)
- (ii) General Purchase Section (P5)
- (iii) Medical Purchase Section (P6)
- (iv) Spare Parts Purchase Section (P7)
- (v) Stationery Purchase Section (P8)
- (vi) Uniform Purchase Section (P9)

(b) General Administrative Sections

- (i) Establishment Section
- (ii) Cash Section
- (iii) Letter Despatch Section

- (iv) Typing & Computer Cell
- (v) Materials Management Cell

(c) Sale Section

- (i) Disposal Section (A)

(B) Store Keeping Wing

The staff of this wing is divided into the following sections on the basis of functions performed by them.

(a) Wards & Receiving Sections

- (i) ICL Ward – Oils and Paints Ward, General Ward, Hardware Ward, & Electrical Ward.
- (ii) Stationery Ward & Receiving Section
- (iii) Uniform Ward & Receiving Section
- (iv) Main Receiving Section
- (v) Medical Ward & Receiving Section
- (vi) Spare Parts Ward & Receiving Section

(b) Depot Despatch Section

- (i) Disposal Section (S)

PURCHASE SECTION

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2. Purchase Section

2.1 Introduction :

In Purchase Sections, various types of materials comprising of Civil, Mechanical and Electrical Engineering items, Spare parts, Medicines, Stationery and Printing items and uniform and clothing items are procured in a centralised way by adhering to the laid down procedures.

Purchase activities of Stores Department were carried out manually until the year 2006. The computerised Integrated Materials Management System (IMMS) was introduced in the year 2006. Thereafter, all activities are done on-line in the IMMS.

The procurement process is streamlined into simplified procedures. Purchase formats are designed and allotted format numbers for identification purpose. Similarly Stock and Non-stock indents are assigned unique code numbers for speedy processing.

Stores Department caters to diverse requirements of various types of items needed for different sections of all departments which send their requirements /indents to Stores department. These Sectional officers are known as “Indenting Officers”/ “Indentors”. Indents are of two types,

viz., Stock indents and Non-stock indents. The compliance of indents is achieved through different activities carried out by various sections of the Stores Department.

2.2 Objectives of the Purchase Sections :

Purchase Sections initiate purchase action on Recoupment mema received from the Wards and Non-stock indents received from the Indenting Officers. For this purpose, various types of tenders are issued.

After finalisation of the tenders/Periodic Contracts, Purchase Orders are placed on the Suppliers. There are six Purchase sections, viz. P4-Electrical Purchase section, P5-General Purchase section, P6-Medical Purchase section, P7-Spare Parts Purchase section, P8-Stationery Purchase section and P9-Uniform Purchase section.

2.3 Receipt of Recoupment Mema, Non Stock Indents and Contract requirements :

Non-stock indents and Recoupment Mema are received in Purchase Section through IMMS.

Stock and Non-stock items are allotted a 12 digit code number. For codification of new Non-stock items, the Indenting officer lodges New Item Request online in IMMS. After scrutiny of the specifications at different levels upto the MM, the items are codified. The Indentors raise Stock as well as Non-stock indents online. While Stock indents are processed by the Wards, Non-stock indents are dealt with by the Purchase sections.

Ward officers raise Recoupment Mema (RM) for procurement of Stock items. Non-stock indents and Recoupment Mema (RM) automatically flow on-line into the respective Purchase sections. A Proprietary Article Certificate (PAC) is generated along with Non-stock (NS) indents for items of Proprietary nature.

In case, the estimated cost of the indents / contract requirements exceeds Rs. 10 lakhs, **Administrative Approval** of the Competent Authority is required to be obtained.

2.4 Mode of Purchase :

Recoupment Mema (S/FO/7) from Wards and Non-Stock indents (S/FO/2) from Indentors are received on-line in Purchase Sections. Purchase Section staff then submits Recoupment Mema / indents/Risk Purchase Notices suggesting mode of purchase to AMM GR. I/Dy MM/SrDy MM for his approval. For Recoupment Mema and Indents with clear, correct and complete specifications, AMM GR. I/Dy MM/SrDy MM approves mode of purchase, e.g., single tender/ limited tender / bearer tender / bulletin tender / advertised tender. AMM GR. I/Dy MM/SrDy MM sometimes directs the staff to return the indents / Recoupment mema (RM) containing incorrect and incomplete information to the Indenting Officer/ Ward Officer. Such indents/RM are returned on-line and under a covering letter, i.e., Enquiry Letter (S/FO/10) through Letter Despatch Section.

2.5 Types of Tenders :

Depending upon the type of item, value and urgency, following types of tenders are issued :

(a) Single Tender - For items of proprietary nature, i.e., Indent accompanied by Proprietary Article Certificate (S/FO/124) or of OEM (Original Equipment Manufacturer) nature.

(b)Limited tenders - For items (normally estimated to cost upto Rs.2 lakh) having limited suppliers, viz., Manufacturers, Authorised Registered Suppliers and sources suggested by the Indenting Officers, etc.

(c)Bearer tenders - For requirements of emergency nature having limited suppliers.

(d)Bulletin tenders - For items normally (Estimated to cost upto Rs. 1 lakh) supplied by Registered suppliers.

(d)Advertised tenders - For items individually valued for more than Rs.2 lakhs or for similar items collectively valued above Rs. 2 lakhs, Advertised tender is issued in terms of T.R. No.54 of 2009.

(e) Import Tenders – For items of imported origin from overseas suppliers.

2.5.1 Waiver of Earnest Money Deposit(EMD)

For tenders of items of urgent / immediate requirement, proprietary nature and limited sources, but valued above Rs.20,000 (Twenty thousand), Dy. Chairman's approval is obtained for waiver of lodgement of EMD and S.D. as per Sr. No. 29 of T.R. No.180 of 1989. Similarly, for OEM items valued above Rs. 5 lakhs, Dy. Chairman's approval is obtained for waiver of lodgement of EMD/S.D. as per T.R. No.54 of 28.04.2009.

2.6 Preparation and Issue / Sale of Tenders :-

Based on the mode of Purchase, tenders are prepared as follows. The activities mentioned below are done in IMMS system :

(a) Single Tender (S/FO/167) - Tender draft prepared by the Staff, checked and recommended by Senior Staff, and is approved by the approving authority, based on the value of the tender as given below:

AMM GR. I upto Rs. 25,000/-, Dy MM upto Rs. 50,000/- . Tenders in both the cases are directly submitted by AS/ OS to the concerned inspecting Officer. For tenders valued between Rs.50,001/- and Rs. 2 lakh, the AS / OS submits draft tender to MM / CME / CMO for approval through Dy. MM and Sr. Dy.MM/MM. For tenders valued above Rs. 2 lakhs, the AS/OS submits tender draft for M.M.'s approval through Sr. Dy MM/MM.

(b) Bearer Tender (S/FO/167) – Bearer Tender is issued in case of urgency. Approval of the Materials Manager is obtained for issue of Bearer Tender. Tender draft is prepared by the Staff based on the list of suppliers

available in the IMMS. It is then submitted to Senior Staff for checking and to inspecting officers i.e., AMM Gr. I / Dy. MM / Sr. Dy MM for recommendation and MM / CME / CMO for approval, similar to Single Tender. For this tender, due date is not given, but offers are collected from the Suppliers in view of urgency.

(c) Limited Tender (S/FO/167) – Limited Tender is the same as in Bearer Tender, except that tender is issued with due date. A list of limited tenders (S/FO/19) is sent to MM Cell for display on the Notice Board.

(d) Bulletin Tender (S/FO/21) - Bulletin Tenders (S/FO/16) mentioning the respective Registration group no. and delivery period against each tender, are prepared by the Staff from Indents / RM, checked by Senior Staff and approved by AMM GR. I / Dy. MM. This list is seen by the MM Cell and further action till Despatch of tender is taken by the MM cell.

(e) Advertised Tender (S/FO/205) - Advertised tender is floated for item / items individually / collectively valued above Rs. 2 lakhs. In such cases, tender draft is prepared alongwith note stating EMD amount, cost of tender set, administrative approval for purchase if required, budget provision, likely suppliers, etc. and is submitted to CME / CMO through Dy MM / Sr.Dy MM/MM for on-line approval in IMMS. On approval, the staff prepares a list of Advertised Tenders (S/FO/128) and sends to MM Cell, for arranging to publish in newspapers and display on Website.

(f) Import Tender (S/FO/116) - Import Tender (S/FO/116)

is issued for the procurement of items viz., equipments / spare parts of imported origin as required by the Indenting Officers. Such indents for imported items are countersigned by officers of the level of Superintending Engineer or above.

Indents for these items are received on-line mentioning name and address of OEM. Tenders are issued to OEM or their Indian representatives / dealers, seeking offer on FOB (Free on Board) / FCA basis. After receipt of offer in foreign currencies, the offers are evaluated in Indian Rupees. Freight and Insurance are paid by MbPT in Indian Rupees as per the Government directives.

(g) Tenders in Two Cover System: Certain items like underwater marine paints, etc. are composite items that require inter se compatibility. In such cases, the tenders are invited in two covers along with the samples. The first cover (Technical Bid) has sample clause, technical parameters and credentials of the suppliers, etc. The second cover (Price Bid) has the quotations of the tenderers.

The first cover (Technical Bid) and the requisite EMD cover are opened through audit on the due date and time. The price bid is not opened and kept with the Administrative Officer for safe custody.

The technical bids of the firms are scrutinized and only the price bids of the competent firms are opened through audit under intimation to the firms.

List of approved brands for Electrical Items is provided by Mechanical Engineering department. In such cases, the tenders are issued for these approved brands only.

For issue of Bearer tender / Limited tender, suppliers are selected from the List of Registered Suppliers (S/FO/12), List of likely suppliers (S/FO/13) available in Purchase Section, from the sources suggested by I.O. And Suppliers holding DGS&D Rate Contracts.

Purchase files along with List of Bearer / Single / Limited Tenders (S/FO/19) are sent to MM Cell by various Purchase Sections and acknowledgment of MM Cell is obtained on the office copy of the lists of Purchase Section. Tenders valued above Rs.20,000/- are issued with Earnest Money Deposit (EMD) and Security Deposit (SD) clause. OEM are exempted from EMD / S.D. for tenders valued upto Rs. 5 lakh as per the T.R. No.54 of 28.04.2009. The Registered suppliers are exempted from payment of EMD upto Rs. 5 lakhs (Estimated value of tender) and SD for Purchase Orders / Contracts valued upto Rs. 1 lakh.

In all the above cases, Tender No. is assigned to the tender on-line in IMMS system automatically which is then entered in the Tender Register (S/FO/15) by the staff. Printouts of all the tenders are taken out after

on-line approval of the tender draft by the competent authority. Print outs of tender set are again checked by staff and AS / OS. Except Bearer Tenders, all the tenders are sent to the Suppliers through General Despatch Section. Bearer Tenders are despatched to Suppliers personally and acknowledgment is obtained on Acknowledgment Slip (S/FO/20). Limited Tenders and Advertised Tenders are displayed on the Notice Board by the MM Cell. Advertised tenders are also displayed on the MbPT's website.

2.7 Procurement of Items through DGS & D Rate Contracts

The items covered under Rate contracts awarded by the Directorate General of Supplies and Disposals (DGS & D) are available on their website i.e., www.dgsnd.gov.in. As per T.R.180 of 1999, Sr. No.1, Purchase Officers can place Purchase Order on DGS & D Rate Contract holders, provided the supplier agrees to MbPT's payment terms i.e., 30 days after the acceptance of supply as per TR No.268 dated 28.12.1999

8. Finalisation of Bulletin/ Bearer/ Single / Limited and Import Tender :

After opening of the sealed tenders, Bearer Tender / Single Tender / Limited Tender (S/FO/167)/ Import Tender (S/FO/116) the offers received from tenderers are properly filed in Purchase File (S/FO/14) by the MM Cell Staff. Thereafter, files are sent to respective Purchase Sections and acknowledgment of Purchase section staff is obtained.

Purchase Section staff checks Tender Record Sheet (S/FO/24) and enter tenderer's offers in IMMS, evaluates all the offers and prepares Grading Sheet (S/FO/31). The grading of offers is done by loading the taxes, duties, freight, Octroi, insurance, interest for advance payment, inspection charges etc.. The print-outs of Grading Sheet and Tender Recommendation Sheet (S/FO/32) duly filled in by the staff are filed in the Purchase File. It is then submitted to the Purchase Officer, i.e., AMM GR. I/Dy MM/SrDy MM as per the working arrangement.

If required, late received offers and offers with incorrect tender no. are opened subsequently with MM's / CME's / CMO's approval as the case may be on the recommendation note of the concerned AMM GR. I/ Dy MM/ SrDy MM on Tender Recommendation Sheet (S/FO/32). Similarly, if required, offers from Govt. undertakings, Public Sector Undertakings, manufacturers authorised dealers / distributors without EMD are opened subsequently with Dy. Chairman's approval by submitting a well reasoned proposal through CME/CMO duly verified by the Accounts Department as per Sr. No.29 of T.R. No. 180 of 1989.

Letters are sent to tenderers if required by Letter to Supplier (S/FO/131) for want of additional information, clarification in respect of their offers, sample, extension in validity period, etc. Copies of offers or summary of offers are sent to Indenting Officers if required by Letter to Indenting Officer (IO) (S/FO/141) as per the orders of the Purchase Officer . The Purchase Officer accepts the lowest acceptable offer (The lowest offer as per tender specifications and the

lowest rate as per grading) on-line and signs the same in his login. Movement of the Purchase File is noted by the staff of Purchase Section in the Tender Movement Register (S/FO/33). Tender is finalised after acceptance of the lowest acceptable offer by the Competent Authority either directly or through recommendation by the officers concerned as per the working arrangement.

In case of extreme urgency or short validity period, Short acceptance letter (S/FO/43) is issued to the Supplier before placement of detailed purchase order.

If it is found that the tender value based on the acceptable offer exceeds Rs. 2 lakhs, then generally the tender is discharged and re-invited as advertised tender after reviewing and ascertaining estimated cost on indent / indents.

