

Financial Planning and Management, Sources of Fund: Experience Sharing



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Sources of Fund

Sources

Grant in Aid

- Capital
- General
- Salary
- SAP

Internal Revenue

- Patient Charges
- Student Affairs
- Recruitment
- Tender Fees

Other sources

- CSR
- Projects



- **Treasury Single Account (TSA) –**

➤ A Treasury Single Account for ABs/Sub-ABs is an assignment bank account opened by an Autonomous Body/Sub-Autonomous Body in RBI, New Delhi to facilitate the ABs/Sub-ABs concerned to receive Grants in Aid and incur expenditure there against.



Financial Planning and Management

- **FINANCIAL MANAGEMENT –**

- Means planning, organizing, directing and controlling of financial activities.

- **FINANCIAL PLANNING is required for -**

- Providing **appropriate funds**

- Providing **balance** between the incoming and outgoing funds

- Preparation of programs which ensure **long-term sustainability** of the organization

- Helping to provide **stability**



Financial Planning and Management

At Start of Financial Year



At End of Financial Year

CHALLENGE





Financial Planning and Management

- **Budget Estimation –**

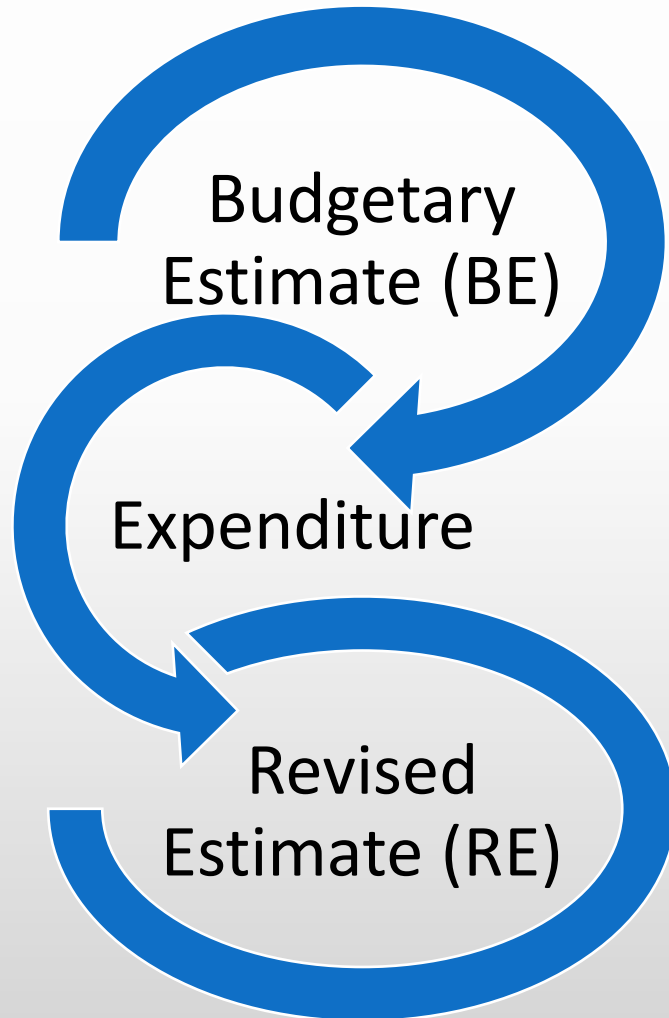
- How much funds, in short-term or long-term, does the organization need?
- Where will that funds be provided from, i.e. which are the sources of financing ?

- **Expenditure Plan -**

- How is the organization going to use the funds?



Budget Estimation



BE refers to the estimated amount of money that an organization plans to spend on various expenses in a financial year.

RE is the revised or updated estimate of expenditure based on the actual spending during the year.

