

## CHAPTER - 1

### ORGANISATION - OBJECTIVE & FUNCTION

#### 1.1 Objective and Vision

##### 1.1.1 Objective

Department of Atomic Energy (DAE) is a multi-disciplinary complex organization comprising of various R&D, Industrial and Aided Institutions. The objective of Directorate of Purchase and Stores (DPS) as a service organization is to support the constituent Units of the Department in achieving their mission by procuring stores of right quantity, right quality at right price and right time from the right source, ensuring accounting, storage and issue of stores following the policies, rules, regulations and guidelines of Government of India (GoI).

##### 1.1.2 Vision

DPS endeavours to make the material management process efficient, transparent, time bound, user friendly to its stake holders and facilitate meeting the vision of the DAE for development of nuclear power technology and increasing application of Radiation Technology.

#### 1.2 DAE

1.2.1 DAE is a broad based multi-disciplinary organisation engaged in the development of nuclear power technology, application of radiation technology in the field of agriculture, medicine, industry and basic research. DAE's main motto is the production of safe and economical nuclear power, using uranium and thorium resources. Towards this end, it is involved in developing in stages, pressurized heavy water reactors, fast breeder reactors and advanced thorium reactors with associated fuel cycle system. DAE comprises six Research Centers, three Industrial Organisations, five Public Sector Undertakings and three Service Organisations. It has two boards for promoting and funding extra-mural research in nuclear and allied field and mathematics. It also supports eight institutes of international repute engaged in research in basic sciences, astronomy, astrophysics, cancer research and education, etc. and a society that provides educational facilities to the children of DAE employees.

1.2.2 DAE spends considerable amount of its budget for purchasing various type of goods to construct, operate and maintain various projects and schemes and for R&D activities under its administrative control. It is imperative that these purchases are made following a uniform, transparent, systematic, efficient and cost effective procedure in accordance with the relevant rules and regulations of GoI. DAE had been delegated powers for procurement of goods under the Delegation of Financial Powers (DAE) Rules 1978, as amended from time to time, which has to be exercised in conformity with the orders and guidelines issued by competent authorities covering financial, vigilance, security, safety, and other regulatory aspects. Without purporting to be a comprehensive compendium of all statutory provisions, rules,

regulations, orders and guidelines on the subject of public procurement, this manual is intended to serve as a portal to enter this vast area and draw attention to basic norms and practices governing public procurement.

- 1.2.3 DPS is entrusted with the responsibility of procurement of stores for R&D Organisations, Industrial Facilities and Service Organisations whose expenditure are met from the Consolidated Fund of India.

### **1.3 Exemption of Procurement through Central Purchase Organisation**

The equipments/materials/instruments/components/ spares and all other stores required for construction, operation and maintenance of the projects of the above mentioned organisations are of highly specialized nature with stringent quality requirements. The vital necessity of implementation of these projects with planned schedule has made DAE to set up its own procurement wing called DPS.

### **1.4 DPS**

- 1.4.1 DPS is headed by a Senior Scientist/Engineer who is designated as Director DPS and the Regional Units are headed by Scientists/Engineers who are designated as Regional Directors. Director DPS is declared as Head of the Department and is responsible for Materials Management functions of the Department.

- 1.4.2 DPS is entrusted with the responsibility of procurement of different types of items for various Units of DAE including operational plants and project construction activities of Industrial Units like Heavy Water Board (HWB), Nuclear Fuel Complex (NFC), Board of Radiation and Isotope Technology (BRIT), the variety of items required for Research & Development Units like Bhabha Atomic Research Centre (BARC), Indira Gandhi Centre for Atomic Research (IGCAR), Raja Ramanna Centre for Advanced Technology (RRCAT), Variable Energy Cyclotron Centre (VECC), Global Centre for Nuclear Energy Partnership (GCNEP) and the material requirements of the mining activities of Atomic Minerals Directorate for Exploration and Research (AMDER). In addition, it takes care of the Stores requirements of Service Organisations like General Services Organisation (GSO) and Directorate of Construction Services & Estate Management (DSCEM) including the requirements of various Hospitals (medicines, consumables and capital equipments) functioning under DAE. The entire purchase activity is carried out by following GoI purchase procedures, policies, rules & regulations framed for such procurements.

