



**SRI MANAKULA VINAYAGAR ENGINEERING COLLEGE**  
(An Autonomous Institution)  
Puducherry - 605 107



# **INSTITUTIONAL PURCHASE**

Policy

Version 3.0



# SRI MANAKULA VINAYAGAR ENGINEERING COLLEGE

(An Autonomous Institution)

Puducherry - 605 107

## NOTIFICATION

Ref: SMVEC / IQAC / ACAD / DEC 2023

Date: 06-05-2024

In the pursuance of the resolution passed by the Governing Body Meeting at its meeting held on May 04, 2024 in its resolution no. GB 2024.05.07.11 and the decision was taken by the Management of SMVEC

It is hereby notified for information of all concerned that the Sri Manakula Vinayagar Engineering College, Puducherry has published the Institutional Purchase Policy. This will come into force with immediate effect.

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# INSTITUTIONAL PURCHASE POLICY

## 1. INTRODUCTION

Sri Manakula Vinayagar Engineering College, as a premier institution committed to academic excellence, research advancement, and infrastructure development, recognizes the critical importance of a well-defined and transparent procurement system. The procurement of goods, services, equipment, and works plays a vital role in supporting the institution's academic, administrative, and research activities.

This Purchase Policy has been formulated to establish a systematic, transparent, and accountable framework for all procurement activities undertaken by the institution. It serves as a guiding document to ensure that all purchases are carried out in a fair, ethical, and cost-effective manner, while maintaining the highest standards of quality and compliance.

The policy aligns with the institutional goals of:

- Enhancing teaching-learning processes
- Strengthening laboratory and research facilities
- Supporting administrative efficiency
- Ensuring optimal utilization of financial resources

In the context of increasing regulatory requirements and accreditation standards such as NAAC (National Assessment and Accreditation Council) and NBA (National Board of Accreditation), it is essential that procurement processes are well-documented, auditable, and compliant with established norms. This policy ensures that all procurement activities are supported by proper documentation, including indents, quotations, comparative statements, purchase orders, invoices, and stock records.

This document is applicable to all departments, administrative units, laboratories, and support services of the college. It provides a uniform framework for procurement, thereby minimizing ambiguity and ensuring consistency across the institution.

By implementing this Purchase Policy, Sri Manakula Vinayagar Engineering College aims to foster a procurement environment that is efficient, transparent, accountable, and aligned with national accreditation standards, ultimately contributing to the overall growth and excellence of the institution.

## 2. OBJECTIVES OF THE PURCHASE POLICY

The primary objective of this Purchase Policy is as follows:

### **Ensure Transparency and Fairness**

- To establish a procurement system that is open, transparent, and free from bias
- To ensure equal opportunity for all eligible vendors
- To maintain proper documentation for every stage of procurement

**Promote Financial Prudence and Cost Effectiveness**

- To ensure optimal utilization of institutional funds
- To procure goods and services at the most competitive and reasonable price
- To avoid unnecessary or duplicate purchases through proper planning

**Maintain Quality Standards**

- To ensure procurement of standard, reliable, and quality products/services
- To encourage procurement from reputed and authorized vendors
- To incorporate technical evaluation mechanisms before final selection

**Ensure Timely Procurement**

- To facilitate timely availability of materials and services required for academic and administrative functions
- To minimize delays through defined procedures and approval timelines

**Establish Accountability and Responsibility**

- To define clear roles and responsibilities for all stakeholders involved in procurement
- To ensure multi-level verification and approval mechanisms
- To fix accountability for deviations or irregularities

**Strengthen Compliance and Audit Readiness**

- To ensure compliance with institutional financial norms and statutory regulations
- To maintain procurement records in line with audit requirements

**Standardize Procurement Procedures**

- To create uniform procedures applicable across all departments and units
- To minimize ambiguity and ensure consistency in procurement practices

**Ensure Ethical Practices**

- To promote integrity and ethical conduct in procurement activities
- To prevent conflict of interest and favoritism
- To ensure all decisions are made in the best interest of the institution

**Support Academic and Research Excellence**

- To ensure availability of state-of-the-art equipment and resources
- To support innovative teaching, research, and development activities
- To facilitate procurement aligned with emerging technological needs

**Strengthen Vendor Management**

- To develop a reliable and efficient vendor base
- To evaluate vendors based on performance, quality, and service

**Facilitate Lifecycle Management of Assets**

- To ensure proper handling of assets from procurement to disposal
- To maintain stock and asset registers

- To support maintenance, AMC, and replacement planning

### 3. SCOPE OF THE PURCHASE POLICY

The scope of this Purchase Policy encompasses all procurement activities undertaken by Sri Manakula Vinayagar Engineering College to support its academic, administrative, research, and extension functions.