BE



SALARY

- ❖ Existing Strength
- ❖ Additional Appointments

GENERAL

- ❖ Consumables
- ❖ Reimbursement
- ❖ AMC
- ❖ Institute Bills
- ❖ Outsourced Services

CAPITAL

- ❖ Purchase of Equipment
- ❖ Engineering Works
- ❖ Construction



Expenditure Plan

CONSTRUCTION

- ❖ DPR
- ❖ SFC approved projects

ENGINEERING

- ❖ Maintenance
- ❖ Projects

EQUIPMENT

- ❖ Procurement Plan
IPC

Procurement planning (Medical Equipments) AIIMS Patna Experience

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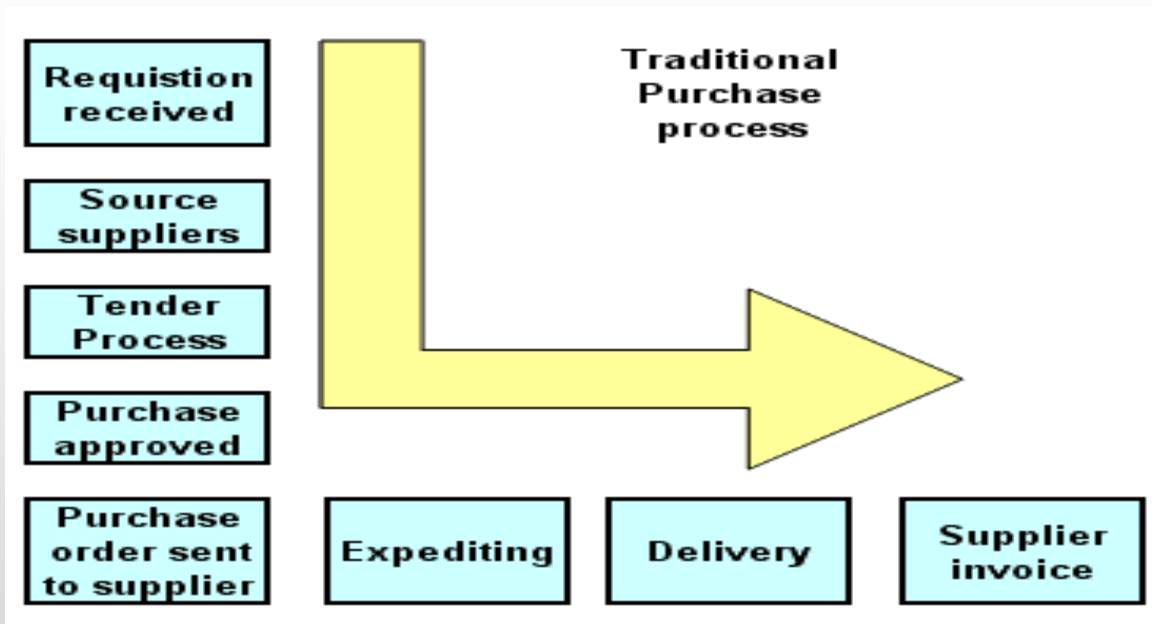
Procurement Planning

The process of identifying and consolidating requirements and determining the time frames for their procurement.

Vs

Purchasing

The formal process of buying goods and services.



Procurement Planning & it's importance



- Decision on what to buy, when and from what sources.
- **Need identification; Standardization and variety reduction.**
- Decision for merging requirements/Indents to avoid split purchase.
- Decision on optimum DELIVERY PERIODS (One time or staggered delivery)

Institute purchase committee and Need assessment



- Institute purchase committee (IPC)
 - Head of the institute
 - Head of Finance
 - Head of Procurement
 - Heads of Depts may be co-opted
- Responsibility of IPC:
 - Invites and receives proposals for equipment purchase planned for the next financial year from user departments in a format (**Statement of case**)
 - Scrutinizes and approves received SOC along with supportive documents.



Department of Cardiology

Case Title: - Procurement of Cath Lab Machine with DSA

Ref No. _____

Statement of Case (SoC)

1. Department / Office initiating the SOC	Cardiology
2. Name of the item(s)/services being procured	Bi-Plane Cath Lab machine with DSA
3. Justification for procurement Authority, if any, under which the proposal is being initiated - Govt Rules/Orders, Service specific instructions, Subsidiary instructions, etc. to be quoted	<ol style="list-style-type: none"> 1. Second machine is required due to rising patient load, 2. During break-downs, which are happening sometimes, the patients' lives are at stake and there is no alternative.
4. Category of proposal – Fresh purchase, Up gradation, Replacement, Maintenance, Repair, Any other (to be specified)	Fresh purchase.
4.1 If it is a fresh purchase, How was the purpose being served to date? Why it can't be served with an upgradation of the existing items?	One machine is available but is not sufficient compared to the patient load. Moreover it is a basic model with deficient functions
4.2 If it is a case of up-gradation, Details of original purchase viz., year, cost, quantity, residual life left, Residual life after upgradation, etc. Confirmation that issues of standardization and compatibility have been taken care of.	NA
4.3 If it is a case of replacement, What will be done with the items being replaced? Details of the proposal for disposal of existing items (BER certificate, etc. to be enclosed) Possibility of buy-back or otherwise, along with reasons	NA