- 1.4.3 In the light of the above, DPS procurement activity should not be viewed in the normal context of procurement of common user items but should be considered as the exclusivity of the DAE in its endeavour to achieve the larger end goals of the DAE, i.e., attaining self-sufficiency in the nuclear field. In addition to procurement, receipt, transport, accounting, proper storage and issue of material as and when required by the Units, DPS is also looking after the disposal activities of scrap and surplus/unserviceable/obsolete materials.

- 1.4.4 The purchase, stores and disposal function of NFC, IGCAR & RRCAT have been decentralized with effect from 1st August, 1994 vide DAE O.M. No. 10/9/8/84-SS/569-570-

571 dated 28th July, 1994 and the Heads of the Department of these Units have been declared as Ex-officio Director, DPS and certain powers of Director, DPS have been delegated to them relating to purchase, stores and disposal activities of these Units. Subsequently, the CE, Nuclear Recycle Board (NRB) also has been declared as Ex-officio Director, DPS, NRB, in respect of Nuclear Recycle Board Purchase and Stores Unit (NRBPSU), vide OM No. 10/3(3)/2010 –SUS/8714 Dated September 14, 2010.

1.4.5 Chief General Manager, Heavy Water Project (HWP) (Manuguru) is designated as Regional Director of Regional Purchase Unit (Manuguru), Hyderabad vide O.M. 10/9(8)84-SS/912 dated 01.11.1994 and will exercise all the powers of Regional Director, Hyderabad Regional Purchase Unit (HRPU) in respect of all the purchase requirement of HWP (Manuguru) and Regional Purchase Unit (Manuguru), Hyderabad, headed by a Scientific Officer/ Engineer of HWP (Manuguru) designated as Manager (Purchase) will exercise all the powers and functions of HRPU in so far as purchase requirements of HWP (Manuguru) are concerned. Manager (Purchase) has been delegated with the powers of Purchase Officer. The Regional Directors P&S have dual reporting. They report to Director DPS in relation to application of rules & procedures etc. and report to respective Unit Head for day-to-day functioning for procurement and other activities. The administrative functions of personnel working in these units also continue to be under the control of Director DPS.

1.4.6 The decentralization of decision making mechanism and delegation of financial powers are aimed at facilitating faster decision making and obtaining best value for money. However, the delegation of powers also implies 'authority with accountability'. The competent authority approving the expenditure must ensure financial propriety and probity, transparency and fair play as well as the objective to optimize resources. The competent authority or the competent committee is accountable for all decisions taken by them. This accountability is unconditional and absolute.

## **1.5 Role of DPS & Indentor**

1.5.1 Evaluation of tenders, recommendation for placement of purchase order, technical follow up during manufacturing and inspection are the responsibility of the concerned Unit raising the indent. DPS is a Service Organisation which takes care of procurement, transportation, accounting, safe custody and issue of the materials. Thus in DAE, materials management functions are shared by DPS and the Unit concerned.

### **1.5.2 Role of DPS**

1. Timely purchase of specified quality stores required for the above mentioned Units of DAE both indigenous and import at reasonable cost in a transparent manner by giving fair and equitable treatment to suppliers and promotion of competition in public procurement.
2. Transportation of stores to the respective Projects/Units site.
3. Receipt and accounting of stores.

4. Proper storage of the goods.
5. Issue of stores as and when required by the Projects/Units.
6. Channelizing imports to comply with customs regulations and avail concessional rate of customs duty wherever applicable.
7. Timely clearance of imported stores after completing all the required formalities with carrier/customs/ports/airports authorities, etc.
8. Appointment and monitoring of Consolidation Agents for collection and safe transportation of materials by air from different overseas destinations to India.
9. Arranging timely warehouse to warehouse marine insurance towards transit risks during transportation.
10. Issue of free issue material to the suppliers with proper safety of material as per the terms of the purchase order.
11. Obtaining warranty and procedural follow up for rectification of defects, including export of the defective/damaged equipment/parts after completing all the customs formalities including claiming draw back wherever necessary.
12. Receipt and monitoring of bank guarantees/insurance policies.
13. Registration of vendors
14. Coordination with the user and the quality assurance wing of the Unit for timely inspection and acceptance of the material.
15. Timely payment to the suppliers.
16. Collection, segregation and timely disposal of scraps/surplus materials/obsolete and unserviceable items.

