

CHAPTER-VIII
PURCHASE
(73-79)
PURCHASE POLICY

73. The policy of BCIC in making procurement of machinery, equipments and stores, whether for utilisation and consumption in Mills and Factories or for construction works is to patronize Bangladeshi product to the utmost possible extent consistent with economy and efficiency.

NOTE: (i) Price preference may be allowed to Bangladeshi products over goods of foreign origin. Bidders tendering for Bangladeshi products may be accorded a price preference in Takas up to the prescribed percentage of the lowest quoted landed cost of an item of foreign origin with similar specifications, provided that:-

- (a) The saving in foreign exchange is at least equal to the amount of price preference,
- (b) in each case of such preference, it is ensured that the total import requirement for producing the supplies tendered for locally has been duly indicated by the bidders, and
- (c) the above mentioned price reference will not be admissible for those items of local manufacture, which may be enjoying protection given by Government on the recommendation of Tariff Commission.

(ii) In regard to securing of services in the fields of drilling grouting, designing and consultancy in specialised fields, other than construction of building, the preference for the prescribed percentage may be afforded to Bangladeshi firms over the bids of foreign concerns provided that the payment of foreign exchange, if any, to the local firms is not in exchange of the amounts demanded by the foreign/concerns. Such preference will not be applicable to Bangladeshi firms with foreign associates, unless the share of Bangladeshi firms is 50% or more.

(iii) The above decision will not apply to the following two categories of cases involving foreign bid, loan or grant:

- (a) Where a commitment has been made to purchase supplies/ services from a particular country.
- (b) Where a commitment has been made to purchase supplies/ services on the basis of world-wide competitive tenders.

74. In order to give effect to the above policy, preference shall be given in the following orders:

(i) Firstly, to articles which are produced in Bangladesh in the form of raw materials, or are manufactured in Bangladesh from raw materials produced in Bangladesh, provided that the quality is good for the purpose.

(ii) Secondly, to articles wholly or partially manufactured in Bangladesh from imported materials provided that the quality is good for the purpose;

(iii) Thirdly, to articles of foreign manufactures hold in stock in Bangladesh provided that they are of suitable type and requisite quality and that the price reasonably compares with the C&F price.

(iv) Fourthly, to articles manufactured abroad which need to be specially imported for which suitable substitute under any of the aforesaid categories are not available.

75. Corporation/ Project/ Enterprise should always procure the articles produced or manufactured in Enterprises under the Corporation.

76. In making purchases the following general principles shall be observed and it should be ensured that the cost of Purchase is covered by sanction of the appropriate authority and there is budget provision for it :-

1. An article shall be purchased on condition that delivery shall be made in Bangladesh.

2. Tenders shall be invited through press advertisement or otherwise as may be detailed in the Purchase Manual.
3. There shall be no deviation from the specification given in the tender document(s).
4. Normally the lowest tender/quotation i.e. the tender/ quotation which is *prima facie* the most economical should be accepted.
5. Single tender/ purchase should be avoided. Tenders less than three should be deemed as single tender for this purpose. This will not apply to proprietary articles.
6. All articles whether manufactured or produced in Bangladesh or abroad shall be subjected to inspection. for which necessary procedure has been laid down in the Purchase Manual, Manufacturers warrantee certificate. may be accepted in lieu of inspection in special cases.
7. Purchases must not be split up obviate the need of obtaining approval of higher authority.

77. PREPARATION OF INDENTS FOR STORES MATERIALS, ETC.

- (i) All indents must be in the prescribed form.
- (ii) Separate indents should be prepared for each specific commodity.
- (iii) In case of spare parts of various machinery required to be imported, indentors must give the following certificate in the prescribed form:
"Certified that the spare parts indented for cannot be manufactured by any of the Project/ Enterprise of elsewhere indigenously".

78. TENDER COMMITTEE :

- (i) Tenders for purchase shall be placed before the appropriate committee constituted for the purpose.
- (ii) No purchase should be made, even if it is within the limits of delegation of powers unless processed through the Tender Committee.

CHAPTER-IX
LOANS AND ADVANCES
(79-85)

79. **SANCTIONING AUTHORITY :**
Loans and advances may be sanctioned by the Corporation. The Corporation may delegate powers to grant advances to Heads of wing/ Departments/ Projects/ Enterprises in respect of Officers and Employees serving under them.
80. **BUDGET PROVISION :**
Provision should be made in the budget estimates for all such loans and advances which can be foreseen and which are not repayable within the year.
81. **REPAYMENT INSTALMENTS:**
When the repayment of an advance with interest is made by fixed equal periodical instalments, punctual payment of the instalments is indispensable, as otherwise the loan may not be discharged in time.
82. **CALCULATION OF INTEREST :**
Interest on the advance shall be charged at the rate to be prescribed from time to time, but not below the Bank Rate. The interest shall be calculated on balances outstanding on the last day of the month. The recovery of the interest will be made in one or more instalments after the principal has been fully recovered. The amount of instalments on account of interest shall not be appreciably greater than the instalments by which the principal has been recovered. The recovery of interest will commence from the month following that in which the re-payment of principal is completed.
83. **TERMS OF LOANS:**
Borrowers should be required to adhere strictly to the terms settled for the loans made to them.

NOTE :

Applications for advances for the purpose of House Building, motorcar, motorcycle, bicycle should be made in the prescribed form for which separate rule is prescribed.

84. **ADVANCE ON TRANSFER :**

Advance on transfer may be sanctioned by the Head of Wing in Head Office and Manager Shipping & Liaison Office & Heads of Project/ Companies/ Enterprises to an officer/ employee under orders of transfer, up to an amount not exceeding one month's basic pay plus the 75% of the estimated travelling allowance to which he may be entitled under the rules in consequence of the transfer. The advance should be recorded on the officers/ employees last pay certificate. The advance of pay should be recovered from the pay of the officer/ employee in three equal monthly instalments beginning with the month in which a full month's pay is drawn after the transfer. The advance of travelling allowance should be recovered in full on submission of the officer's/ employee's travelling allowance bill. The adjustment of T.A. bill should be submitted within 30 days of completion of the journey.

NOTE : 1

The advance referred to in this clause is also permissible to an officer/ employee who receives order of transfer during leave.

NOTE: 2

When a single lump sum advance is drawn to cover the travelling expenses both of the officer/ employee himself and of his family, it may be adjusted by the submission of more than one bill, if it so happens that the member of the officers family do not actually make or complete the journey with him. In such a case, the officer should certify on each adjustment bill submitted by him that a further bill in respect of travelling allowance of the members of his family (to be specified) who have not yet

completed the journey will be submitted in due course and is expected to include an amount not less than the balance of the advance left unadjusted in this bill.

NOTE :3

the advance of pay under this clause may also be allowed to be drawn at the new station soon after the arrival of the officer/ employee there, on production of the last pay certificate showing that no advance was drawn at the old station.

NOTE :4

The amount of the advance to be recovered monthly should be fixed in whole take the balance being recovered in the last instalment.

85. ADVANCE ON TOUR :

ADVANCE ON TOUR FOR OFFICERS/ EMPLOYEES MAY BE GRANTED AS BELOW :

(i) To an officer/staff/worker proceeding on tour, an amount sufficient to cover his personal travelling expenses (not exceeding 75% of the amount admissible) subject to adjustment within a fortnight upon the officer's staff's/worker's return to headquarters or 30th June, whichever is earlier. In case no billis submitted within the period, the entire advance shall be adjusted against next salary payable.

NOTE:

A second advance cannot be made to an official under this clause until account has been given of the first.