#### Applicability

This policy is applicable to:

- All academic departments (Engineering, Sciences, Humanities, etc.)
- All administrative offices (Office of the Director cum Principal, Accounts, Establishment, etc.)
- Laboratories and research centres
- Libraries and information resource centres
- Hostels, transport, and student support services
- Maintenance departments (civil, electrical, plumbing, IT infrastructure)
- Any other unit functioning under the institution

All stakeholders, including faculty members, administrative staff, technical staff, and authorized committees involved in procurement, are required to adhere strictly to this policy.

### PURCHASE COMMITTEE STRUCTURE

#### Composition of Purchase Committee

The Purchase Committee of the institution is constituted with members from academic, administrative, financial, and technical domains to ensure efficient, transparent, and accountable procurement.

Sl. No.	Designation	Role
1	Director cum Principal	Chairperson
2	Professor In-charge (Purchase)	Coordinator
3	Head of Department (Concerned)	Member
4	Administrative Officer	Member
5	Accounts Officer	Financial Scrutiny
6	Technical Expert (if required)	Advisory Member

## 4. ROLES AND RESPONSIBILITIES

### Director cum Principal - Chairperson

- Acts as the head of the Purchase Committee
- Provides overall direction and supervision of procurement activities
- Approves major purchases based on recommendations of the committee
- Ensures that all procurement processes follow institutional policies and statutory norms
- Plays a key role in resolving disputes or decision-making in critical cases

### Professor In-charge (Purchase) – Coordinator

- Serves as the central coordinating authority for all purchase-related activities
- Collects purchase requirements (indents) from various departments
- Coordinates the process of inviting quotations
- Coordinates with the preparation and presentation of comparative statements of vendors
- Ensures proper documentation for audit and accreditation purposes

### Head of Department (Concerned) – Member

- Identifies and validates the requirement of equipment, materials, or services
- Prepares detailed technical specifications and justification
- Participates in vendor evaluation and selection
- Ensures that procured items meet academic and laboratory needs
- Monitors proper utilization of purchased items within the department

### Administrative Officer – Member

- Ensures that procurement follows institutional administrative procedures
- Verifies compliance with rules, approvals, and documentation standards
- Supports coordination between departments, purchase section, and management
- Assists in maintaining official records and correspondence related to procurement

### Accounts Officer – Financial Scrutiny

- Examines budget availability and financial feasibility of proposed purchases
- Verifies quotations and ensures cost-effectiveness and financial accuracy
- Processes payments after verifying invoices and supporting documents
- Maintains proper financial records for audit and reporting

### Technical Expert (if required) – Advisory Member

- Provides specialized technical guidance for complex or high-value purchases
- Evaluates vendor specifications, quality standards, and performance parameters
- Assists in comparing technical aspects of different products
- May participate in product demonstrations or inspections
- Ensures that selected equipment meets academic standards

### Functioning of the Committee

- The committee meets **periodically or as required** based on purchase needs
- Decisions are taken based on:
  - Technical suitability
  - Financial feasibility
  - Institutional requirements

## 5. CLASSIFICATION OF PURCHASES

For effective planning, control, and monitoring of procurement activities, purchases at Sri Manakula Vinayagar Engineering College are classified into distinct categories as listed below. This classification helps in:

- Streamlining procurement procedures
- Defining approval levels
- Ensuring budget allocation and control
- Facilitating audit and compliance (NAAC/NBA)
- Improving inventory and asset management

### Categories of Purchases

The purchases are broadly classified into the following categories:

Category	Description
<b>Consumables</b>	Stationery, lab materials, etc.
<b>Capital Equipment</b>	Machinery, lab equipment, IT infrastructure
<b>Services</b>	AMC, consultancy, maintenance
<b>Emergency Purchases</b>	Urgent requirements

### Detailed Description of Each Category

#### Consumables

Consumables are items that are used up during regular operations and require frequent replenishment.