#### 1.5.3 Role of Indentor

1. Raising of indent with all relevant details with the approval of the competent authority.
2. Timely evaluation of quotations and submission of recommendations with the approval of the competent authority & Committee.
3. Follow up with the supplier for monitoring the progress of work.
4. If the progress is not as per the milestones indicated or the progress is not on the expected lines, intimation to DPS.
5. In case of free issue materials issued by the Department, in addition to monitoring the progress of work, the proper storage, maintenance and usage of the FIM by the supplier

is to be monitored including periodical inspection of FIM and in the end verify and certify the free issue material accounting submitted by the firm.

6. Timely inspection of the material and issue of shipping release.
7. After receipt of the material, final inspection and issue of acceptance report to Stores.
8. Certify satisfactory performance of item during warranty period. In case defect is found during the warranty period technical discussion and follow up with the supplier to sort out the problem. Inform DPS about the action taken in this regard.
9. Close coordination with Purchase, Stores & Accounts for timely completion of contract in all respects.
10. Provide performance report on the supplier to DPS whenever required.
11. Developing vendor base of reliable suppliers

#### 1.5.4 DPS Council

A body called DPS Council is functioning under the Chairmanship of Director, DPS with senior Officers of DPS including Regional Directors as its members. The Council so constituted is an Advisory Committee to Director, DPS to consider, review and decide all matters of policy and procedures and implementation thereof, concerning the smooth and efficient functioning of the Directorate of Purchase and Stores.

### **1.6 Organisational Set-Up of DPS [See chart on following page]**

#### 1.6.1 Purchase Units

1.6.1.1 The Purchase Units under DPS are functioning at nine (9) places in different regions. The details are as follow:- (1) Central Purchase Unit (CPU), Mumbai, (2) Hyderabad Regional Purchase Unit (HRPU), Hyderabad (3) Regional Purchase Unit (Manuguru) (RPUM) at Hyderabad (for HWP, Manuguru) (4) Madras Regional Purchase Unit (MRPU), Chennai (5) Indore Regional Purchase Unit (IRPU), Indore (6) Calcutta Regional Purchase Unit (CRPU), Kolkata (7) NRB Purchase & Stores Unit (NRBPSU), Mumbai (8) Atomic Minerals Purchase Unit (AMPU), Hyderabad (9) Purchase Unit at Rare Metal Plant (RMP), Mysuru.

1.6.1.2 In addition to the above, the following Stores Officer/Asstt. Stores Officers have also been delegated powers for procurement of stores with the assistance of Purchase Assistant/Junior Purchase Assistant posted in the Units:-

- (1) Stores Officer, HWP, Kota (2) Asstt. Stores Officer, HWP, Baroda (3) Asstt. Stores Officer, HWP, Tuticorin (4) Asstt. Stores Officer, HWP, Talcher (5) Asstt. Stores Officer, Zirconium Plant, NFC, Pazhayakayal.

DIRECTORATE OF PURCHASE & STORES

**PURCHASE**

Central Purchase Unit –  
Mumbai

Madras Regional  
Purchase Unit –  
Chennai

Hyderabad Regional  
Purchase Unit –  
Hyderabad

Indore Regional Purchase  
Unit –  
Indore

Regional Purchase Unit  
(Manuguru) –  
Hyderabad

Calcutta Regional  
Purchase Unit – Kolkata

Atomic Minerals  
Purchase Unit –  
Hyderabad

Purchase Unit (RMP) –  
Mysuru

NRB Purchase & Stores  
Unit - Mumbai

**STORES**

**BARC Stores Unit:**

Central Stores Unit  
Zonal Stores Units,  
Mumbai

BARC Hospital Stores,  
Anushaktinagar  
Vashi Zonal Stores,  
including EBC,  
Kharghar  
NRB, Tarapur  
KARP Stores,  
Kalpakkam  
WIP Stores, Kalpakkam  
CWMF Stores,  
Kalpakkam

