



UNIVERSITY

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"CELEBRATING DREAMS"

Ref. No. ITMU/ RO/ 2022/247(A)

Date: 25. 07. 2022

## ITM University, Gwalior – Administrative/Financial Approval Guidelines

- These guidelines apply to all purchases made via stores;
- These guidelines do not apply to construction dept. bills.

### 1. Administrative and Financial Approval Powers

Amount Range	Approval Authority
Up to ₹2,00,000	Deans
Up to ₹10,00,000	Registrar
Up to ₹20,00,000	Vice Chancellor

### 2. Administrative and Financial Approval Process

#### Step 1: Administrative Approval

- All procurement or expenditure proposals shall begin with Administrative Approval from the competent authority as per the table above, based on necessity and justification.

#### Step 2: Financial Estimate Submission

- Upon receiving administrative approval:
- A **Financial Estimate** shall be prepared by the **Stores Department** by contacting multiple vendors to obtain comparative quotations in alignment with quality and specification requirements.
- Alternatively, a **tentative estimate** may be submitted by the procuring department, which shall be verified and authenticated by the Stores Department before further processing.

#### Step 3: Review by Central Purchase Committee (CPC)

- For all purchases **exceeding ₹5,00,000**, the matter shall be compulsorily referred to the Central Purchase Committee (CPC).
- The CPC shall review the necessity, vendor selection process, pricing, and quality benchmarks.
- The CPC shall then submit its recommendation to the competent authority.

#### Step 4: Financial Approval

- Based on the financial estimate and/or CPC recommendation, financial approval shall be obtained from the designated authority as per financial limits.
- Only **after the financial approval** is formally recorded, the purchase process shall be initiated by the Stores Department.

#### Step 5: Purchase Execution

- The purchase shall be executed as per the approved proposal.
- Upon delivery, the department concerned must submit a **Satisfactory Quality Report** confirming that the goods/services meet the required specifications and standards.



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### **Step 6: Final Payment**

- The file shall then be submitted for Final Payment to the same authority who had granted administrative and/or financial approval.
- Before releasing payments the following documents should be ensured:
  - Administrative approval,
  - Financial approval,
  - Quality verification – before releasing the final payment.

### **3. Special Provisions**

#### **3.1 Services (e.g., Catering, Transport, Car Rentals)**

- After administrative approval, final payments for services shall only be made after financial approval has been recorded.

#### **3.2 Consumables (e.g., Prizes, Gifts, Stationery)**

- The same standard process of administrative approval, financial estimate and financial approval must be followed.

#### **3.3 Events (e.g., Conferences, Workshops, Cultural Functions)**

- Any amount released as advance or payment against sanctioned financial approvals shall not be adjusted unless:
  - A complete event report is submitted,
  - Along with itemized expenditure details,to the authority that granted administrative approval.

### **4. Central Purchase Committee (CPC) – Scope and Role**

- The Central Purchase Committee (CPC) shall act as an internal regulatory and advisory body for all university purchases above ₹5,00,000.
- It shall ensure:
  - Transparency in procurement,
  - Value for money,
  - Fair and competitive vendor selection,
  - Verification of technical and quality standards,
  - Timely submission of its recommendation to the competent authority.

### **5. Payment Terms and Conditions for non-recurring items:**

- Every Note Sheet, Order, and Purchase Order must include:
  - Payment terms (split advance/delivery/final),
  - Name of the payee/vendor,
  - Penalty clauses for delays or non-compliance.
  - Suggested Standard Payment Schedule:
    - 25–30% Advance at the time of order placement,
    - 40–45% on delivery of material/services,
    - 20–25% after satisfactory verification, testing, and installation report within 7–10 days.
  - In monopoly vendor cases, Post-Dated Cheques (PDC) may be issued, but shall be released only after proper verification and installation reports.





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#### 6. Verification and Compliance

- Physical verification shall be performed by an independent staff member from the concerned department, following Stores Department check.
- Submission of a signed departmental report is mandatory for release of the final installment.
- Penalties stated in the Note Sheet or PO shall be strictly enforced in case of vendor delays.
- If there is a mismatch in quality or it is not satisfactory then 7-days return policy should be a part of PO.

For  
CFAO   
CFAO  
ITM University Gwalior

  
Registrar