However, for urgent cases and procurement of material from O.E.M., Manufacturers and Authorised Dealers, the Chairman's / of Dy. Chairman's ex-post facto approval is obtained for condonation of non-advertisement of the tender before finalisation of the tender as per Sr. No.31 of appendix to T.R. No. 180 of 1989. As per TR No. 197 dated 31.03.2010, the Materials Manager is permitted to condone non-advertisement of Tenders upto 15 lakhs for purchase of spare parts from OEM or A.D.

Working arrangement for accepting and discharging tenders upto Rs 1 lakh as per Office Order no. 23 dt 3.7.2003, are as under:

Tender value & Discharging Authority	Recommending Authority	Accepting Authority
Upto Rs.25,000 AMM GR. I	NIL	AMM GR. I
Rs.25,001 to Rs.50,000 Dy. MM	AMM GR. I	Dy MM
Rs.50,001 to Rs. 2,00,000 Sr.Dy MM/MM	Dy MM	Sr.Dy. MM/ MM

2.9 Finalisation of Advertised Tender :

In this case, procedure is the same as in the case of Bearer Tender / Single Tender / Limited Tender. However, Inspecting Officer directs the staff to prepare a Scrutiny Report (S/FO/54) in case total value of the acceptable offer exceeds Rs.1 lakh. Scrutiny Report is prepared by the staff and signed by the Inspecting Officer. It is then sent in duplicate to the Stores Accounts Office under the Scrutiny Report Forwarding Letter (S/FO/35). The Stores Accounts Office carries out audit verification of the Scrutiny Report and returns one copy to Purchase Section with their observations, if any. Based on the observations made by the SAO, sometimes letters are written to Tenderers/Indenting Officers for seeking clarification / additional information. On receipt of the same, audit observations, if any, are replied to by the Inspecting Officer. Thereafter, Tender Committee Meeting (TCM) is convened and intimation to that effect is sent to the

concerned Tender Committee members by TCM Intimation Letter (S/FO/55). During the Tender Committee meeting the members of the Tender Committee comprising officers of the Stores department, the User department and the Accounts department deliberate on the tender. Based on the recommendation of the Tender Committee (TC), the staff prepares Tender Committee Report (TCR). The Tender Committee Report is then signed by the Tender Committee Members and submitted to the Accepting Authority as per the working arrangement. Summary of the TCR is entered into IMMS and the offer recommended by the TC is accepted by the Accepting Authority in IMMS. However, for tenders accepted by the Chairman and the Board of Trustees on-line, acceptance in IMMS is done by the Dy. Controller of Stores.

Constitution of the Tender Committees at different levels as required under Regulation No. 4(B) (c) (xi) and (xii) of MbPT (Form and Manner in which contract shall be made) Regulations, 1994 are as below :-

Tender value Accepting/Dis charging	Accepting Authority
Rs. 1 lakh to 2 lakhs Sr. Dy. MM/ MM	Dy.MM Sr. Accounts officer, Analogous level officer of user department
Rs. 2 lakhs to 50 lakhs CME/CMO	Sr. Dy MM/MM, Dy. CAO, Analogous level officer of user department
Rs. 50 lakhs to 200 lakhs CHAIRMAN	CME/CMO

Rs.200 lakhs and above	CME/CMO
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2.10 Award of contract / Placement of Purchase Order :

The staff prepares drafts Purchase Order (S/FO/134) / Purchase Order with Advance Payment (S/FO/34) / Import Purchase Order (S/FO/56) in IMMS. It is then submitted to AMM GR. I/Dy MM/Sr. Dy MM for approval in IMMS. On receipt of approval, printout of purchase order is taken, duly verified by the staff and submitted to the Purchase Officer for his signature. Copies of the Purchase Order are then sent to the Letter Despatch Section through Despatch Book (S/FO/11) for distribution purpose. These copies are distributed to the Supplier, Receiving Section, Stores Accounts Office alongwith purchase file, Ward/Indenting Officer, MM Cell, Inspecting agency in case of third party inspection, Vigilance department and filed in the Master File of the Purchase Section.

Delivery period is invariably reckoned from the date of the outward No. of the P.O. except otherwise offered by the tenderer and accepted by the Accepting Authority.

For placement of Purchase Orders placed on Suppliers where payment terms are Payment in advance, Dy. Chairman's approval is obtained for granting advance payment to the Supplier as per Sr. No.31 of T.R. No.180 of 1989.

Purchase orders valued above Rs.20,000/- are issued with Security Deposit clause. The Security Deposit (SD) is calculated @ 5% of P.O. value. Whenever considered necessary, Chairman's / Dy. Chairman's sanction for waiver of SD is obtained through Accounts Department in terms Sr. No.29 of T.R. No.180 of 1989.

On receipt of Cash Remittance Statement (S/FO/60) from the Cash Section, the staff makes entries of lodgement of EMD/ SD in EMD/SD Register (S/FO/36).

Purchase orders for imported items are placed in different format i.e., Import Purchase Order (S/FO/56) and entries are made in Import Purchase Order Register (S/FO/57). A copy of Import Purchase Order is also sent to Indian Agent of the overseas supplier (OEM) and two copies to the Accounts Department. After placement of P.O., Payment Recommendation Letter (S/FO/58) mentioning details of exporter's bank, Bank Account number, SWIFT code etc. is sent to the Tender branch of Accounts Department through the Stores Accounts Office. The Tender Branch of the Accounts Department sends notification to MbPT's banker i.e. State Bank Of India, Mumbai Main Branch for remitting the requisite payment in foreign currencies to the Suppliers through their Bankers. A copy of Remittance Advice is also sent to the Stores Department.

In case of urgency and validity of accepted offer nearing expiry, Short Acceptance Letter (S/FO/43) is issued to the Supplier immediately on finalisation of the tender and prior to placement of Purchase Order.

2.11 Modification of Purchase Order / Contract :

In certain cases, it becomes necessary to modify the Purchase Order / Purchase Order with Advance Payment (S/FO/34) / Import Purchase Order (S/FO/56) in respect of item description, quantity, rate, other levies, payment terms, delivery terms, delivery date and other clauses. Modification is done on the basis of supplier's letter / letter from Indenting Officer/ letter from SAO/ note from Inspecting Officer. Accordingly, staff submits a proposal for modification of PO. For approval of the competent authority. On receipt of approval, Modification of Purchase Order (S/FO/37) is issued by the Purchase Officer. It is sent to General Despatch Section for distribution. Copies are distributed to the Supplier, Receiving Section, Stores Accounts Office, Ward/ Indenting Officer, MM Cell, inspection agency in case of third party inspection, Indian Agent in case of Import Purchase Order. Wherever necessary, any modification in P.O. involving financial implications is done with MM/CME/CMO's approval and with audit concurrence

2.12 Cancellation of Purchase Order / Contract :

In certain cases, it is necessary to cancel the Purchase Orders. Cancellation of Purchase Order at the risk and cost of defaulting supplier is done if the Supplier fails to deliver the goods despite issue of RPN. Sometimes, cancellation is done on the basis of request letter from the Indenting Officer or from the supplier for genuine reasons such as cancellation of requirements, change in manufacturing pattern or

specifications, obsolescence, etc. After obtaining approval of the competent authority, cancellation of Purchase Order (S/FO/38) is issued by the Inspecting Officer and sent to the Letter Despatch Section for distribution. Copies are distributed to the Supplier, Receiving Section, Stores Accounts Office, Ward/Indenting Officer, MM Cell, inspecting agency in case of third party inspection, Indian Agent in case of Import Purchase Order. MM /CME/CMO's approval is necessary to cancel the PO without risk and cost, except where requirement is cancelled by IO/WO.

2.13 Risk Purchase Action :

After expiry of delivery period of PO, Receiving Section staff sends Report of defaulting Supplier (S/FO/39) to Purchase Section, in case the Supplier defaults in execution of the Purchase Order. The staff then enters the same in the Risk Purchase Register (S/FO/40). Purchase Section then issues Risk Purchase Notice (S/FO/8) to the Supplier by Registered Post giving him adequate period (normally 30 days) for execution of the PO. In case the Supplier responds to the notice by the date indicated therein, then the new date of delivery indicated by the Supplier, may be accepted, subject to levy / deduction of Liquidated Damages (L.D.) for the period of delay beyond the scheduled delivery period. The Supplier is informed about the new date of delivery subject to deduction of Liquidated Damages, by a letter. While allowing revised delivery date, the maximum allowable delay shall not exceed 3 months, beyond the initial scheduled delivery date, even with the levy of Liquidated Damages. Hence, late supply can be accepted only after revalidation of Purchase Order by the Competent authority. In case the supplier fails to

respond to the notice by the date indicated therein, then the PO is cancelled at his risk and cost from that date. For this purpose, Cancellation of Purchase Order (S/FO/38) is generated in IMMS and issued to the defaulting supplier. Copies of the same are sent to Receiving section, Stores Accounts Office, Ward / Indenting Officer, MM Cell, etc. through Letter Despatch Section. Generally material is not accepted after cancellation of Purchase Order.

The goods delivered after the revised date of delivery or after the date indicated in the RPN, or after 3 months beyond Delivery Period will not be allowed to be unloaded in the Stores premises. To initiate risk purchase action after expiry of the notice period and cancellation of PO, The staff submits the case to the Inspecting Officer for giving mode of purchase. Tender is invited depending upon mode of purchase, processed, finalised and Risk Purchase order is placed as per the usual procedure. After finalisation of the tender, Purchase Order / Purchase Order for Advance Payment (S/FO/34) / Import Purchase Order (S/FO/56) is placed on the supplier at the risk & cost of the defaulting supplier. Entries are made in the Risk Purchase Register (S/FO/40) by the staff.

It is necessary to issue Recovery Memo (S/FO/41) to the defaulting supplier in case his rate is lower than the rate at which the Risk Purchase Order is placed. In such cases, Recovery Memo (S/FO/41) is issued to the defaulting supplier asking him to pay the incremental amount plus Stores Supervision charges to MbPT. A copy of the same is also sent to the Stores Accounts Office for making recovery of this amount from any payment due to the defaulting

supplier. Entries are thereafter made in Risk Purchase Register (S/FO/40). Recovery Memo is sent for distribution to Letter Despatch Section and acknowledgement is obtained in Despatch book (S/FO/11). On receipt of intimation from SAO about recovery from payment due to the Supplier, the entry is made in the Risk Purchase Register (S/FO/40) by the staff concerned.

If the defaulting Supplier fails to pay the recovery amount in excess of Rs.50,000/- or it is not possible to recover the same from payment due to him, it is necessary to take legal action against the defaulter in consultation with CLO&A Department by filing a suit in the court of law. As per Sr.no. 3 of Office Order 7 dt.2.5.2003, the AMM GR. I Sr. is the inspecting Officer for cases of recovery between Rs. 50000 and 1 lakh and Sr. Dy. MM/ Dy. MM is the inspecting Officer for cases of recovery above Rs. 1 lakh .

2.14 Award of Rate Contract :

This department caters to procurement of certain items, requirements of which are of repetitive in nature over a period of time. In such cases, periodic rate contracts are entered into with the suppliers. In case of Stock Items, the staff calls for the Annual / periodic requirements from the concerned Ward Officer through Requisition for contract requirements (S/FO/42). The Ward Officer then submits the same in the form of TBC Statement (S/FO/118) and also puts a Contract Tender requisition in IMMS with a C.T. number. In case of Non-Stock items,

the requirements are called from various Indenting Officers in IMMS. On receipt of the same, they are compiled in the form of a consolidated requirement statement. On the basis of such requirements, a Tender is floated through single/limited/advertised tender depending upon the type of item, total value, urgency, etc.. This tender is issued and finalised like any other tender of similar type.

After finalisation of the tender for Rate Contract, Acceptance Letter (S/FO/43) is issued to the Supplier immediately and despatched through Letter Despatch Section. Thereafter, detailed Acceptance Letter comprising all the terms and conditions of the contract is issued to the Supplier. Copies of this letter are sent to SAO, Indenting Officer, Ward Officer, Receiving Section, MM Cell, Inspecting Agency, Vigilance department, Master File etc.. Schedule of Contracts(S/FO/100) is prepared by the staff of respective Purchase Section for monitoring purpose.

As and when indents / RM of items covered under the Contract are received in IMMS in the Purchase sections, a Purchase Order is issued to the supplier to whom the Rate Contract has been awarded. However, in case of Fuel Oils Contracts, the Purchase Order is generated in IMMS by the staff of the Receiving section and directly sent to the Oil Companies alongwith payment by cheque.

In case of all tenders pertaining to Contracts, tender opening is done by staff of Purchase Section and not by MM Cell.

2.15 Receipt of EMD and Security Deposit :

Tenderwise details of the EMD lodged by the suppliers, are handed over to the Cashier of Cash Section indicating details of Tender No., due date, name and address of the Supplier, Demand Draft No., amount, date and name of the issuing bank by the staff of MM Cell / Purchase Section entrusted with the Tender Opening work. The Security Deposit is accepted in the Cash Section. Cash Section sends a list of Earnest Money Deposit /Security Deposit payment lodged by the Suppliers to Purchase Section through Cash Remittance Statement (S/FO/60). The Security Deposit in most of the cases is deducted by the SAO and intimated to the Purchase Section through Recovery Memo. The staff then enters the details in the EMD/SD Register(S/FO/36).

In case of Rate Contracts/P.O. valued above Rs.20,000/- awarded to suppliers, Security Deposit @ 5% of the Contract Value is required to be paid by the Supplier as mentioned in the Acceptance Letter. Security Deposit lodged in form of Cash/Cheque/PayOrder/Demand Draft is received in the Cash Section. Sometimes, in case of contracts the supplier lodges Security Deposit in the form of Bank Guarantee (BG). The Bank Guarantee is verified by the staff of Purchase Section with the Bank Guarantee Format (S/FO/44). Purchase Section staff then obtains approval of the dealing Officer on Bank Guarantee Approval Note (S/FO/45). On receipt of the approval, Bank Guarantee is sent to the Stores Accounts Office by the Dealing Officer under Bank Guarantee forwarding letter (S/FO/46). On receipt of intimation about acceptance of Bank Guarantee by SAO, the same is entered in EMD/SD Register (S/FO/36) by the staff.

As per the FA & CAO's circular No.FA/T/Misc/BG/4427 dtd.06.05.2008 and Central Vigilance Commission's OM No.02-07-01-CTE-30 dtd.31.12.2007, it has been advised that the executing department should insist upon the Suppliers that the BG.s to be submitted by them, should be sent by the Issuing bank directly under Registered Post AD.

