

UNIVERSITY

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"CELEBRATING DREAMS"

Ref. No. ITMU/ RO/ 2025/100

Date: 08.05.2025

Notification

The Financial Code is enclosed herewith for necessary compliance.


Dr. Omveer Singh
REGISTRAR
ITM University
Gwalior (M.P.)

Copy to: (For Information through mail)

1. PA to Hon'ble Chancellor
2. PA to Hon'ble Pro Chancellor
3. Hon'ble Vice Chancellor
4. CFAO
5. All Deans/ HoDs
6. All Directors/ Dy. Directors/ Asst. Directors
7. COE
8. All ARs/ DRs
9. Design Cell
10. Central Store
11. Network Cell
12. ERP Cell
13. Estate officer/ Housekeeping supervisor
14. PRO
15. Security officer
16. HR office
17. Office file



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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	Registrar
Up to ₹5,00,000	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

- 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. Central Purchase Committee (CPC) – Structure & Functioning

- To ensure transparency, quality assurance, and financial prudence in procurement, a **Central Purchase Committee (CPC)** is constituted for reviewing and approving all purchase proposals submitted by various schools and departments of ITM University, Gwalior, that are approved in the budget.

A. Role and Authority:

- The CPC has the authority to approve, negotiate, or re-negotiate proposals with vendors in case of any observed discrepancy in rates, quantity, or quality of equipment, consumables, or other items.
- It is responsible for evaluating proposals on the basis of quality, quantity, rates, and terms and conditions.
- The Central Purchase Committee (CPC) shall act as an internal regulatory and advisory body for all university purchases above ₹5,00,000.

B. Composition of the Committee:

- **Vice Chancellor** – Chairman

- **Registrar – Secretary**
- **Pro Vice Chancellor**
- **Chief Finance & Account Officer**
- **Dean/HoD** of the concerned school whose proposal is under consideration
- **External Expert** – Not below the rank of Associate Professor, or with at least 10 years of experience in industry or research organizations and familiar with procurement processes
- **Nominee of the Hon'ble Chancellor**
- *Note:* The external expert shall be nominated by the Vice Chancellor.

C. Quorum and Approval Clause:

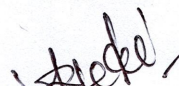
- The **minimum quorum** of the CPC shall be **five (5) members**.
- In the absence of the Vice Chancellor, Registrar, and Chief Finance & Account Officer, the **CPC cannot approve any proposal**.

6. 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.

7. 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.


CFAO


Registrar