<p>5. Quantity</p> <p>a) Basis for working out the quantity against each item - (formula, methodology, etc.)</p> <p>b) Details like authorized holdings, existing holdings, Dues-in, Dues-out etc.</p> <p>c) Proposed distribution of items being bought with justification</p>	<p>Quantity required: one</p>
<p>6. Estimated cost of the proposal –</p> <p>*6.1 various elements of cost, such as the basic cost, taxes, transportation cost, training cost, etc., should be shown separately and the grand total should also be indicated)</p> <p>*6.2 Estimated CAMC cost for 5 years</p>	<p>6.1 The cost of similar equipment supplied at AIIMS Deoghar is ~ \$ 1035634.</p> <p>6.2 Estimated CAMC ~ 2.7 Cr.</p>
<p>6.3 Basis for working out the estimated cost of the proposal to be indicated as follows:</p> <p>(a) Last Purchase Price – Year, Escalation factor, source, quantity to be mentioned.</p> <p>(b) Market Intelligence – Source, period, etc. to be mentioned along with relevant enclosures.</p> <p>(c) Rates obtained from other Organizations – Source, period, quantity, etc to be mentioned along with relevant enclosures.</p> <p>(d) Professional Officers Evaluation – Detailed reasoning and inputs used to be enclosed.</p> <p>(e) Any other method adopted (to be specified and explained, along with the reasons)</p>	<p>C) NOA from AIIMS Deoghar (22-03-2023) Quantity- One</p>
<p>7. Details of the last purchase</p>	

<p>(a) The Quantity and dates on which similar\ alternate items were procured</p>	<p>Old basic model was of equipment installed on 24/08/2019</p>
<p>(b) If it is a recurring item, the total period for which the items are being procured</p>	<p>~ 4-5 years</p>
<p>(c) The mode of tendering in respect of the last purchase</p>	<p>Through HLL</p>

(d) The source of the last purchase	<u>Erbis Medical</u>
(e) Any other relevant information	None
8. Mode of Tendering	
(a) Open tendering – Mention the websites and newspapers in which the advertisement is proposed to be published. (Draft advertisement to be enclosed)	As per institution policy
(b) PAC tendering – Enclose draft PAC certificate along with detailed justification for PAC tendering.	NA
(c) Single tendering – Mention the grounds of urgency / Operation reasons/ technical requirements, etc. on which is being proposed.	NA
(d) Rate Contract – Enclose copy of relevant RC under which the items are being proposed to be bought.	NA
9. Members of Specification Committee	1. Dr. Anupam <u>Bhambhani</u> , Cardiology 2. Dr. Sanjeev Kumar, CTVS 3. Dr. Adil Ahmad Khan, Cardiology
10. Trained manpower available (Yes/No)	Doctors and technical and supporting staff available
11. Space available for installation of Instrument (Yes/No)	Yes
12. If tender cost is more than 30 Lac, Name of DGHS approved institute \ representative who will <u>vet</u> tender specification	AIIMS, New delhi
13. Name of three prospective vendors	Philips / GE / Siemens
14. Whether Indian standard available YES/ NO	No
15.	Yes
A. Whether item is available in the exemption list of Global tender enquiry YES/ NO	
B. If YES, indicate the serial no. with name of the item	129 – Bi-Plane DSA



Institute purchase committee and Need assessment



- All proposals are categorized as follows based on prima-facies.
 - Acceptable Proposal
 - SOC complete, estimated price details matched with supporting document
 - Not-Acceptable: Gross deviations in details or supporting documents not attached.
- On the day of IPC meeting, the heads of depts present their proposals for equipment purchase as per a **Priority list**.
- Need assessment approval of **name of an equipment** with **quantity** and budgetary approval of **estimated cost**. The minutes is circulated.



Institute purchase committee and Need assessment

Consolidated demand of all common use items prepared.