2.16 Refund of EMD :-

After finalisation of the tender, the staff obtains approval of the Inspecting Officer on Approval Note for Refund of EMD of unsuccessful tenderers (S/FO/48). On receipt of the approval, Recommendation Letter for Refund of EMD (S/FO/49) is sent to the Supplier and a copy is also sent to the Accounts Department through Letter Despatch Section. Related Entries are also made in EMD/ SD Register.

The staff obtains approval of the Dealing Officer on Approval Note for Refund of EMD of successful tenderer (S/FO/53) on receipt of SD from the Supplier. On receipt of the approval, Recommendation Letter for Refund of EMD (S/FO/49) is sent to Supplier, a copy of which is also sent to the Accounts Department through Letter Despatch Section. If the SD is not lodged by the Supplier immediately on receipt of Contract / PO, then the EMD and SD are refunded after completion of the Contract / PO. Entries of such refunds are made in EMD / SD Register.

2.17 Refund of Security Deposit :

In case of successful tenderers, Security Deposit is sometimes recovered from their payment and a copy of Recovery Intimation is sent to the Purchase Section by SAO. Cash Section sends a list of Security Deposits received from the Suppliers to the Purchase Section through Cash Remittance Statement (S/FO/60). The staff enters details of the same in EMD/ SD Register (S/FO/36) and obtains completion report of POs from the Receiving Section. On receipt of completion report, the staff obtains approval of the Dealing Officer on Approval note for Refund of SD (S/FO/51). On receipt of the approval, Recommendation Letter for Refund of SD (S/FO/52) is sent to the Supplier, two copies of which are sent to the Accounts Department through Letter Despatch Section. Entries of refund are also made in EMD/ SD Register.

2.18 Procedure for procurement of medicines for P.T. Hospital, Wadala :

MbPT has an objective to provide medical treatment and hospital facilities to all the employees and their family members. Port Trust Hospital has infrastructure of different equipments, X-Ray machines, Operation Theatre, Blood Bank, Pathology Laboratory etc. at the Wadala Hospital. In order to provide prompt services for supply of medicines, MbPT has created a separate cell of officers and staff members concerned, at the hospital premises. They manage all the purchase activities of procurement of medical equipments, tablets, drugs, etc. and assist the CMO for hospital requirements. The medical section procures the

materials whenever required and ensures smooth supply of medicines , general stores, equipments etc. to Hospital.

2. There are certain guidelines issued for procurement of medicines. The provisions laid down under TR No. 128 of 22.08.2006, are followed for procurement of various types of medicines. The medicines to be procured, are classified into following three groups :

i) Life Saving drugs – Brands are shortlisted and offers are invited from the specified manufacturers only.

ii) Critical Care items – Manufacturers are shortlisted.

But, in case of manufacturers who do not supply the drug, the official distributor on Authority Letter from the manufacturer are allowed to quote the rates. If there is more than one such agency, agency with distributorship in Mumbai for at least three years is allowed to participate in the tender process and quote the rates.

iii) Others -- In case of Others, the offers are invited in the present Two Cover System only. The offers are invited only from the manufacturers and the distributors in Mumbai who are in the field for at least five years and have the agency for the particular drug for two consecutive years. Manufacturers should have turn over of at least Rs.100 crores per annum during the last three years and production capacity three times the quantity in the tender. Drugs offered are of brands easily available with the local chemist in Mumbai. Shortlisting is done on the recommendations of the

Pharmacopoeia committee set up under CMO who also decides on the categorization of the drugs.

2.19 Partial List of Applicable T.R. :

i) T. R. 269 of 18.07.1977 -

Sanction for Standard Conditions of contract for purchase of stores subject to amendments where considered necessary.

ii) T.R.196 of 27.07.1987 -

Advt. of tenders in respect of purchases estimated to cost over Rs. 1 lakh

iii) T.R.161 of 23.05.1989 - Sr. No. 10.

Delegation of powers for acceptance of tenders for supply of stores.

iv) T.R.161 of 23.05.1989 - Sr.No.7.

Modification of minor nature in the specification of individual items of an accepted tender for work or appliances.

v) T.R. 308 dtd.05.09.1995 -

Relaxation in lodgement of EMD/SD by Registered Suppliers / OEM in respect of Tenders for supply of stores.

vi) T.R.No.268 dtd.28.12.1999 -

Purchase of stores against Rate contracts finalised by DGS & D.

vii) T.R. 180 of 13.06.1989 –

a) Sr.No. 1 :- Delegation of powers to Stores Officers for purchase of Stores through DGS & D.

b) Sr. No.29 :- To grant exemption from payment of Earnest Money Deposit and Security Deposit for purchase of stores.

c) Sr. No.30 :- To grant advance along with orders for the purchase of stores

d) Sr. No.31 :- To dispense with advertisement in the Press for purchase of stores.

viii) T.R. 54 of 28.4.2009 -

a) Sr. No. 1 :-Raising the Limit of 1 lakh to 2 lakhs with respect to dispensing with the requirement of Advertised tenders in press.

b) Sr.No. 2 :- To raise the limit from 1 lakh to 5 lakhs for tenders to be invited from OEM / Authorised dealers Stockists without the payment of EMD/SD.

T.R. 197 of 31.2.2010

Materials Manager is allowed to invite the tender for the Supply of stores by dispensing with advertisement upto Rs. 15 lakhs for spare parts from OEM.

2.20 Partial List of Applicable Office Orders

1. Office order No.88 dated 01.04.2004 – Procedure for deciding the mode Of purchase, approval of draft, Etc.
2. Office order No. 83 dated 23.03.2004- Improving Vigilance Administration(Advertised Tender to be made available on MbPT website.
3. Office order No. 23 dated 03.07.2003- Procedure for the purchase Tenders to bring about more Accountability and to improve Efficiency.

4. Office Order No. 13 dated 28.05.2003 – Procedure for the discharge
Of tenders and refund of
EMD/SD
5. Office Order No. 24 dated 05.07.2007 – Cancellation of Purchase
Order

2.21 List of Documents :

1.	Non-stock Indent second page (for s Stores Deptt.)	S/FO/166
2.	Recoupment Mema	S/FO/07
3.	Proprietary Article Certificate(PAC)	S/FO/124
4.	Single Tender/Limited Tender	S/FO/167
5.	Tender Form LT	S/FO/203
6.	LT Form to quote rate	S/FO/204
7.	Advertised Tender Notice	S/FO/205
8.	Form of Tender for Advt. Tender	S/FO/206
9.	Advertised Tender Form to quote rate	S/FO/207
10.	Import Tender	S/FO/116

3. RECEIVING AND INSPECTION SECTIONS

3.1 Introduction:

All the activities subsequent to placement of Purchase Orders (PO) are dealt with by the Receiving and Inspection Sections only. There are five Receiving and Inspection Sections based on the category of items. They are Main Receiving (MR), Medical Receiving(MDR), Spare Parts Receiving (SPR), Stationery Receiving (STR) and Uniform Receiving (UR) sections. Materials supplied by the Suppliers are received and inspected in these Sections. Proper storage and handling of material is the primary responsibility of the store-keeping staff posted in these sections.

3.2 Receipt of Material:

Receiving Section is manned by Depot Superintendent, Assistant Depot Superintendent, Store-Keeper, Assistant Stores-Keeper, Junior Engineer, Muccadam and Mazdoor. These different categories have distinct roles and responsibilities. The Depot Superintendent/Assistant Depot Superintendent supervises/ monitors functioning of the entire Section.

A copy of Purchase Order (S/FO/34)/Purchase Order with Advance Payment (S/FO/90) / Import Purchase Order (S/FO/56) is handed over to the Receiving Section by the Purchase Section. The same along with Purchase Order Progress Sheet (S/FO/62) is placed by the staff in the Receiving / Inspection file (S/FO/63). On receipt of material from the Supplier against delivery challan, a copy of the challan is kept in the Receiving / Inspection file and acknowledgement is given on the Supplier's copy by the staff

of the Section. Whenever required, weighment of material is taken on weighing balance or electronic weigh-bridge depending upon the weight and size of consignment and mode of transportation. Weights taken on electronic weigh bridge are recorded on Weighment Slip (S/FO/64) and placed in the Receiving file. The delivery challan details and quantity received are entered against GIR No. allotted online in IMMS. Entries are then made in Goods Inward Register (GIR) (S/FO/65) by the SK / ASK and Sr. No. of GIR Date are mentioned on the delivery challan. The details of delivery challan and GIR are subsequently mentioned on the Purchase Order Progress Sheet. The SK / ASK then hands over the file to the Junior Engineer for carrying out inspection of the material. If material against Purchase Order is not supplied by the Supplier, Reminder I (S/FO/66) informing the Supplier that delivery date is approaching fast is sent 15 days prior to the stipulated delivery date and Reminder-II (S/FO/67) is sent to the Supplier 7 days prior to the scheduled delivery date. These reminders are prepared by SK / ASK, signed by the Inspecting Officer and sent to the Supplier through Letter Despatch Section. In case of non-receipt of material or no advice from the Supplier even after issue of Reminder-II, Report of the Defaulting Supplier (RDF) (S/FO/39) is prepared by SK / ASK on expiry of the delivery period signed by the Inspecting Officer and is sent to Purchase Section for taking Risk Purchase action. All the events are recorded in the Purchase Order Progress Register (S/FO/68) by Receiving Section Staff.

In case of Purchase Orders with payment terms as payment against delivery/Advance Payment, SK / ASK sends a letter to the Supplier requesting therein to submit Proforma

Invoice (S/FO/69). On receipt of Proforma Invoice of value less than Rs.25,000, Requisition for Imprest Advance (S/FO/70) is prepared by SK / ASK online in the IMMS signed by AMM GR. I and sent to the Cash Section. Such payments are drawn from the Rs.15 Lakh Imprest Account of the Department. For Proforma Invoice of value more than Rs.25,000, an Advance Recommendation Letter (S/FO/71) prepared by SK / ASK signed by the Inspecting Officer is sent to the Stores Accounts Office through Cash Section. In both these cases, entries are made in the Advance Register (S/FO/72) kept in the Receiving Section. The staff of Cash Section collects cheque towards payment from the Accounts Department and intimates SK / ASK about the readiness of Cheque. SK / ASK then collects cheque from the Cash Section after signing acknowledgment in the Imprest Advance Book (S/FO/130). Thereafter, Payment Intimation (S/FO/73) is sent to the Supplier through General Despatch Section and/or by Telephonic message / Fax message.

The Stock as well as Non-Stock items against Purchase Orders placed on Suppliers are received in the Receiving Sections. Inspection of the material supplied by the Suppliers is carried out by the Checker, Junior Engineer and Inspecting Officer, to ascertain whether the material conforms to the specifications as stipulated in the Purchase Order.

3.3 Inspection of Material

Working arrangement for inspection of supply is as follows :

- a) AMM GR. I for Purchase Orders valued upto Rs.25,000/-
- b) Dy MM for Purchase Orders valued between Rs. 25,001/- and Rs. 2,00,000/- and
- c) SrDy MM for Purchase Orders of value Rs. 2,00,001/- and above .

Inspecting Officers are assisted by Jr. Engineers and Checkers in the process of inspection of supplies.

Jr. Engineer receives Receiving and Inspection File (S/FO/63) from SK/ASK on receipt of material. He directs the checkers to carry out physical inspection of material in respect of quality and quantity. On completion of inspection by checkers, Junior Engineer submits his report online in IMMS records his observations and findings on Purchase Order Progress Sheet (S/FO/62) and submits the same to AMM GR. I/Dy MM/SrDy MM. (Inspecting Officer) as per the working arrangement. On the basis of Junior Engineer's Inspection report, and random inspection conducted by the Inspecting Officer, the Inspecting Officer passes orders to either accept or reject the material. If the material is accepted by the Inspecting Officer, the SK / ASK prepares Goods Received and Acceptance Note (GRA) (S/FO/74) for Purchase Orders (S/FO/34) and Adjustment GRA Note (S/FO/91) for Purchase Orders with Advance Payment (S/FO/34) and Import Purchase Orders (S/FO/56) which is signed by the Inspecting Officer. The Receiving Section staff enters the same in Goods Received and Acceptance Register (S/FO/75). In the event of rejection of material, the staff prepares Rejection Advice (S/FO/76) which is signed by the Inspecting Officer. The staff then enters the same in Rejection Register

(S/FO/77) and sends to the supplier through General Despatch Section. In case of short receipt of material, Short Receipt Memo (SRM) (S/FO/78) is prepared online automatically by the IMMS. The SRM is then signed by the Inspecting Officer and sent to the supplier through General Despatch Section.

For certain types of items e.g., Paints, Ferrous and Non-ferrous metals, Chemicals, Cloth, etc., it is necessary to carry out testing of material in the Govt. Approved Laboratory. Inspecting Officer passes orders for testing of material in laboratory on Junior Engineer's preliminary report on Purchase Order Progress Sheet (S/FO/62). In such cases, representative sample of material is sent to Testing laboratory under Requisition for testing (S/FO/84) manually stating therein the scope of testing. Requisition of Imprest Advance (S/FO/70) is sent to the Cash Section for payment of testing charges. Entry of Requisition of Imprest advance is made in the Advance Register (S/FO/72). Adjustment of testing charges is made through GRA Note prepared by staff and signed by Inspecting Officer and then sent to SAO through Cash Section, to account for the expenditure incurred.

For timber material, inspection is carried out jointly with the Indenting Officer's (I.O.) representative. Inspection report is prepared on Timber Inspection Sheet (S/FO/147). For larger sizes of timber, authorised representative of the Forest Department is also called for Joint Inspection. Joint Inspection with the Indenting Officer is sometimes carried out

for Inspecting other types of materials also, when considered necessary.

