



Date : 06-06-2012

Purchase Policy

The Purchase requirements of various departments and sections of this institution are being met by the purchase section.

Purchasing is a process of acquiring the proper goods and/or services, at the time needed, for the best value from a reliable source for SCET. This includes locating and selecting vendors, negotiating price and approving substitutions (as may be required) and the follow-up to ensure timely delivery.

Objectives:-

1. To ensure that equipment/accessories are procured through standard procedure in major and minor purchases of the institution.
2. To provide support to the department, HOD's/Lab In-charge/Faculty members for procurement of goods/services in efficient, economic and transparent manner.
3. To facilitate the management to allocate the required fund

Functions of Committee:-

1. To prepare guideline and devise general system for procurements of materials, equipment's and items for the Institution.
2. To coordinate all the purchases of various Departments and ensure the procurement of required items as per schedule.
3. To carry out discussions and negotiations with suppliers and procure the best quality items with competitive price.
4. To scrutinize requisitions for equipment of various Departments and decide upon the necessity of purchasing the equipment, keeping in view the possibility of its in-house manufacture in the Institute and the requirements specified by the DTE, MSBTE, University, AICTE etc.
5. To arrange to call and scrutinize tenders/ quotations for items of purchase and contracts costing beyond the value specified by institute.
6. Any other works related to procurement of the items.



Composition of Committee:

The Purchase Committee is comprised of the following members.

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| 1. The Principal, SCET | - Chairperson |
| 2. Senior faculty of the Institution | - Member |
| 3. All HOD's | - Member |
| 4. Faculty In-charge of the lab concerned | - Member |
| 5. Technical staff In-Charge of the lab concerned | - Member |
| 6. Members nominated by Management/Principal | - 2 Members |
| 7. Senior staff from finance Department | - Member Secretary |
| 8. Store Incharge | - Member |

Roles & Responsibilities:

a) Chairperson

- The Chairperson will make enquiries with the suppliers and other traders regarding the quality, price etc. of the items required.
- He will organize the purchase committee meetings once in a month.
- He will ensure the speedy arrival of the products.
- He will manage the purchase section and all other purchase activities.

b) Store In-charge

- Store is attached with the administrative office.
- All purchases are entered in the purchase register.
- He will verify all the purchased items and the items to be kept in the store will be arranged in the order.
- All the bills are to be entered in the Stock register.
- He has to place indents to the purchase officer to purchase the needed items.

Procedure

1) Purchase Order

For all items other than local purchase items, purchase order is issued to the supplier after considering the concerned department's suggestions. The purchase order is issued in printed format after completing all formalities such as inviting quotations in necessary cases, confirmation of the quality of goods, suitability in accordance with our specification.



2) Supplier Selection

For all high value items, quotations are invited from competent suppliers. The quotations so received will be verified and a comparative statement is prepared. This statement along with the quotations and the file is sent to the user department in order to find out whether the product conforms to specified purchase requirements. The expected time of delivery of the product will also be checked. After getting the consent of the user department, the file is placed before the purchase committee.

3) Purchase Committee

The purchase committee in co-ordination with principal, Director Finance of the institution and department level concerned faculty will take decision. The terms of the supply agreed by both the parties are mentioned in the purchase order. The ability of the supplier to supply the required product in accordance with the institution's requirements will also be verified. For low value items, enquiries are made with various traders and considering the quality and the price, order is given and local purchase is made.

4) Supplier Communications

For all high value purchase items, we will build a file in which communication will be made in writing with the suppliers and finally purchase order is issued in a printed format. Communications regarding local purchase are made over phone/e-mail. For all essential communications, records are made in the file. The department and the user department will ensure the adequacy of specified purchase requirements prior to the issuance of the purchase order to the supplier. The user department will make the inspection and other activities to ensure that the product ordered meets the specified purchase requirements.

5) Goods Receipt note

All the items purchased are entered in the stock register kept in the office and the entry will be recorded on the bill and goods receipt note is issued. Entries are made by the user department in their stock register also.

6) Supplier evaluation procedure and record

The performance of the supplier is assessed on the basis of the quality of the goods, time taken for the delivery of the goods etc. and grade is given to each party annually. While preparing the performance related data, the following things are considered.

Expected date of delivery

Actual date of delivery

Quality of the product as certified by the user department



7) Supplier re-evaluation Procedure & Records

If the supply is found delayed abnormally and the products are of substandard, there is no other alternative, but to blacklist such suppliers. After a given period, if the services of the supplier are found to be worthy, it should again assess his performances from other buyers. Samples of his goods and pamphlets will be invited to assess and re-evaluate his performance. If necessary, spot inspection by the user department will be made.

8) Comparative Procedure:

The financial evaluation of the bids shall be made by the Date. of Purchase by preparing a comparative statement. The following points must be kept in mind while preparing the comparative statement for submission to the Purchase Committee.

- Comparison shall be made between the similar items in terms of qualify, size, durability etc.;
- Components (basic price, taxes, duties, etc.) of the final price shall be the same for each bid so that the final prices are comparable;
- Any special condition by the bidder should be clearly highlighted in the comparative statement;
- All material facts that would enable the Purchase Committee to decide the purchase of right quality and quantity at the right price shall be brought out in the comparative statement of quotations
- Comparative is applicable only on the purchase of items above Rs. 10,000/-

9) Installation and commissioning Report:

Respective Head of Department shall submit commissioning / test report to the purchase committee and verify it from the respective vendor about its functioning. Then only the Purchase committee will proceed the process of bill settlement.

10) Bill Settlement Process:

Settlement/reimbursement of claims by Director (Finance) to employees, on the recommendation of other Directorates or otherwise.

- a. Above Rs. 50,000/- through HOD, Director (Finance) and Management.
- b. Upto Rs. 50,000/- through HOD & Director (Finance).

Standard Operating Procedure

Get all the requirements of each department from the Head of Department (HOD) to the purchase committee.



HOD have to call at-least three quotations as per their requirements/specifications



Cost of items will be finalized by the purchase committee depending upon-
a) Market Survey b) Rate Contract/ Comparative Statement



HOD will make a note-sheet for the approval of tentative cost for the required items & will get it approved from the Principal.



Purchase order will be prepared by the stores & procurement will also be done by the stores.



Once the items are received in the store, the store in-charge will take a note of it and inform the HOD



HOD will check & verify whether the items are as per the requirements or not.



If everything is found all right, then they will ask the stores to shift those items to the department.



After receiving the items in the department, the details will be entered into the Dead Stock Register (DSR)




Principal
Principal
Suryodaya College of
Engineering & Technology
Vihirgaon, Nagpur