**RRCAT Stores**  
R RCAT Stores, Indore

**RMP Stores**  
RMP Stores, Mysuru

**Stores Headquarters  
(L)**

**HWP Stores**  
Heavy Water Stores,  
Trombay Village  
HWP Stores,  
Baroda  
HWP Stores, Kota  
HWP Stores, Talcher  
HWP Stores, Manuguru

**IGCAR Stores**  
IGCAR Stores,  
Kalpakkam  
O&M Stores, FBTR, Klm.  
GSO Stores, Kalpakkam  
FRFCF Stores, Kalpakkam  
T&C Godown, Chennai  
DAE Hospital Stores,  
Kalpakkam

**NFC Stores**  
Central Stores,  
Hyderabad  
Zirconium Stores,  
Pazhayakayal

**VECC Stores**  
VECC Stores, Kolkata

**DCS&EM Stores**  
DCSEM Stores,  
Anushaktinagar

**AMD Stores**  
AMD Stores, Nagpur  
AMD Lab Stores,  
Hyderabad  
AMD Stores, Tatanagar  
AMD Stores, Bangaluru

**ACCOUNTS**

Central Accounts Unit

Madras Regional  
Accounts Unit

Hyderabad Regional  
Accounts Unit

Calcutta Accounts  
Unit  
PUM Accounts Unit,  
Hyderabad

**ADMINISTRATION**

Central  
Administration Unit

Madras Regional  
Administration Unit

**TLM - PARIS**

Atomic Energy Wing -  
Paris

### 1.6.1.3 CPU

CPU handles purchases on behalf of all the Projects/Units of DAE for value beyond the powers delegated to the Regional Purchase Units of DPS. Different Purchase Groups have been formed in CPU who report to different Deputy Directors P&S. Deputy Directors P&S report to Joint Director P&S. In addition to processing purchase files, CPU enters into the contracts for Transport and Clearance of Import consignments and Air Consolidation Contracts to be operated by the Regional Purchase Units, procurement of common user items, Management Information Service, Post Audit and Old Record for CPU and work related to Stores and Equipment Committee (S&EC) of BARC and RMP, Mysuru/Stores Purchase Committee (SPC) for HWB and BRIT.

1.6.1.4 A Regional Director heads HRPV and HRPV is handling all the purchases both indigenous and import for NFC, Hyderabad and Zirconium Plant, Pazhayakayal irrespective of value.

1.6.1.5 MRPU handles all purchases both indigenous and import for IGCAR, GSO, Kalpakkam, BARC facilities located at Kalpakkam and manual tenders of HWP, Tuticorin irrespective of value. This Unit is headed by a Regional Director.

1.6.1.6 IRPU headed by a Regional Director and handles all the purchases for RRCAT both indigenous and import irrespective of value.

1.6.1.7 RPUM at Hyderabad functions under the control of Manager (Purchase) and is handling purchases of indigenous items required for HWP (Manuguru) upto the powers delegated from time to time.

1.6.1.8 AMPU, Hyderabad handles procurement of indigenous items required for AMD Units at Hyderabad, Bangalore, Visakhapatnam, Jamshedpur, Trivandrum, Shillong, Jaipur, Delhi and Nagpur upto the powers delegated from time to time. AMPU is headed by Officer-in-Charge, Materials Management.

1.6.1.9 NRBPSU is headed by Regional Director and handles procurement of both indigenous and import for Nuclear Recycle Board, located at Mumbai and Tarapur irrespective of value.

1.6.1.10 CRPU is being looked after by a Purchase Officer and is handling the activities of procurement of both indigenous and imported items required for VECC, Kolkata, BRIT, Kolkata and HWP, Talcher upto the powers delegated from time to time. Purchase Officer, CRPU will report to Deputy Director, P&S Mumbai.

1.6.1.11 Purchase Unit at RMP, Mysuru is under the charge of an Assistant Purchase Officer and is empowered to handle purchases of all indigenous items upto the powers delegated from time to time. However, contracts/amendments beyond the signing powers of Assistant Purchase Officer shall be forwarded to CPU, Mumbai for approval/ signature. Online tender is handled from CPU, Mumbai. Asst. Purchase Officer, RMP, Mysuru will report to Purchase Officer, Mumbai.