Sometimes, it is necessary to send the material to Indenting Officer for approval since suitability of material cannot be assessed by mere visual inspection carried out in-house at the Stores Department. In such cases and in case of urgency, Inspecting Officer passes "IOA" (Indenting Officer's Approval) orders on the Junior Engineer's Inspection Report on P.O. Progress Sheet (S/FO/62). IOA letter (S/FO/87) is then prepared by the Staff, signed by the Inspecting Officer and entered in IOA register (S/FO/121). Material is then sent to I.O. under this letter through Depot Despatch section. Reply of IOA Letter is submitted to the Inspecting Officer by the Staff. Inspecting Officer then passes orders to prepare GRA Note/Rejection Advice/Short Receipt Memo depending upon suitability/ non-suitability. Short Receipt Report from I.O. /GRA Note/ Rejection Advice/ Short Receipt Memo are then prepared by the Staff, signed by the Inspecting Officer and issued as explained above.

Rejected material is handed over to the Supplier through Gate Pass (S/FO/86) on payment of penalty for rejection and testing charges, if any and on production of Original Rejection Advice (S/FO/76) Supplier's acknowledgement is obtained on Rejection Advice and filed in the Receiving file.

Calibration of various measuring equipments, e.g., Weighbridge, Weighing Scales, etc., is also arranged by Receiving Sections as per the statutory requirements.

3.4 Inspection of Printing Items

Purchase Orders for printing items are placed with proof approval clause. Specimen of printing items is sent to the Supplier along with Purchase Order (S/FO/34). On receipt of proof from the supplier, entry is made in the Purchase Order Progress Register (S/FO/68) and Proof Register (S/FO/89). The proof is checked by the staff of Stationery Receiving (STR) section, inspected by Jr. Engineer and approved by the Inspecting Officer for all Non-Stock Items. In case of Stock Items, proof is checked by the staff of Stationary Ward and approved by the Ward Officer. Entries are made in Purchase Order Progress Register (S/FO/68) and PO Progress Sheet (S/FO/62). The approved proof is handed over to the Supplier and acknowledgement thereof is obtained in the Proof Register (S/FO/89). Entries are made in Purchase Order Progress Sheet. The time taken for approval of proof by Stores is granted to the supplier in addition to the delivery period mentioned in the Purchase Order. Work instruction for the inspection of material and other documentation is the same as that in the case of inspection of other items. (Ref. Sr. No. 4.3)

3.5 Receipt and Inspection of Import Consignments

Purchase Order for imported items, i.e., Import Purchase Order (S/FO/56) and Intimation Letter about Payment from Accounts Department are received in Receiving Section from the Purchase Section.

For insurance cover of import consignments, Stores Department maintains insurance cover policy with New India Assurance Company Ltd. Sufficient Balance is maintained in this insurance premium account depending upon the value of import orders placed from time to time. On receipt of intimation from the overseas exporter / supplier or from their Indian agent, declaration of insurance is submitted to New India Assurance Company Ltd. either in person or through fax. The import consignment is thus insured and Insurance Certificate is obtained from New India Assurance Company Ltd. Staff of Receiving Section contacts the Bankers, State Bank of India for delivery order, freight certificate and other relevant documents. Carrier agent sends Cargo Arrival Notice (CAN) to the Stores Department. On receipt of Cargo Arrival Notice (CAN), staff of Receiving Section arranges retirement of documents from State Bank of India and collects Banker's delivery order and freight certificate. The Jr. Engineer then takes Inspecting Officer's approval on Advance Approval Note (S/FO/119) calling for advance for freight, customs duty, C.V. (Counter Vailing) duty, octroi, and other charges. After approval, Receiving Section staff calls advance payment on Advance Recommendation Letter (S/FO/71) or Requisition for Imprest Advance (S/FO/70) for amount more than Rs.25,000/- and less than Rs.25,000/- respectively, in the same fashion as stated in Sr. No. 2. On receipt of payment by cheque from the cashier, the same is handed over to the carrier agent along with Banker's delivery order, freight certificate and other relevant documents e.g., Airway Bill (AWB), supplier's invoice, packing list, etc. and carrier's delivery order is obtained from them. On receipt of carrier's delivery order, import declaration, GATT declaration, End-

use Bond Policy are prepared by Jr. Engineer and signed by the Inspecting Officer. It is then submitted by the Jr. Engineer to the Customs Authorities for pre-checking. Thereafter, a checklist is prepared and first Bill of Entry is prepared by the Jr. Engineer for Customs examination. Simultaneously, advance payment towards demurrage charges is called after taking approval of CME/CMO as the case may be, if demurrage exceeds Rs.1000, in terms of Sr.No.46 of TR No.71 of 1975. On completion of Customs examination, final Bill of Entry is signed, issued by Custom authorities and out-of-charge is allowed by Customs. Thereafter, cheque towards demurrage payment is handed over to the concerned authority and Customs Gate Pass is obtained. Cheque towards Octroi duty is handed over to Municipal Authorities and the consignment is transported from airport/sea port to Stores Department by the Junior Engineer and Receiving Section staff. The Customs Authorities also issue Importer's copy and exchange control copy at the time of issue of final Bill of Entry which is collected by the Jr. Engineer. Receiving Section staff hands over these copies to the Banker, State Bank of India under intimation to the Tender Branch of Accounts Department.

MbPT is exempted from payment of Customs duty for spares required for operation and maintenance of floating crafts, being a "Ship Repair Unit" (SRU) . For this purpose, End Use Bond Policy is prepared by Jr. Engineer on stamp paper as per the standard format given by the Customs Authorities and submitted to them after signing of the same by the Inspecting Officer and the Indenting Officer. This is applicable only in case of import of spares for various Floating

Crafts. After collection of the consignment, material is delivered to the Indenting Officer as stated above in work instruction for inspection of material(Ref.Sr. No.3). A copy of End Use Certificate (EUC) in standard format is sent to the Indenting Officer under EUC Forwarding Letter (S/FO/117) by Receiving Section staff. On receipt of the same from I.O., it is signed by the Inspecting Officer. It is then handed over to the Customs Authorities by Receiving Section staff for cancellation of End Use Bond Policy.

The Standard Operating Procedure (SOP) for inspection of material and other documentation is the same as that in case of inspection of other items (Ref. Sr. No. 2). Advance payment called for incidental expenditure such as Freight, Customs duty, C.V. duty, Demurrage, Octroi, etc. is adjusted through Adjustment GRA note(S/FO/91) or Cash Voucher (S/FO/85) and entered in GRA Register (S/FO/75). All the activities of import purchase are done offline.

3.6 Procurement, Inspection and Delivery of Fuel Oils such as HSD/MS/LSHF - HSD Oil to various Vessels Storage tanks and Consumer Pumps

Stores department arranges for supply of motor spirit (MS) to Mobile Crane Section Consumer Pump and High Speed Diesel (HSD) Euro III oil to Consumer pumps located at Mobile Crane Section, and Diesel Loco Shed, Wadala. This Department also arranges supply/delivery of HSD Euro III oil to Mb.P.T. owned vessels and LSHFHSD oil to Hired Harbour Tugs .

General Purchase Section (P5) sends copies of Acceptance Letter of Annual Contract/Periodic Contract for

supply of various fuel oils to various I.O.'s and to Main Receiving (MR) Section. Such Non-stock indent (S/FO/2) from Indenting Officer is received by Main Receiving Section through IMMS. The Main Receiving Section staff prepares a Notional Purchase Order and seeks / obtains approval of the Inspecting officer in the IMMS. This Purchase Order is generated to facilitate inspection process in IMMS for this item in IMMS and not for sending to the Supplier. The staff then prepares Requisition for Oil Supply (S/FO/94). This Requisition is signed by AMM GR. I, MR Section, sent to the supplier i.e., Oil Company by staff and acknowledgement is obtained on the Acknowledgement Slip (S/FO/20). Simultaneously, Requisition for Imprest Advance (S/FO/70) is prepared by the staff online, signed by AMM GR. I, entered in Advance Register (S/FO/72) and sent to the Cash Section for preparation of cheque. On readiness of cheque towards payment, Receiving Section Staff collects cheque from the Cash Section, delivers the same to the Oil Company and obtains Cash Receipt against the payment. Details of Cheque No., date and Cash Receipt are then entered in the Advance Register (S/FO/72) of Main Receiving Section.

On receipt of payment, Oil Company sends tank lorry/lorries of fuel oil along with invoice, Test Report and oil samples to the Main Receiving Section. The staff enters the invoice details in the Indent Receipt Register(S/FO/93) and prepares Dock Entry Permit (DEP) (S/FO/95) for tank lorry/

lorries, AMM GR. I (M.R.) signs DEP and hands over the same to the Junior Engineer. Junior Engineer then takes the tank lorry/lorries to Indenting Officer (IO) and arranges oil deliveries. The Jr. Engineer and Indenting Officer jointly witness delivery of fuel oil. Junior Engineer hands over oil sample and Test Report to IO. After completion of the bunkering operation, the Junior Engineer collects the invoice duly acknowledged by IO for the quantity delivered and returns the same to the staff. Staff then prepares Adjustment GRA note (S/FO/91), Issue Note(S/FO/79), Receipt Note(S/FO/80), Rate Note(S/FO/81) and Debit Note(S/FO/82) online. Adjustment GRA is signed by the Inspecting Officer. Receiving section staff then enters the Adj. GRA Note and Issue Note in the Indent Receipt Register(S/FO/93), GRA Register (S/FO/75) and Advance Register (S/FO/72). Thereafter, Issue Note and Receipt Note are sent to the IO(Indenting Officer) and Adjustment GRA Note alongwith Debit Note and Rate Note are sent to the Stores Accounts Office through Cash Section.

In case of short fall in the actual quantity of fuel oil received from the quantity mentioned on the Oil Company's challan, such shortfall is recorded on all copies of the challan and signed by the transporter on behalf of the oil company, Indenting Officer and Junior Engineer, Stores Department. A copy of such challan alongwith refund claim for the amount towards short supply of fuel oil is then sent to the oil company. The oil company acknowledges such claim and either issues a credit note or makes adjustment in the future payments due to them.

3.7 Issue of Accepted Material :

For the accepted Non-Stock materials, Issue Note(S/FO/79), Receipt Note(S/FO/80), Rate Note(S/FO/81) and Debit Note(S/FO/82) are prepared by the staff and entered in the Issue Register (S/FO/92). The Issue note and Receipt Note are sent to the Depot Despatch Section for delivery of material to the Indentor and Rate Note and Debit Note are sent to the Stores Account Office (SAO) alongwith Accounts Copy of GRA Note/ Adjustment GRA note through Despatch Book (S/FO/11) of the Receiving Section. In case of stock items, Accounts Copy of GRA Note/ Adjustment GRA Note is sent to Ward for taking the material into stock. The staff of Ward verifies GRA Note/Adjustment GRA Note alongwith the material received and enters in IMMS and in the Receipt Order/Replenishment Order (RO) Register (S/FO/83). A RO Number is generated by the system which updates the stock automatically by the quantity mentioned in the GRA Note. Issue Advice and Issue Notes of Stock Indents are generated by SK / ASK of Ward in the IMMS, RO number is then entered on GRA Note/ Adjustment GRA Note in Ward and sent to SAO through Despatch Book (S/FO/11) of the Ward. In case of any discrepancy, GRA Note is returned to the Receiving Section with proper remarks. Original copy of GRA note/ Rejection Advice/Short Receipt Memo is sent to the Supplier.

3.8 SUMMARY :

Completion Report of P.O.:- To facilitate refund of Security Deposit lodged by the Supplier or deducted from his payment SK/ASK prepares Completion Report of P.O. (S/FO/) and sends the same to Purchase Section duly certified by the Inspecting Officer to facilitate refund of EMD/SD to the supplier. Wherever rebate is offered by a Supplier to offset shortfall in quality, such requests are also processed by Receiving Sections. In case rejected material is not removed by the Supplier, it is disposed off after obtaining approval of the competent authority. Information about the sale proceeds is sent to the Purchase Section.

When supply is successfully completed against a Purchase Order, completion Report is sent to Purchase Sections so as to facilitate refund of EMD / SD to the Supplier. Wherever price variation clause is applicable, Purchase Orders are required to be amended by the Purchase Section as per the request of the Supplier/ Receiving Section. The GRA's/Adjustment GRA's are prepared by the Receiving Section staff after receipt of modification of Purchase Order from the Purchase Section.

List of Documents

1 . Purchase order progress sheet	S/FO/62
2 . Receipt/Inspection File	S/FO/63
3 . Weighment Slip	S/FO/64
4 . Goods Inward Register	S/FO/65
5 . Reminder –I	S/FO/66
6 . Reminder –II	S/FO/67
7 . Report of Defaulting Supplier	S/FO/39
8 . Purchase Order Progress Register	S/FO/68
9 . Proforma Invoice Letter	S/FO/69

10 . Requisition for imprest Advance	S/FO/70
11 . Advance Recommendation Letter	S/FO/71
12 . Advance Register	S/FO/72
13 . Payment Intimation	S/FO/73
14 . GRA Note	S/FO/74
15 . Adjustment GRA Note	S/FO/91
16 . Acceptance Register	S/FO/75
17 . Rejection Advice	S/FO/76
18 . Rejection Register	S/FO/77
19 . Short Receipt Memo(SRM)	S/FO/78
20 . Request for testing	S/FO/84
21. Cash Voucher	S/FO/85
22. Gate Pass	S/FO/86
23. IOA Letter	S/FO/87
24. Proof Register	S/FO/89
25. Indent Receipt Register (M.R.)	S/FO/93
26. Requisition for oil supply (M.R.)	S/FO/94
27. Dock Entry Permit	S/FO/95
28. End Use Certificate Letter	S/FO/117
29. Advance approval Note	S/FO/119
30. Non-Stock Issue Note/Receipt Note Rate Note/Debit Note	S/FO/91,80, 81&82
31. Timber Inspection Sheet	S/FO/47

4. WARDS SECTION

The stores department has different wards for the purpose of storin of the stock items. This section has to mainly ensure that there is adequate inventory held in stock to cater to the requirements of various indenting officers. Depending upon the types of material of the items to be stocked, there are following five wards based on the functional needs ;

- (i) ICL Ward
- (ii) Spare Parts Ward
- (iii) Stationary Ward
- (iv) Uniform Ward and
- (v) Medical Ward

The following activities are carried out in the different Wards :

4.1 Receipt and Issue of material against Stock

Indents :

Stock indents (S/FO/1) are received in IMMS by the Wards. In case of availability of material, the Stock Indent is charged by preparing Issue note(S/FO/27), Receipt Note (S/FO/137), Rate Note(S/FO/138) and Debit Note(S/FO/153). Entries are made in the Ledger Card (S/FO/150). The quantity issued is mentioned on the Issue Note. Issue Note No. and Date are generated by the system itself. The Issue Note and Receipt Note are then sent to the Depot Despatch Section through the Despatch

Book(S/FO/11) maintained in the respective Wards for arranging delivery of material to the Indentors. Debit Note and Rate Note are sent to the Stores Accounts Office through Despatch Book(S/FO/96) of the Ward.