#### Examples:

- Stationery items (paper, pens, files, printer cartridges)
- Laboratory consumables (chemicals, glassware, electronic components)
- Workshop materials (nuts, bolts, wires, lubricants)
- Cleaning and housekeeping materials

**Key Features:**

- Low cost but high frequency of purchase
- Short life span
- Usually procured through rate contracts or bulk purchase
- Maintained through stock registers

**Capital Equipment**

Capital equipment includes high-value assets that are used over a long period and contribute to academic, research, or administrative functions.

**Examples:**

- Laboratory equipment and machinery
- Computers, servers, networking devices
- Smart classroom systems
- Workshop machines
- Furniture

**Key Features:**

- High cost and long service life
- Requires detailed technical evaluation and approval
- Subject to asset capitalization and depreciation
- Tagged and recorded in asset registers

**Services**

This category includes procurement of intangible services required for the smooth functioning of the institution.

**Examples:**

- Annual Maintenance Contracts (AMC)
- Equipment servicing and repair
- Consultancy services (academic/technical/legal)
- Software licensing and IT services
- Housekeeping, security, and facility management services

**Key Features:**

- No physical inventory involved
- Based on service agreements or contracts
- May involve periodic or one-time payments
- Performance-based evaluation

**Emergency Purchases**

Emergency purchases are made to address urgent and unforeseen requirements that cannot follow the regular procurement process due to time constraints.

**Examples:**

- Urgent repair of critical equipment
- Immediate purchase of essential lab materials during examinations
- Replacement of failed electrical or IT components
- Safety-related purchases

**Key Features:**

- Fast-track approval process
- Limited documentation initially (to be regularized later)
- Usually involves single vendor or spot purchase

**Simplified View of Categories of Purchase**

Category	Nature	Cost	Frequency
<b>Consumables</b>	Short-term use	Low	High
<b>Capital Equipment</b>	Long-term asset	High	Low
<b>Services</b>	Intangible	Medium/High	Periodic
<b>Emergency</b>	Urgent	Variable	Rare

**6. PROCUREMENT METHODS**

Procurement at Sri Manakula Vinayagar Engineering College is carried out through standardized methods based on the financial value of the purchase. This ensures:

- Transparency in vendor selection
- Cost-effectiveness
- Proper authorization and accountability
- Compliance with institutional, audit, and accreditation norms

The procurement method adopted varies with the monetary value, urgency, and nature of the requirement.

**Purchase Based on Value**

Purchase Value	Method	Recommending Authority	Approval Authority
<b>Up to ₹10,000</b>	Direct Purchase	Director cum Principal	Director cum Principal
<b>₹10,001 – ₹1,00,000</b>	Minimum 3 Quotations Scrutiny by Purchase	Director cum Principal	Management

	Committee		
₹1,00,001 – ₹5,00,000	Comparative Statement Scrutiny by Purchase Committee	Director cum Principal	Management
Above ₹5,00,000	Tender Process/ Comparative Statement	Purchase Committee	Management

### Detailed Procurement Methods

#### Direct Purchase (Up to ₹10,000)

Direct purchase is adopted for low-value and routine items where the procurement process needs to be quick and simple.

##### Procedure:

- Requirement identified by department
- Approval obtained from HoD
- Item purchased directly from local/vendor source
- Bill/invoice collected and submitted

#### Purchase through Minimum 3 Quotations (₹10,001 – ₹1,00,000)

For medium-value purchases, competitive pricing is ensured by obtaining at least three quotations from different vendors.

##### Procedure:

1. Indent raised by department
2. Quotations invited from minimum three vendors
3. Comparative statement prepared
4. Recommendation based on:
  - Price
  - Quality
  - Delivery time
5. Approval from Director cum Principal
6. Purchase Order issued

#### Purchase through Comparative Statement (₹1,00,001 – ₹5,00,000)

For higher-value purchases, a detailed comparative evaluation is carried out under the supervision of the Purchase Committee.