1.6.1.12 Assistant Stores Officer, HWP, Tuticorin, Assistant Stores Officer, HWP, Talcher and Assistant Stores Officer, Zirconium Plant, NFC, Pazhayakayal, Stores Officer, HWP, Kota

and Assistant Stores Officer, HWP, Baroda handle indents upto the powers delegated to them from time to time.

#### 1.6.2 Stores Units

1.6.2.1 Deputy Director, P&S, Central Stores Unit and other Stores Officers/Asstt. Stores Officers attached to the respective Stores Units are taking care of receipt, accounting, proper storage, issue of stores, issue of FIM and its accounting, procurement, maintenance and issue of common stock items, collection, storage and disposal of scrap, surplus and unserviceable materials.

1.6.2.2 Deputy Director, P&S, Central Stores Unit is responsible for all the stores activities and is reporting to Joint Director P&S/Director, DPS.

#### 1.6.3 Finance & Accounts Unit

1.6.3.1 DPS Accounts Unit is headed by Internal Financial Adviser who carries out the function of the Financial Adviser to the Director, DPS and also looks after the finance and accounting activities of DPS. One of its Accounts Officers is functioning as Pay & Accounts Officer, DPS, Mumbai. Pre-audit of all purchase orders beyond the value of Rs. 25,000/- is carried out by Accounts before release of purchase orders to ensure that the contracts concluded satisfy all the procedures, rules, regulations and guidelines and cannons of financial propriety is adhered to. The major function of DPS Accounts is to ensure timely settlement of suppliers' bills. It also takes care of the establishment payments including personal claims of the staff of DPS. It also maintains DDR balances including the provident fund balances, account of new pension fund and issues PPOs (Pension Payment Orders) pertaining to the officials of DPS.

1.6.3.2 Madras Regional Accounts Unit is headed by Deputy Controller of Accounts who reports to JC (F&A), IGCAR. Assistant Accounts Officer, DPS functioning from Hyderabad Regional Accounts Unit reports to JC (F&A), NFC and the Assistant Accounts Officer, DPS functioning from Calcutta Accounts Unit reports to DCA, VECC for day-to-day functional requirements. Senior Accounts Officer/Accounts Officer, Regional Purchase Unit (Manuguru), Hyderabad reports to DCA, HWP, Manuguru. However they report to IFA, DPS for general administrative purpose and IFA, DPS co-ordinates with the Accounts Heads of the respective Units for smooth function.

1.6.3.3 The accounting function of Indore Regional Purchase Unit is taken care by the Accounts Wing of RRCAT. DPS provides clerical assistance for carrying out the job. The accounting functions of AMPU are taken care by the Accounts Wing of AMD. The accounting functions of CRPU are taken care by the Accounts Wing of VECC. The accounting function of NRBPSU is taken care by the Accounts Wing of NRB.

#### 1.6.4 Administration Unit

1.6.4.1 Central Administration Unit is headed by Chief Administrative Officer. He assists Director, DPS to carry out his administrative responsibility. The Central Administration Unit is



responsible for personnel management, establishment work, recruitment, promotion and staff welfare, etc.

1.6.4.2 The Madras Regional Administration Unit is reporting to the Regional Director, MRPU and is looking after the day-to-day administrative requirements of DPS personnel stationed at Chennai, Kalpakkam, Stores Unit ZC Pazhayakayal & Tuticorin and maintains the service books of these personnel.

1.6.5 Atomic Energy Wing, Paris

1.6.5.1 DPS has a Liaison Mission functioning from Paris. Atomic Energy Wing is headed by a Senior Scientist/Engineer who is designated as Councillor, Atomic Energy Wing. This Unit reports directly to the Director, DPS.

1.6.5.2 Atomic Energy Wing, Paris takes care of:-

- 1) Assisting the projects/units of DAE in matters connected with conclusion of agency agreements for consultancy, know-how agreement, obtaining clarifications/information etc.
- 2) Expediting/progressing of the supplies based on the orders placed on foreign manufacturers by DPS Units.
- 3) Witnessing/carrying out inspection of imported equipment and components wherever considered necessary.
- 4) Ascertaining information/details, etc. relating to technical capability, financial standing and other connected details about the manufacturers/suppliers situated abroad.