In case of rejection of material by Indenting Officer for certain reasons, Minus Note is prepared and entered in the Ledger Card. Balance is updated in the system and the material is returned to the Receiving section for replacement. A copy of the Minus Note is sent to the Stores Accounts Office. Monthly Report of Compliance of Stock Indents (S/FO/111) is prepared by the Staff of Ward and is sent to the MM Cell for compilation and review by CME.

4.2 Preparation of Recoupment Memo :

Recoupment Memo (S/FO/07) is prepared in IMMS based on the average annual consumption, minimum safety stock, Reorder level from the History sheet (S/FO/154) and as per the urgency of the item. Recoupment Memo individually costing less than Rs. 10,000/- are certified by the Ward Officer (WO). Recoupment Memo individually costing between Rs.10,000/- and Rs 20,000/- are certified by the Sr.Dy. MM/MM through W.O. and Dy. MM. Recoupment Memo in excess of Rs. 20,000/- are sanctioned by the CME through W.O. and Sr. Dy MM. Serial number of Recoupment Memo is generated in the IMMS and entered by staff in the Recoupment Register and Recoupment Card (S/FO/98).Recoupment Memo is then sent to the Purchase Section on-line.

Details of Purchase Orders (S/FO/34)/ Purchase Orders for Advance Payment (S/FO/90) Import Purchase Orders(S/FO/56), are entered in Recoupment Cards after their receipt from Purchase Sections. On receipt of duly accepted material from Receiving section along with GRA Note (S/FO/74) / Adjustment GRA Note (S/FO/91), Receipt Order No.(RO No.) is generated in IMMS and is also entered manually in RO Register(S/FO/83). Entries are also made in Ledger Card (S/FO/150) and Recoupment Card (S/FO/98).

On the standard format of Recoupment Memo, there is a provision for identification of items as Normal / Urgent / S.O.S. or classification as A/B/C category based on ABC analysis. For Spare Parts, items can be classified as Vital / Essential / Desirable (V/E/D) or Fast Moving / Slow Moving / Non moving (F/S/N) or Imported / Proprietary Nature.

4.3 Maintenance of History Sheet :

Details such as full Description of Item, Annual Consumption, Average Annual consumption, Reorder Level, Minimum Stock Level and any subsequent modification of Item Description are noted chronologically in the History sheet(S/FO/154) by Store Keeper (SK)/Asstt. Store Keeper (ASK).

4.4 Stocking of New Item and codification of New Stock Item :

Indenting Officers send a list of new items to be kept in stock to the Ward Officer. Accordingly, the Ward Officer obtains CME/CMO's approval through Sr. Dy MM/MM for

stocking of these items. On receipt of CME/CMO's approval, SK/ASK prepares a Note for Stock Item (S/FO/120), which is signed by the Ward Officer and sent to the MM Cell for codification purpose. On receipt of Itemcode No. and necessary addition in IMMS by the MM Cell, a new folio is opened in the Ward.

4.5 Destocking of Item :

Ward Officer, as well as SK/ASK periodically review Ledger Cards (S/FO/150), Recoupment Cards (S/FO/98) and History Sheets (S/FO/154). Sometimes, it is observed that consumption of certain item is reduced drastically over a period of time. Ward Officer then submits a Note for Destocking (S/FO/144) and recommends destocking of the item for CME/CMO's approval through Sr. Dy. MM/MM. On receipt of CME/CMO's approval, WO sends a copy of the same note for destocking the item to the MM Cell. The MM Cell deletes the Item from the computer records and destocks the item and informs the Ward Officer, concerned Indenting Officers and the Stores Accounts Office (SAO). This is then entered in the History sheet by the SK/ASK.

4.6 Modification of Item Description :

Due to the changes in the manufacturing process, market trends, technology upgradation, re-engineering etc., specifications of certain items get changed. In such cases, item description is amended after receipt of the necessary information / details from the Indenting Officers / Purchase Officers. WO obtains CME/CMO's approval through the Sr.

Dy. MM/MM recommending the modification in item description on Modification Note (S/FO/142). He then sends copy of the CME/CMO's approval to the MM Cell. The MM Cell carries out the necessary changes in the Item Description in the IMMS and then sends a letter about the modification of Item description to Ward Officer, concerned Indenting Officers and SAO. This is also entered in the History sheet (S/FO/154) by the SK/ASK.

4.7 Stock Verification :

All the stock items are verified annually for the recoupment, issues and balance periodically preferably annually by the auditors of Stores Accounts Office and reconciled. The concerned Store Keepers assist the auditors of Stores Accounts Office in stock verification.

4.8 List of Documents

1 . Stock Indent	S/FO/1
2 . Recoupment Memo	S/FO/7
3 . Stock issue Note	S/FO/27
4 . Ledger Card	S/FO/150
5 . Despatch Books	S/FO/11 & S/FO/96
6 . Compliance Report	S/FO/11
7 . History Sheet	S/FO/154
8 . Recoupment Register	S/FO/97
9 . Recoupment Card	S/FO/98
10. Stocking New item Note	S/FO/120
11. Note for Destocking	S/FO/144
12. Modification of Description	S/FO/142

5. DEPOT DESPATCH SECTION

5.1 Receipt of documents :

Issue and Receipt Notes (S/FO/79, S/FO/80) / Issue and Receipt Notes (S) (S/FO/137) / IOA letters (S/FO/87) are sent to Depot Despatch Section by various Wards and Receiving Sections. ADS/SK/ASK acknowledges the same. These documents are generated in IMMS which can be viewed in Depot Despatch Section. Section-wise entries of these documents are made in the Inward Register (S/FO/146) by the SK/ASK. Thereafter, documents are segregated based on the indenting points and delivery locations and are put in the respective slots in the sections.

5.2 Despatch of material :

To ensure proper delivery of materials, daily / weekly location-wise delivery schedule is prepared depending on urgency / first in first out basis, etc.. Entries for the same are made in the Delivery Programme Register (S/FO/123) by SK/ASK. Thereafter, the delivery muccadams are informed about the delivery schedule by the SK/ASK. The Delivery Muccadam thereafter collects the material from various Wards / Receiving Sections, arranges loading of material and gives acknowledgement about the same on the Issue Register (S/FO/92) / IOA Register (S/FO/121) / IOA letters of the concerned Ward / Receiving Section. A Gate Pass (S/FO/86) is prepared for taking the material out of the Stores Premises. Dock Entry Pass is prepared if the delivery location falls in the docks area. Entries are made in the Delivery Register (S/FO/99). Material is then delivered to the concerned IO and

acknowledgement about receipt of the material by IO is taken in the Delivery Register and the details are entered in the IMMS.

Lighter material is sometimes delivered by hand delivery to IOs located near the Stores premises. For delivery of material to IOs situated at the Jawahar Dweep, material is delivered upto docks area and thereafter it is taken by the IOs.

5.3 Infrastructure:

Depot Despatch Section arranges forklifts, cranes, etc. from Mobile Crane Section by placing Requisition (S/FO/145) as and when required to handle heavy bulk/materials.. Delivery of material is done either by MbPT vehicles or vehicles hired from the transporters. Maintenance of MbPT vehicles, their insurance, RTO certification, etc., is arranged by Depot Despatch Section.

5.4 Collection / Delivery of samples and collection of disposable / rejected material from IOs:

Depot Despatch Section also arranges delivery of samples received against the tenders to IOs and also collects back the samples from IOs. The samples are then handed over to the staff of the Purchase / Receiving section. Disposable material as well as rejected material from IOs is also collected by the Depot Despatch Section. This material is then handed over to the concerned section.

5.5 List of documents

- | | |
|----------------------------------|----------|
| 1 . Delivery Register | S/FO/99 |
| 2 . Delivery Programme Register | S/FO/123 |
| 3 . Requisition for Mobile Crane | S/FO/145 |
| 4 . Inward Register | S/FO/146 |

6. Materials Management Cell

6.1 Materials Management Cell

6.1 REGISTRATION OF FIRMS AS APPROVED

SUPPLIERS

Firms seeking registration as approved supplier either send their request on their letterheads or submit their applications on the Registration Form (S/FO/101). When the request is sent on the letterhead, such firms are informed by Letter for Registration (S/FO/125) to submit the application on the Registration Form (S/FO/101). The application is then scrutinised. If there is a shortfall in submitting requisite documents by the firm then the firm is asked to furnish the same vide Letter of Documents (S/FO/102). Then the firm's bank is requested to send the banker's certificate vide Letter To Banker (S/FO/103). Simultaneously, some of the Government Organisations and reputed private organisations from whom the firm had bagged the purchase orders are requested to send performance report of the firm vide Performance Report Letter (S/FO/104). On receipt of all the documents and reports, the Assessment Note (S/FO/105) is prepared and the file is sent to the Accounts Department vide Scrutiny Letter (S/FO/106) for verification. On return of the file from the Accounts Department, action is taken on the observations if any, made by the Accounts Department. Thereafter, a Committee comprising of a Stores Officer and an Accounts Officer carries out inspection of the firm's premises and verifies the original documents. Then the Committee decides on whether or not to recommend granting of registration to the firm. Accordingly, the Committee

prepares a report and submit to the CME, through Sr. Dy MM/MM. On receipt of the CME's approval / orders for granting registration to the firm, the firm is asked to lodge the PEMD of Rs.5,000/- vide PEMD letter (S/FO/108). After the firm lodges the PEMD, the Registration Letter (S/FO/109) is sent to them. A copy of the letter is given to the respective Purchase and Receiving Sections, their officers and the Accounts Department.

6.2 RENEWAL OF REGISTRATION

The approved suppliers are reminded for renewal of their Registration vide Reminder for Renewal (S/FO/110). Sometimes suppliers send letters requesting for renewal of their registration. Performance Report (S/FO/111) of the supplier vis-a-vis Purchase Orders placed on them during the previous year is obtained from the Receiving Sections concerned. On receipt of the Performance Report, Review Sheet (S/FO/112) is prepared and submitted to the MM through AO/AMM Gr.I, Dy. MM and Sr. Dy MM/MM either recommending or not recommending renewal of the Registration. On receipt of the CME's approval about renewal, the supplier is informed about the renewal of registration by Letter for Registration Renewal (S/FO/113).

6.3 CANCELLATION OF REGISTRATION

Cancellation of registration is done when the supplier wants the registration to be cancelled or when the supplier fails to renew the registration despite sending reminders or when a decision is taken by the Department arising out of some situation. The Review Sheet (S/FO/112) is prepared

and submitted to the CME through the AO/AMM Gr. I, Dy. MM/Sr. Dy.MM/MM recommending cancellation of registration. On receipt of the CME's approval for cancellation of registration, a report on pending 'risk purchase actions and recoveries', if any, is obtained from the purchase sections concerned. On receipt of the report, the PEMD Refund Note (S/FO/114) is prepared and submitted to the CME through AO/AMM Gr. I, Dy MM and the Sr. Dy MM/MM recommending refund of the PEMD. On receipt of the CME's approval, the supplier is informed about cancellation of the registration and refund of the PEMD vide PEMD Refund Letter (S/FO/115). A copy of the letter is sent to the Accounts Department for effecting recoveries, if any, before refunding the PEMD.

6.4 SUSPENSION OF DEALINGS WITH AN APPROVED SUPPLIER :

Purchase Sections or Receiving Section put up a proposal for suspending dealings with a supplier for a specific period of time to the CME through the Purchase/Receiving Officer, Dy MM and SrDy MM. On receipt of the CME's approval, they send the same to MM Cell. The MM Cell then issues an Office Order to that effect and informs the supplier about the reasons for and the period of suspension. After completion of the suspension period, dealings with the supplier are revoked.

6.5 EVALUATION OF REGISTERED SUPPLIERS :

Evaluation of suppliers is done every financial year. The vendor marks are generated automatically by the IMMS

system as per the following vendor rating formula w.e.f. 01.04.2010.

$$SR = \frac{\text{Total of SM}}{\text{No. of P.O.'s}}$$
$$SM = 10 \times \frac{PU-P}{PU-PL} + 60 + 30 \times \frac{QA}{QO} \times TF$$

Where

SR = Supplier Rating
SM = Supplier Marks
QA = Quantity Accepted
QO = Quantity Ordered
PU = Highest Rate (all inclusive)
P = Rate Quoted (all inclusive)
PL = Lowest Rate(all inclusive)
TF = Time Factor

If QA is zero, then the value of $\frac{PU-P}{PU-PL}$ shall be taken as zero.

For unsuccessful tenderers, the value of $\frac{QA}{QO}$ shall be taken as zero.

In case of discharged tenders, all the tenders shall be treated as unsuccessful tenders.

If the supply is within the Delivery Period, then the value of TF shall be taken as 1.

If the supply is within one month after the delivery period, the T shall be taken as 0.2.

If the supply is beyond one month after the delivery period, the T shall be taken as zero.

If the supply is in instalments, then $30 \times \frac{QA}{QO} \times TF$ will have to be calculated for each instalment separately.

The rating shall be done no sooner the Purchase Order is completed or cancelled and the rating shall be done for unsuccessful tenderers too.

The rating shall be done irrespective of whether the vendor is 'Registered' or not.

If the 'No. of P.O.'s is zero then SR shall be taken as zero.

There shall be five rating scales for suppliers which will be as under :

SR = "Excellent" if $SM \geq 85$

SR = "Very Good" if $70 \leq SM \leq 84$

SR = "Good" if $55 \leq SM \leq 69$

SR = "Satisfactory" if $40 \leq SM \leq 54$

SR = "Poor" if $SM < 40$

The Supplier Performance Report shall be in the following format :

Supplier Performance Report

For the period from _____ to _____

Sr. No.	Supplier Code	Supplier Name	Sum Total of SM	No. of tenders	No. of P.O.'s	SR	Performance

In case of 'Poor' rating of the suppliers, the following action is taken :

- (i) For the first year of "Poor" rating, the supplier will be cautioned for improving his performance.
- (ii) For the second year of "Poor" rating, dealings with the supplier will be suspended for a period of three months.
- (iii) For the third year of "Poor" rating, such supplier will be delisted. For the period of one year, no business dealing with such supplier will be done by the Department during this period.