- Average Annual consumption basis (AAC)
- Estimated annual consumption basis (EAC)

Indenting Dept.	Type of common use item	Examples of common use items
Central Store	Office/General Furnitures	Chair, Table, side rack, computer table, Cupboard, Almirah, Sofa etc.
	Stationary & office small tools, consumables	All types of office stationaries etc.
	Common usage Medical & surgical tools, instruments & equipments.	BP instrument. Thermometer, Stethoscope, Pulse Oximeter, Infusion pumps, Monitors, Other medical & surgical common tools/instruments etc.
MS Office	Cleaning & Sanitation items	Cleaning items, Sanitary item etc.
	Medical Furnitures	Trolley, Stretcher, ICU Bed, Wheel Chair, OT Table etc.
Engineering Dept.	Common usage electrical appliances.	A/C, Refrigerator, Geyser, Heater, Blower etc.
IT Dept.	IT related tools & equipments.	Computers, Printers, UPS, Printer Cartridge, Projector etc.



सत्यमेव जयते

**MANUAL
FOR
PROCUREMENT OF
GOODS**
(Updated June, 2022)



Government of India
Ministry of Finance
Department of Expenditure



सत्यमेव जयते

**GENERAL
FINANCIAL RULES
2017**

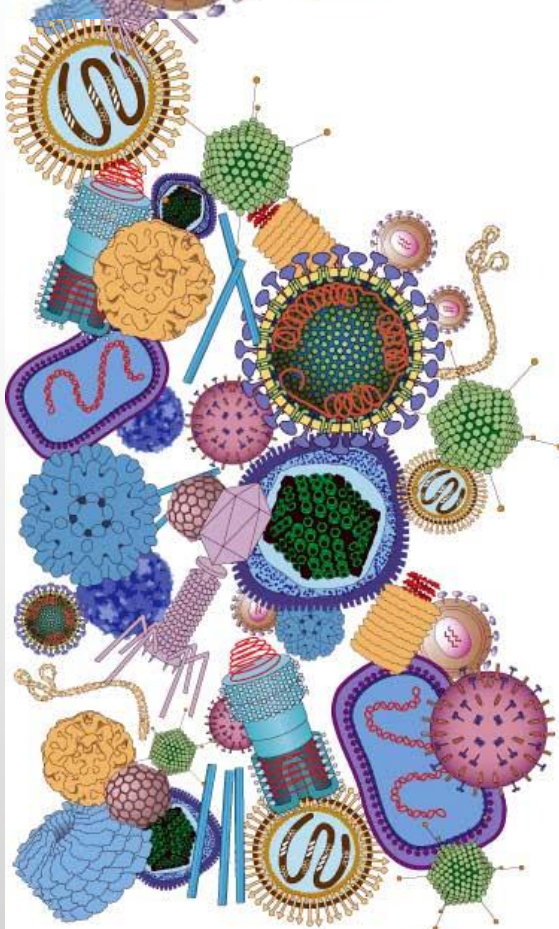
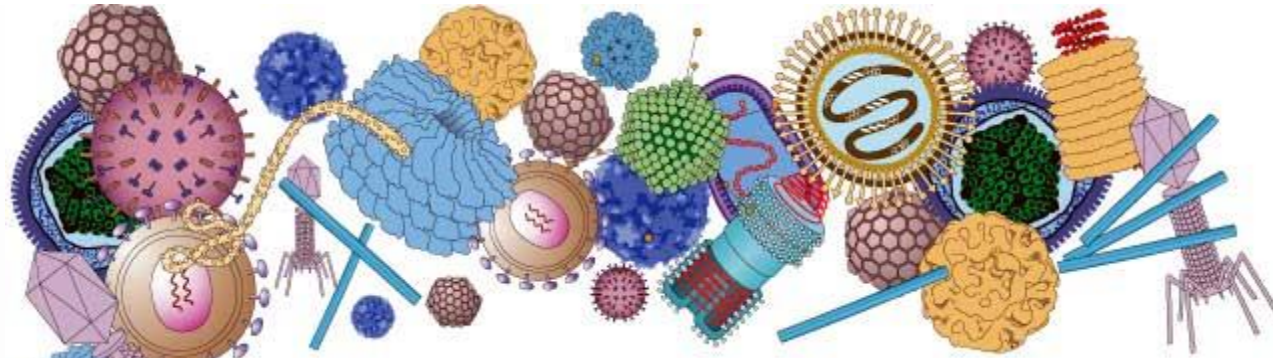


Government of India
Ministry of Finance
Department of Expenditure





THANK YOU



Questions?