6.6 UPDATION OF LIST OF REGISTERED SUPPLIERS.

The List of Registered Suppliers (S/FO/12) is updated whenever there is new registration or cancellation of registration or at the time of performance evaluation of the suppliers.

6.7 NOTICE OF ADVERTISEMENT

Purchase Sections send List of Advertised Tenders (S/FO/126) to the MM Cell. The MM Cell then consolidates the lists and prepares a Notice of Advertisement which is submitted to the CME first for approval and then for signature through AO/AMM Gr. I, the Dy. MM and the Sr. Dy. MM/MM. On receipt of the CME's approval, due dates are assigned to the tenders. This notice is then sent to the Secretary's Department for issuing advertisement in the press. Similarly, Notice of Advertisement for displaying on Mb.P.T's website is also prepared and sent to the Planning & Research Department for displaying on the MbPT's website.

6.8 TENDER OPENING

The Purchase Sections send list of tenders to MM Cell. The tender numbers are entered in the Tender Opening Register.(S/FO/25) datewise. The tender box is opened at 2.30 p.m. in the presence of an auditor and a Stores Officer. The covers received in the box are counted, date stamp is put on them and they are segregated tenderwise. The total as well as tenderwise number of covers received are noted in the Tender Opening Register (S/FO/25). Covers containing tenders of past due dates are marked as 'late received', covers containing tender of future due dates are marked as 'advance', covers containing multiple tenders are marked as 'many tenders', covers containing no tenders are marked as 'incorrect' and covers containing advertised tender of same due date are marked as 'advt. tender'. Details of all the above are recorded in Tender Opening Register. Covers containing tender of future due dates are put in the respective boxes after showing them to the auditor and the officer. Covers containing advertised tender of the same due date are given to the officers opening the advertised tenders on that day after showing them to the auditor and the officer. Covers containing multiple tenders and no tenders are either not opened or resealed if opened and kept aside after obtaining signatures of the auditor and the officer concerned. The rest of the covers (which are segregated tenderwise) are then checked for EMD, if the EMD clause is applicable to the tender and for sample, if the sample clause is applicable to the tender. Covers containing tenders without EMD and sample are resealed. Covers containing tenders from unregistered firms to whom the tender enquiry was not sent and from registered firms which are not registered for the

group of the tendered items, are not opened. The other covers are opened, date stamp is put on each sheet found in the cover and the tenderwise bunch containing the sheets, the empty covers and the unopened/resealed covers, if any, is made. This bunch is then given to the auditor for scrutiny. Thereafter, the numbering is done (Sr.No. of the offer divided by the total no. of offers received against that tender is put at the top right corner on each sheet & cover) and details of the offers such as rates, discounts, payment terms, price variation clause, if any etc. are entered in the Tender Record Sheet (S/FO/24). The bunch and the Tender Record Sheet are then given to the officer who goes through them, countersigns for the auditor's remarks if any and puts his signature on all the sheets, covers and the Tender Record Sheet. If the officer observes some discrepancy which is missed by the auditor, then he brings the same to notice of the auditor, ask the auditor to put the remark to that effect and countersigns the remark. The officer then passes the bunch and the Tender Record Sheet to the auditor, who again goes through it, authenticates all the sheets, covers and the Tender Record Sheet by putting signature and records details in the Accounts Register. On completing the above procedure for each tender, the details of tender opening are recorded on a Summary Sheet(S/FO/23) and signatures of the auditor and the stores officer are obtained on it. The tenderwise bunch of the sheets and covers are then filed in the respective purchase files and sent to the concerned Purchase Section. Similar procedure is followed in case of advertised tender barring a few differences. The differences are as under:-

- (a) Tenderer's representative and the indenter are allowed to witness the tender opening.

- (b) Rates and other details are read out by Stores Officer during the tender opening.
- (c) Instead of the auditor, an Accounts Officer attends to the tender opening.
- (d) The summary sheet is not prepared as the number of tenders is few.
- (e) Covers containing tenders from registered firms who are not registered for the group of the stores of the tendered item are also opened.
- (f) Covers containing tenders from the firms who have neither purchased the tender set nor enclosed the charges of downloaded tender set are not opened/resealed.

6.9 MAINTENANCE OF RATE CARD

The Purchase Sections send copy of Purchase Orders of Non-Stock items to the MM Cell. Details of the Purchase Orders are entered in the Rate Card (S/FO/143) of the item. This card is used for furnishing the last purchase rate of the item, whenever required.

6.10 BUDGET

The MM Cell prepares draft of the Departmental budget every financial year by obtaining details from the various sections and the Stores Accounts Office. The Draft Budget Estimate is submitted to the Materials Manager for approval through AO/AMM GR. I, Dy MM and SrDy MM. On receipt of CME's approval, draft is sent to the Accounts Department.

6.11 PREPARATION AND ISSUE OF BULLETIN TENDERS

Different Purchase Sections send the List of Bulletin Tenders (S/FO/10) to the MM Cell. The lists are consolidated, tenders are assigned the due dates, the printouts are taken and sent to the Registered Suppliers through the Letter Dispatch Section every week. A copy of the printout is made available on the intranet for reference by the sections and the Stores Accounts Office.

6.12 PURCHASE AND MAINTENANCE OF INDIAN STANDARDS PUBLICATIONS

MM Cell maintains a library of Indian Standards. The standards are used by the officers and sections as references. If a copy of standard is not available in the library, then the officer or section concerned obtains SrDy MM's / MM's approval for purchasing the same. On receipt of the approval note, the MM Cell purchases the ISS booklets.

6.13 MISCELLANEOUS

MM Cell compiles monthly, quarterly and annual Performance Reports of Targets Set for implementation of ISO 9001 : 2008 QMS. It also compiles the periodic reports of Tenders and Purchase Orders as required by the Vigilance Department. It posts the details of Tenders and Purchase Orders on the MbPT's website as per the instructions from the Vigilance Department. MM Cell maintains Register of applications received under the RTI Act, for monitoring purpose. MM Cell also undertakes updating the Departmental Quality Manual.

6.14 Procedure of Stocking / Destocking

The Ward Officer proposes to destock a Stock item based on non-moving /obsolete nature of the item to the MM in the prescribed format. After MM's approval, the details of the item to be destocked, is sent the MM Cell. The MM Cell notes that change and intimates to all indentors that the item has been destocked. The staff of MM Cell contacts IMMS System Administrator and gets the item marked as “destocked” in the IMMS data base.

For stocking of new item based on the recommendation of indentors or Senior Officers of Stores Department, the WO/Section Officers of Purchase Sections obtain MM's approval for stocking of a new item. All procedures relating to destocking is followed for including an item in the stock list.

6.15 Opening of offers under Two Cover System

The Technical Offers with requisite EMD are opened on due date at 2.30 P.M. in the presence of the tenderers or their authorised representatives However, Financial/Price bids of only technically qualified/acceptable offers are opened at a later date at 2.30 P.M.

6.16 List of documents

1 . Registration Form	S/FO/101
2 . Letter for documents	S/FO/102
3 . Letter to Banker	S/FO/103
4 . Performance Report Letter	S/FO/104
5 . Assessment Note	S/FO/105
6 . Scrutiny Letter	S/FO/106
7 . PEMD Letter	S/FO/108
8 . Registration Letter	S/FO/109
9 . Reminder for renewal	S/FO/110
10. Performnce Report	S/FO/111
11. Review Sheet	S/FO/112
12. Letter for renewal of Registration	S/FO/113
13. PEMD Refund Note	S/FO/114
14. PEMD Refund Letter	S/FO/115
15. List of Advertised Tenders	S/FO/126
16. Tender opening Register	S/FO/25
17. Tender Record Sheet	S/FO/24
18. Rate Card	S/FO/143
19. List of Bulletin Tender	S/FO/10
20. List of Registered Supplier	S/FO/12

7. CASH SECTION

7.1 Arranging /Advance Payment/ above Rs.25,000/-

Cash Section receives Advance Recommendation Letter (S/FO/71) for advance payments above Rs.25,000/- from Receiving Sections. Staff of Receiving Section enters particulars of the Advance Recommendation Letter (S/FO/71) in the Cash Section Advance Register (S/FO/129) and notes Sr. No. of the same on the Recommendation Letter. The requisition is then sent to Stores Accounts Office. Staff of Cash Section checks readiness of the cheque from the Cashier of Account's department and collects the same. He then informs staff of the Receiving Section to collect the cheque. Receiving Section staff collects the cheque from the Cashier of the Stores Deptt. and gives acknowledgment in the Cash Section Advance Register.(S/FO/129)

7.2 Advance below Rs.25,000/-

The stores department operates and maintains Imprest Account of Rs.15 Lakhs. Cash Section receives Requisition for Imprest Advance (S/FO/70) for advance payments below Rs.25,000/- in duplicate from Receiving Sections. Staff of Cash Section accepts the same and gives acknowledgement on the office copy of the sections. He then enters the Requisition in the Imprest Advance Book (S/FO/130) and records serial number of the Book on the requisition. He then checks availability of imprest from computer. In case of availability, cash section staff prepares cheque, enters the same in Imprest Advance Book and sends the same to Dy MM and SrDy MM/MM for their signatures. Dy MM and SrDy MM/MM sign the cheque as well as in the Imprest Advance

Book. Cashier enters cheque no. on the Requisition for Imprest Advance (S/FO/70) and hands over the same to the staff of Receiving Section after obtaining their acknowledgement on the Requisition as well as in the Imprest Advance Book.

3 - Arranging Advance Payment for Oil Deliveries to Vessels/ Pumps/ Tanks

Departmental advance of Rs. 90.00 Lakhs is kept for arranging advance payments exclusively for fuel oil deliveries to vessels/ under ground storage oil tanks, etc.. Requisition for Imprest Advance (S/FO/70) is sent by Main Receiving Section to Cash Section in duplicate. This is acknowledged by Cash Section staff by signing on the office copy. He then enters the Requisition in the Imprest Advance Book (S/FO/130) and records serial number of the Book on the Requisition. Cashier checks availability of imprest from computer and if balance amount is available, cheque is issued as explained in Sr. No. 2. Cheque is then handed over to the staff of Main Receiving Section and acknowledgement is obtained in the register as well as on the requisition.

On receipt of material, Adjustment GRA Note (S/FO/91) is prepared by staff of Main Receiving Section, signed by AMM GR. I and sent to Cash Section. Cash Section then prepares a Special Imprest Account Bill (S/FO/132). This is signed by AO or Sr.Dy. MM/MM and sent to Stores Accounts Office along with Adjustment GRA Notes for verification. On verification of the bill and Adjustment GRA Notes by SAO's Office, voucher is prepared by them and sent to Cash Section of Accounts Department for crediting the

amount to Fuel Oil Imprest Account, maintained in the Bank through ECS Credit.

7.4 - Recoupment of Imprest Account of Rs.15 lakhs

Adjustment GRA Notes (S/FO/91) are sent to SAO for preliminary verification by all Receiving Sections. After verification, Adj. GRA Notes are collected by staff of Receiving Section, sent to Cash Section for recoupment purpose. Staff of Cash Section prepares Special Imprest Account Bill (S/FO/132) for the same. This is signed by AO or Sr.Dy. MM/MM and sent to SAO alongwith Adjustment GRA Notes. The bill is verified by SAO, voucher is prepared, signed by Sr. Accounts Officer, sent to Cash Section of Accounts Department for preparation of cheque towards recoupment. On readiness of cheque, it is collected by staff of Cash Section and deposited in the bank account for recoupment of Imprest Account.

7.5 Sale of Documents

Cash Section receives sets of Advertised Tenders from Purchase Sections and Registration Applications Forms (S/FO/101) for registration of approved dealers from MM Cell. Sale of Registration Form (S/FO/101), Advertised Tender set, Bulletin Tender Forms (S/FO/22) Envelopes etc., is carried out by Cash Section against payment from Suppliers. Payment is acknowledged by Cash Receipt (S/FO/126) which is issued to prospective supplier and a copy is retained in Cash Section. Cash is remitted to Accounts Department through Cash Remittance Statement (S/FO/60). Cash Section staff prepares a List of Sale of Tender Sets (S/FO/28) of advertised tenders and sends them to MM Cell/respective Purchase Sections.

7.6 Receipt of Payments

MM Cell sends EMD Receipt Note (S/FO/26) along with suppliers' pay orders/ bankers cheque/ demand drafts to Cash Section. Suppliers lodge SD/ PEMD/ Bulletin Subscription and Purchasers of disposable materials lodge EMD, SD, Payment towards purchase in the Cash Section. Cash Section staff verifies the same with Purchase Order (S/FO/34), Purchase Order with Advance Payment (S/FO/90), Import Purchase Order(S/FO/56), Acceptance letter of Contract, PEMD letter (S/FO/108), Letter for Renewal (S/FO/113) and Sale Letter. These payments are acknowledged by Cashier by Cash Receipt (S/FO/126) which is issued to supplier also a copy retained in the section. Cash is remitted to Accounts Department through Cash Remittance Statement (S/FO/60).

7.7 Drawal of Cash advance from Cash Imprest

Cash Section maintains two Cash Imprest Accounts viz.(i) Cash Imprest Account of Rs. 30,000/- which is used for general purpose like courier charges and payment towards services rendered and (ii) Cash Imprest Account of Rs.42,000/- which is used for specific purpose like purchases of items exclusively required for Stores Department.

Approval of the competent authority, viz., Sr. Dy. MM / MM/CME to incur the expenditure for purchase, is obtained by the Officer/staff for purchase of any item through Approval Note.(S/FO/157).

A requisition for Imprest Advance signed by Section Officer concerned, is handed over to Cashier to release the

money. Staff entrusted to carry out the cash purchase signs in the register called Cash Imprest Advance Book, (S/FO/130) at the time of accepting advance.

7.8 Recoupment of Cash Imprest

After the material is purchased by respective staff of the section on cash basis, the same is adjusted by submitting adjustment Cash Voucher(S/FO/85) duly signed by Sr.Dy. MM/ MM/CME along with cash memo/receipt and Approval Note(S/FO/157). This set of documents are then forwarded to Cashier for adjusting the advance. If advance is not drawn from the Imprest and staff / Officer has incurred the expenditure on their own, the same is reimbursed to concerned employee by paying cash and adjusting the same through Cash Voucher(S/FO/85). Cashier/Staff of Cash Section then prepares the Contingent bill (S/FO/164) of paid Cash Vouchers, adjusted Cash Vouchers and forwards the same to Stores Accounts Office for verification. The bill is passed duly signed by SAO and returned to Cash Section of Stores Department for collecting cash from Cash Office of Accounts Department. The cash so collected is then credited to Cash Imprest Register(S/FO/158).

7.9 List of Documents

1. Advance Register of Cash Section S/FO/129
2. Imprest Advance Book S/FO/130
3. Special Imprest Advance Bill S/FO/132
4. Cash Receipt S/FO/126
5. Cash Remittance Statement S/FO/60
6. Sale of Tender Sets S/FO/28
7. Cash Purchase Approval Notes S/FO/157
8. Cash Imprest Register S/FO/158
9. Contingent Bill S/FO/164
10. Cash Voucher S/FO/85

8. LETTER DESPATCH SECTION

8.1 Inwarding of Letters :

All Letters/Tenders received by post, hand delivery or courier service/Sealed Covers/Parcels etc. are received in General Despatch Section. Tenders received through Post / courier service are then separated by the staff i.e. Asstt. Supdt. /Sr. Asstt./TCCC/Jr. Clerk and dropped in the respective tender boxes based on the due dates of the tender. Letters, Fax Messages and other correspondence are marked to the concerned sections / Dealing officers by the staff and are entered into Inward Register (S/FO/133) by the staff of General Despatch Section. The staff then assigns Inward Sr. No. and Date to the letter serially as per the Inward Register and sends to the concerned officer through Distribution Register (S/FO/148). Fax Messages received are entered in Fax Register(S/FO/134) and are sent to the concerned section/Dealing officer through Distribution Registers. The Letters,Fax messages are acknowledged by the concerned section/Dealing officer by signing in the Distribution Register.(S/FO/148)

Earned Leave / Half Pay Leave application of all officers and staff of Stores are also inwarded in letter despatch section before submitting it to Establishment Section.

Earned Leave / Half Pay Leave applications/leave notes like other letters are given Inward Sr. No. with date in

separate register by staff and sent to Administrative Officer through Distribution Register(S/FO/148).

8.2 Despatch of Documents :

All the Letters/correspondence/Purchase Orders etc. from different sections are sent to General Despatch Section for distribution. The letters /correspondence etc. are then entered into Outward Register (S/FO/135) and Outward No. and Date are mentioned on the letter by the staff of General Despatch Section. The letter is then despatched either by post (stamped through Franking Machine)or by courier agency depending upon the delivery location and urgency of letter.

These despatched documents are recorded in Postal Summary Sheet, Daily Docket and Postal Franking Register (S/FO/139). Entries are also made in Postal Account Register by staff. Letters by Registered Post are entered in Postal Book. Letters despatched through courier service are entered in Courier Register (S/FO/140) in which acknowledgment of courier agency's representative is obtained. Entries of Proof of Despatch (POD) are made in Courier Register. Tenders and GRA Notes are despatched without entries in Outward Register. Fax messages (outward Fax messages) transmitted are entered by staff in the Fax Register (S/FO/134).

Letters/correspondence relating to inter departmental delivery are entered in Statements of Letters (S/FO/136) and despatched by hand delivery by the staff.

Inward and outward activities are computerised and related entries are made in the computer system.

8.3 Procurement of items for Departmental use :

Requirements raised by staff and sections are sent to General Section for compliance after obtaining approval of the competent authority. Items valued less than Rs.3,000/- are purchased from open market. Payment to the supplier is made by drawing cash advance from the departmental Imprest. These advances are then adjusted by submitting Cash Voucher (S/FO/85) alongwith Cash memo from the Supplier and Acknowledgment of receipt is obtained in Cash Purchase Register (S/FO/162).

Items costing above Rs.3,000/- are procured by raising Stock Indent (S/FO/1) / Non-Stock indent (S/FO/2) through respective register. Item is procured by adopting usual procedures. On receipt of supply, the same is handed over to concerned officer or staff and acknowledgment is obtained on Receipt Copy of indent.

Requirements of Stationery and Printing items of various officers/staff/sections are supplied by this section after making entries in the Stationery Supply Register (S/FO/159). Acknowledgment of the recipient is obtained in the same. List of eligible employees for supply of Uniform and Monsoon requirement is received from Establishment section. These requirements are met by raising Stock indents (S/FO/1) or Non-stock indents (S/FO/2). On receipt of Uniform and Monsoon requirement material, the same is handed over to the respective employee and acknowledgment is obtained in Uniform Supply Register (S/FO/161), Monsoon Requirement Supply Register (S/FO/166).

8.4 List of Documents

1. Inward Register	S/FO/133
2. Distribution Register	S/FO/148
3. Fax Register	S/FO/134
4. Outward Register	S/FO/135
5. Postal Franking Register	S/FO/139
6. Courier Register	S/FO/140
7. Statement of letters	S/FO/136
8. Cash Voucher	S/FO/85
9. Cash Purchase Register	S/FO/162
10. Stationery Supply Register	S/FO/159
11. Uniform Supply Register	S/FO/161
12. Monsoon Requirement Supply Register	S/FO/166

9. DISPOSAL SECTION

9.1 Introduction

The Disposal Section caters to the disposal of various materials i.e scrap or unserviceable or surplus or obsolete material received from various sections /departments of MbPT. Disposal of materials comprises the following activities.

- a) Receipt of Credit Notes alongwith duly certified Inspection Report.
- b) Allotment of Lot Nos. for materials earmarked for disposal.
- c) Verification of lots by the Accounts Department.
- d) Valuation of lots.
- e) To obtain Chairman's sanction for disposal of materials.
- f) Preparation of list of lots for e-auction and forwarding the same to the e-auctioneer.
- g) e-auction by e-Auctioneer.
- h) Receipt of results of e-auction from e-Auctioneer.
- i) Confirmation of Sale to the highest bidder on receipt of Chairman's approval.
- j) Issuance of Acceptance Letter to the successful bidder
- k) Receipt of payments from the Purchasers for lots sold.
- l) Delivery of sold lots by the Delivery Committee.
- m) Payment of VAT received to Sales Tax Department.
- n) Refund of Security Deposit to the Purchasers.
- o) Filing of returns to Maharashtra Pollution Control Board (MPCB).
- p) Appointment of e-auctioneer.

9.2 Classification of materials:-

Materials are essential requirements for any organization to achieve the desired goals. When a particular material becomes unserviceable as cost of maintenance becomes more than the economical use or it has served its useful serviceable life, the custodian of the material decides to dispose it off. Such material can be either Capital Asset Item or Non-Capital Asset Item (Revenue Item).

9.2.1 Capital Asset Item:-

Capital Asset Items can be machineries, plants, equipments, vessels, vehicles, pipelines, spare parts etc. An asset card for each Capital Asset Item is maintained by the Accounts department. Annual depreciation is provided for such items in the accounting statement.

9.2.2 Non-Capital Asset Item:-

Non Capital Asset Items are Revenue Items. Depreciation is not provided for such items. Examples are ferrous and non ferrous scrap , empty oil drums, waste oil, old newspapers, old magazines, old records, used X-Ray films, X-Ray Solutions, Air conditioners, wooden furniture, steel furniture etc.

Materials identified for disposal are also classified as follows:

- i) Obsolescent materials
- ii) Obsolete materials
- iii) Surplus materials
- iv) Scrap materials

9.2.3 Obsolescent materials : An item is said to be obsolescent when it becomes outdated and goes out of use, but is not completely unusable. For instance, if Mumbai Port Trust decides for replacement of existing

'Coles' & Mobile cranes by cranes manufactured by a different manufacturer, then most of the spare parts of 'Coles' & Mobile cranes held in stock shall become obsolescent. These spares do not become immediately worthless, because they can be used for repairing the 'Coles' mobile cranes so long as these models are in service. Gradually the number of 'Coles' mobile cranes shall decline as time goes by till all the cranes will eventually be disposed off. It is quite unlikely that all the spares in stock will be used / exhausted to the very last item. Thus few items may remain unutilised / unused up when all the Coles cranes are withdrawn from operations. Therefore, there is a likelihood of loss by virtue of the fact that these remaining spares will have to be sold at only scrap value.

9.2.4 Obsolete materials : An item is regarded as obsolete when it is outdated and no longer needed/used/usable by the organisation, because of a change in operational practice or production methods. In the example quoted above, when all the Coles Cranes are withdrawn from operations, the spares of such Coles Crane shall no longer be obsolescent, but obsolete.

9.2.5 Surplus materials : When the quantity of an item in stock is more than what is necessary to provide an adequate service to the production or operational activity, the excess over the normal holding is said to be surplus. For example, if the consumption of $\frac{1}{2}$ HP motors in a factory is 50 nos. per month and 3000 nos of such motors are held in stock, then there is surplus quantity, because the stock would last for 5 years. Surplus stock may arise as a result of :-

- a) Change in production or operational methods
- b) Improper and defective procurement action and Inventory Control.

9.2.6 Scrap materials : This term applies to unusable material whose value is only in terms of its material content, be it metal, paper or cloth. All scrap can be recycled to produce materials of utility and of greater value. Waste paper is used to produce cardboard and other packing papers. Steel scrap is melted and rerolled. Waste engine oils are refined and converted to usable engine oils.

Scrap is usually classified into three categories:-

- a) Metal Scrap (Ferrous type)
- b) Metal scrap (Non-ferrous type)
- c) Waste (Non-metallic scrap)

a) Metal Scrap (Ferrous type): This is suitable for re-smelting to produce iron, its alloys and steel. Some scrap of re-rolling grade is not smelted but is reformed by heating process. Certain grades of ferrous scrap are of basic open hearth and blast furnace grades,

b) Metal scrap: (Non ferrous type) Copper, brass, tin, lead, zinc, aluminium and nickel scrap fall into this category.

c) Waste :- All non-metallic scrap is called waste e.g. paper, polyjar, waste oils, bags, plastics, rubber items, wood etc.

9.3 Inspection of Material and Inspection Reports

Once it is decided by the custodian that material is to be disposed off being no longer required, the next step is to carry out the inspection of the said material by the Standing Disposal Committee.

Inspection Reports are of two types :

- A) Inspection Report in respect of material which has outlived its useful life and has become unserviceable.
- B) Inspection Report in respect of surplus/obsolete material which is serviceable and has not outlived its useful life.

The following procedure is adopted for inspection of disposable materials.

- i) The life span of Capital Asset Items is normally prescribed by the Port in majority of the cases.
- ii) If the prescribed life of item to be disposed off is over, inspection by Standing Disposal Committee (SDC) is not necessary. Head of the custodian department certifies disposal of the material on formal Inspection Report prepared by the Section Officer and recommended by the Executive Officer stating in brief the reasons for disposal.
- iii) In case prescribed life of the item is not over but the same is to be disposed off prematurely being surplus or obsolete although serviceable, then inspection of such item is carried out by the Standing Disposal Committee (SDC) and competent Authority's sanction is taken to dispose off the material based on SDC's Inspection Report. Depending upon procurement cost of items, constitution of Standing Disposal Committee (SDC) is as under:-

9.4 Standing Disposal Committees.

Status Of the Item	Procurement Cost	SDC Members
Prescribed life is over.	Any cost	No SDC .
Prescribed life is not over / serviceable/ obsolete / surplus	Rs 1,000	No SDC .

	Rs. 1,000- Rs10,000	AMM Gr. I, JAO, and officer of equal rank of the custodian department.
	Rs10,000- Rs100,000	Dy. MM, SAO and officer of equal rank of the custodian department.
	Rs.1 Lakh – Rs.2 Lakhs	Sr. Dy MM, Dy.CAO, and officer of equal rank of the custodian department.
	Above Rs.2 Lakhs	CME, FA & CAO/ Addl CAO and HOD/ Addl.HOD of the custodian department.

9.5 Competent Authority's Sanction:-

Competent authority's sanction is obtained on the recommendation submitted by the SDC for disposal of the item.

9.6 Credit Note:-

On receipt of sanction of the competent authority for disposal of the material, custodian of the materials prepares a Credit Note.

The Credit Note contains various details such as:-

- i) Credit Note No and Date.
- ii) Description of material.
- iii) Quantity in numbers / weight etc.

- iv) Accounting Head to which amount realised is to be credited.
- v) Remarks, if any.

Credit Note duly signed by the Head of the Custodian Department along with Inspection Report and sanction of the competent authority is sent to the Disposal Section by the Custodian. However material is not sent at this stage.

On receipt of the Credit Note, ASK assigns Stores Serial (S.S.) No. with date to the Credit Note. One copy of Credit Note is returned to the custodian with Stores Serial No and date of receipt marked on it as acknowledgement.

If the Credit Note is complete in all respects, SK informs the custodian to send the material to Stores Department subject to availability of storage space. If storage space is not available, he may ask the Custodian to send the material as and when space becomes available or the material may be sold on 'As is where is basis'. Generally heavy material / floating crafts etc. is/are disposed off on 'As is where is basis' to avoid expenditure towards labour and transportation from Custodian's premises to Materials Management Division of the Mechanical Engineering Department.

Only one type of material shall be mentioned in one Credit Note .i.e. for disposal of steel furniture and wooden furniture two separate Credit Notes are required. Similarly, for disposal of Copper scrap & Mild Steel scrap two Credit Notes are required.

9.7 Formation of Lots :-

In the beginning of every month, Store Keeper prepares a list of materials received in the last/previous month. Lots are prepared by clubbing all Credit Notes of similar items received from various Custodians.

Example:(i) Three Credit Notes of wooden furniture received from Mechanical Engineering Department, Civil Engineering Department and Medical Department are clubbed to constitute one lot. ii)Two Credit Notes of Steel scrap received from the Exe. Engineer (W), Boiler Shop and one Credit Note received from the Exe. Engineer (W), Oil Pipe Line, M.O.T. J.D. are clubbed to form one lot. A unique Lot No. is then assigned for such consolidated / clubbed Credit Notes.

The Lot No. is then displayed on the respective lots and Lot No. is also informed to the Custodian. It is the responsibility of the custodian to display the Lot No. on the materials, if the material lying with the Custodian is to be disposed off on 'As is where is basis'

9.8 Verification of lots by the Accounts Department :-

A comprehensive list of all the lots is prepared by Disposal Section containing details such as:-

- i) Description of material
- ii) Lot No.
- iii) Quantity
- iv) Unit of sale
- v) Rate of VAT applicable

- vi) Credit Note No and Date
- vii) Stores Serial No. and Date
- viii) Whether the item is capital asset or non capital asset item.
- ix) Remarks

The list is sent to Accounts department for verification. After verification, valuation of the lots is carried out and the Reserve Sale Price is fixed for the lots.

9.9 Fixation of Reserve Sale Price (RSP) :-

Earlier, valuation of lots was done by Government approved valuers. However this practice has now been discontinued. Henceforth, valuation shall be done by committee of Officers comprising :-

1. Officer of Custodian department at the level of Deputy Manager
2. Officer of Stores department at the level of Dy. Controller of Stores
3. Officer of Accounts department at the level Dy. Chief Accounts Officer.

The Valuation Committee is yet to be constituted.

9.10 Valuation of Items of Capital Assets

The valuation of capital asset items is done as per the Ministry of Surface Transport circular No PR-24021/28/98-PG dt 19.8.1998 .

The circular states as under :

- i) In respect of fully depreciated Capital Asset, the reserve sale price shall be the amount equal to 7.5% of original cost of acquisition of the asset. In case, however, any asset is sold prior to expiry of its

serviceable life, the reserve price shall be equal to the book value or 7.5% of the acquisition cost, whichever is higher.

- ii) When an equipment or the last piece of a particular class of equipment is proposed to be disposed off, the un-used spares meant for such equipment or flotilla, which are lying in stock, except for any spares which are otherwise useful in some other equipment or flotilla, should be sold along with the original equipment or flotilla in one 'lot'. Any spares which have already been issued from the stock and charged to revenue expenditure, but still have remained un-utilised with the custodian of the equipment, should also be included in the lot. Unused spares may also be depreciated for the purpose of disposal and the reserve price of such unused spares may also be fixed @7.5% of the original purchase price.

The following procedure is followed for adjustment of 'Sale Proceeds' in the books of accounts.

- a) if the realized price is more than the Reserve Sale Price, the sale proceeds shall first be applied towards "Spare Parts Account" equal to the reserve price of the spare parts. The balance amount shall be adjusted against the book value of the asset, if it exists, and the remaining portion shall be treated as "profit on sale of capital asset"
- b)** if the realized price is less than the reserve price, the same should be apportioned in the ratio of reserve price of equipment and that of the spares. In this case, sanction of the

competent authority to write off the difference between the reserve price and the realized price, would be necessary.

9.11 Valuation of Items of Non Capital Asset

The valuation of non-capital asset items is based on market investigation / market enquiries / last sale price available.

9.12 Sanction for sale of Lots

After getting the valuation of the lots, the Chairman's sanction is obtained to sell these lots at / or above the Reserve Sale Price. However, for items marked for Disposal, Chairman's sanction is required only for items (Capital or Non-Capital) which have serviceable life left.

Sale of Lots :-

9.13 Sale by e-auction

- i) Mumbai Port Trust generally sells disposable material by e-auction through appointed e-auctioneer.
- ii) The e-auction is generally conducted every month for 3 days on a continual basis commencing from the the last Wednesday, Thursday and Friday.
- iii) List of disposable lots is sent to the e-auctioneer for displaying it on Auctioneer's website. The list is displayed at least 21 days before the date of start of actual e-auction, so that the bidders are aware of various lots available for sale and can also inspect the same prior to bidding. Bidders registered with the Auctioneer only are allowed to bid on website.

iv) Pre-bid Inspection by bidders:-

Before the start of e-auction bidders are allowed to inspect the lots. Generally Pre-bid inspection is allowed upto four days prior to e-Auction.

v) e-Auction:-

e-auction starts from 10.00 a.m. on day 1 and continues upto 3.00 pm on day 3.

- a. On the last day, there is staggered closing from 12.00 p.m onwards i.e few lots close at 12.00 pm, next few lots at 1.00 pm, so on and the last ones close at 3.00 pm.
- b. Staggered closing helps bidders to concentrate on few lots. There is an auto extension of time of four minutes if bid is received in the last one minute of closing time of bid or during auto extension time.
- c. During e-auction, names of the bidders are not displayed. Only the highest bid is displayed.
- d. After closure of e-auction the highest bid and the bidders name are displayed on the website. If the highest bid is less than the Reserve Sale Price (RSP), the sale of lot is rejected. If the highest bid is equal to or more than the Reserve Sale Price (RSP), the sale of lot is accepted and he highest bidder is informed about the sale of lot by the e-auctioneer by e-mail.

Some times a lot remains unsold even after a number of consecutive e-auctions. In such cases, the following methods for sale of such lots are adopted.

9.13.2 Sale by Limited Tenders – Limited Tenders are issued to likely Purchasers for disposal of Items having Reserve Sale Price less than Rs 1 Lakh.

9.14 Sale by Limited Tenders – Limited Tenders are issued for disposal of Items having Reserve Sale Price less than Rs 1 Lakh.

9.15 Sale by Advertised Tenders – Advertised Tenders are issued for disposal of Items having Reserve Sale Price above Rs 1 Lakh.

9.16 Payment by Bidders: -

- i) The successful bidder shall have to remit 25% of the sale value within 5 working days, excluding Sundays and Holidays, from the date of issue of Intimation Letter by the e-auctioneer by e-mail. The amount must be deposited by way of Demand Draft on any Scheduled Bank in favour of Materials Manager, Mumbai Port Trust, payable at Mumbai and it shall be deposited with the Cashier, Stores Department, Mb.PT. Acceptance letter for each sold lot shall be issued by the Stores Department, after receipt of initial payment of 25% of the sale value from the Purchaser. 5% of the initial payment out of 25% of the sale value shall be treated as Security Deposit and will be refunded only after taking complete delivery of materials and clearance of debris from the site to the satisfaction of the Delivery Committee. Purchaser shall make balance payment of 80% of the sale value along-with applicable Sales Tax (VAT) within 10 working days excluding Sundays and Holidays from the date of issue of Acceptance Letter. The bidders are free to make complete payment (Which includes full sale Value +5% Security Deposit +applicable VAT (Sales Tax) within 5 working days from the date of issue of Intimation Letter .

- ii) The above-mentioned period for making payment shall be counted from the date of issue of Intimation Letter by the e-auctioneer by e-mail. Hence, bidders shall keep a track of their incoming e-mail. Hard copy of the Acceptance Letter shall be issued by the e-Auctioneer to the successful bidders by Courier only for the purpose of record and non-receipt or any delay in receipt of hard copy of Acceptance letter to the successful bidders shall not be accepted as an excuse for extension of payment time. Bidders shall therefore contact e-auctioneer's office personally next day for collecting the Hard Copy of the Intimation Letter if they so desire.
- iii) The mode of payment shall be, strictly by way of Demand Draft issued by any Scheduled bank and payable at Mumbai in favour of Materials Manager, Mb.P.T. It shall be deposited with the Cashier, Stores Department before 3.30pm. of any working day.
- iv) The payment towards ground rent or payment of excess quantity delivered, can be made in cash also .

9.17 Delivery of Lots to successful bidders :-

The procedure of delivery of disposed off materials is as follows:-

A) Delivery in the premises of Stores department :-

- i) For items of disposal value upto Rs.1,000, the Delivery Committee consists of Store Keeper of Stores Department and Stock Verifier from the Accounts Department.

- ii) For items of disposal value above Rs.1,000 the Delivery Committee consists of AMM Gr. I and Jr. Accounts Officer.

B) Delivery at the Custodian's Premises:-

The Supervision committees consist of the committees constituted at (i) and (ii) above along with a appropriate staff member / officer of the custodian department of equal rank .

9.18 Payment of VAT (Value Added Tax) :-

- a) After completion of delivery, the VAT paid by purchasers is remitted to the Government by filing monthly returns in form 221.

The VAT collected during the month is deposited with the Government before 21st of next month.

- b) A Sale bill is issued to the bidder after completion of the delivery.

MUMBAI PORT TRUST

STORES DEPARTMENT

INSPECTION REPORT IN RESPECT OF THE MATERIAL
WHICH IS SERVICEABLE / SURPLUS / OBSOLETE BUT
HAS NOT OUTLIVED ITS USEFUL LIFE

1. Name of the Section. :
2. Full description of the item
with Dead Stock No. :
3. Quantity :
4. Reference regarding the :
sanction for purchase
(T.R.NO./C.S./D.C.S.No.)
5. Asset Card No. in case of :
Capital Asset.
6. Year of purchase and :
installation
7. Total cost of item :
8. Expected life :
9. Depreciated value, if any :
10. Reason for Disposal :
11. Total mileage covered in :
Case of automobiles.

12. Location :

* I Certify that above item though serviceable is surplus /
obsolete to our requirement. Hence the same is proposed for
disposal after inspection of SDC.

SIGNATURE OF THE SECTION OFFICER.

The above item is recommended for disposal. after
inspection by SDC.

SIGNATURE OF THE EXECUTIVE OFFICER.

I approve the disposal of the above item subject to inspection by SDC & sanction of the Competent Authority.

HEAD OF THE DEPARTMENT

The above serviceable / surplus stores have been inspected by the committee on _____ and the same have been recommended / not recommended for disposal

OFFICER
STORES DEPARTMENT
MUMBAI PORT TRUST

OFFICER
ACCOUNTS DEPARTMENT
MUMBAI PORT TRUST

OFFICER
CUSTODIAN DEPARTMENT
MUMBAI PORT TRUST

**MUMBAI PORT TRUST
STORES DEPARTMENT**

INSPECTION REPORT IN RESPECT OF THE MATERIAL
WHICH HAS OUTLIVED ITS USEFUL LIFE AND HAS
BECOME UNSERVICEABLE.

1. Name of the Section. :
2. Full description of the item
with Dead Stock No. :
3. Quantity :
4. Reference regarding the
sanction for purchase
(T.R.No./C.S./D.C.S.No.) :
5. Asset Card No. in case of
Capital Asset. :
6. Year of purchase and
installation :
7. Total cost of item :
8. Expected life :
9. Depreciated value, if any :
10. Reason for Disposal :
11. Total mileage covered in
Case of automobiles. :
12. Location :

I Certify that above item is unserviceable and has
outlived its useful life hence the same is proposed for
disposal.

SIGNATURE OF THE SECTION OFFICER.

The above item is recommended for disposal.

SIGNATURE OF THE EXECUIVE OFFICER.

I sanction the disposal of the above item as it has become
unserviceable and has outlived its useful life.

HEAD OF THE DEPARTMENT

**MUMBAI PORT TRUST
STORES DEPARTMENT**

NO. S/D/

BILL NO.:

DATE :

FROM:
The Materials Manager
Mumbai Port Trust
Mazgaon, Mumbai Port Trust.

Our VAT Registration No. is 400010/S-1907 of 10.04.96

Tender No.:

Due on :

Auction No. :

Held on :

Sold to :

Lot No. :

M/s _____

Delivery Order No. :

Date :

Material Description: _____

Rate Rs. _____ per _____

Total Quantity Delivered _____

Cost of Material Rs. _____

Rate of Sales Tax @ % Rs. _____

Surcharge @ 10% on S.T. Rs. _____

T.O.T. @ 1% on Cost Rs. _____

Gross Amount Rs. _____

1) Challan No. _____ Date _____ Quantity _____

2) Challan No. _____ Date _____ Quantity _____

Total Quantity _____

I / We hereby certify that my / our Registration Certificate under the Bombay Sales Tax Act 1959 is in Force on the date on which the sale of the goods specified in this Invoice is made by me/us and that the transaction of sale covered by this bill/cash memorandum has been effected by me/us in the course of my/our business

FOR MATERIAL MANAGER

List of ISO Documents :

1	Non-Stock Indent second page (for Stores Deptt.)	S/FO/	166
2	Recoupment Mema	S/FO/	07
3	Proprietary Article Certificate (PAC)	S/FO/	124
4	Single Tender / Limited Tender	S/FO/	167
5	Tender Form LT	S/FO/	203
6	LT Form to quote rate	S/FO/	204
7	Advertised Tender Notice	S/FO/	205
8	Form of Tender for Advt. Tender	S/FO/	206
9	Advertised Tender form to quote rate	S/FO/	207
10	Import Tender	S/FO/	116
11	List of Advertise Tenders	S/FO/	128
12	WBT Bulletin	S/FO/	21
13	Bulletin Tender Form	S/FO/	22
14	Tender Record Sheet	S/FO/	24
15	EMD Receipt Note	S/FO/	26
16	Tender Opening Intimation	S/FO/	155
17	List of Sale of Tender from Cashier	S/FO/	28
18	Suppliers Attendance Sheet for Advt. Tender	S/FO/	29
19	Grading Sheet	S/FO/	31
20	Tender Recommendation Sheet	S/FO/	32
21	Letter to Supplier	S/FO/	131
22	Letter to Indenting Officer (I/O)	S/FO/	141
23	Acceptance Letter	S/FO/	43
24	Scrutiny Report (SR)	S/FO/	54
25	SR forwarding letter	S/FO/	35
26	TCM Intimation letter	S/FO/	55
27	Purchase Order	S/FO/	34
28	Import Purchase Order	S/FO/	56
29	Payment Recommendation letter of Import P.O.	S/FO/	58
30	Cash Remittance Statement	S/FO/	60
31	Modification to P.O.	S/FO/	37
32	Cancellation of P.O.	S/FO/	38
33	RDF	S/FO/	39
34	RPN	S/FO/	8
35	Recovery Memo	S/FO/	41
36	Approval Note for Refund of EMD	S/FO/	48
37	Recommendation letter for Refund of EMD	S/FO/	49
38	Refund of SD for successful tenderer.	S/FO/	53