##### Procedure:

1. Detailed indent with specifications submitted
2. Quotations invited
3. Preparation of comprehensive comparative statement, including:
  - Technical specifications
  - Cost analysis

- Warranty and service
- 4. Technical Evaluation (if required)
- 5. Review by Purchase Committee
- 6. Selection of vendor based on best value (not just lowest cost)
- 7. Approval and issue of Purchase Order

### **Tender Process (Above ₹5,00,000)**

For high-value procurements, a formal tendering process is followed to ensure maximum transparency and competitiveness.

#### **Types of Tenders:**

- Open Tender
- Limited Tender
- Quotation

#### **Procedure:**

1. Preparation of detailed tender document / quotation
2. Approval for tender float / preparation of comparative statement
3. Publication/Invitation of tender
4. Receipt of bids (Technical & Financial)
5. Opening of bids in committee presence
6. Technical evaluation
7. Financial bid comparison (L1 or best value) / best vendor based on comparative statement
8. Approval by Governing Body / Management
9. Issue of Purchase Order / Work Order

## **7. PURCHASE PROCEDURE**

The purchase procedure at Sri Manakula Vinayagar Engineering College follows a systematic and well-defined workflow. Each step in the purchase process is assigned to a responsible authority to maintain checks and balances.

#### **Step-by-Step Purchase Process**

Step	Activity	Responsibility
1	Requirement Identification	Department / Lab In-charge
2	Indent Submission	HoD
3	Vendor Identification	Department / Lab In-charge
4	Quotation/Tender Collection	Department / Lab In-charge
5	Technical Evaluation [if needed]	Expert Committee/ Department
6	Approval of Vendor	Purchase Committee
7	Issue of Purchase Order	Purchase Section
8	Receipt and Inspection of Goods	Store and Department
9	Payment Processing	Accounts Section

## Detailed Explanation of Each Step

### Step 1: Requirement Identification

**Responsibility:** Department / Lab In-charge

- Departments identify the need for equipment, consumables, or services
- Requirement must be justified based on academic, research, or administrative needs

### Step 2: Indent Submission

**Responsibility:** Head of Department (HoD)

- Indent (purchase request) is prepared with:
  - Item description
  - Quantity
  - Technical specifications
  - Estimated cost
  - Justification
- HoD verifies and forwards the indent for approval

### Step 3: Vendor Identification

**Responsibility:** Department / Lab In-charge

- Identifies reliable and authorized vendors
- Ensures vendors meet quality and service standards
- Maintains vendor database for reference

### Step 4: Quotation / Tender Collection

**Responsibility:** Department / Lab In-charge

- Invites quotations or floats tenders based on purchase value
- Ensures:
  - Minimum required number of quotations
  - Proper documentation
- Maintains confidentiality and fairness in the process

### Step 5: Technical Evaluation

**Responsibility:** Expert Committee/ Department

- Evaluates technical specifications submitted by vendors
- Compares:
  - Performance parameters
  - Quality standards
  - Compliance with requirements
- May conduct demonstrations or inspections
- Recommends technically suitable vendors

### Step 6: Approval of Vendor

**Responsibility:** Purchase Committee

- Finalizes vendor based on:
  - Technical suitability
  - Financial evaluation
  - Overall value (quality and cost)
- Approves the selected vendor and procurement decision
- Ensures transparency and proper documentation

**Step 7: Issue of Purchase Order****Responsibility:** Purchase Section

- Issues formal Purchase Order (PO) to selected vendor
- PO includes:
  - Item details
  - Quantity and price
  - Delivery schedule
  - Terms and conditions
- Acts as a legal document for procurement

**Step 8: Receipt and Inspection of Goods****Responsibility:** Store and Department

- Goods received are verified against PO specifications
- Inspection includes:
  - Quantity check
  - Quality check
  - Functional testing (if applicable)
- Items entered in stock/asset register

**Step 9: Payment Processing****Responsibility:** Accounts Section

- Verifies:
  - Invoice
  - Purchase Order
- Processes payment as per agreed terms
- Maintains financial records for audit

**8. VENDOR SELECTION CRITERIA**

The objective of vendor selection is to ensure that vendors are chosen based on quality, reliability, cost-effectiveness, and service capability, rather than price alone.

A systematic evaluation of vendors helps the institution to:

- Procure high-quality goods and services

- Ensure timely delivery and performance
- Maintain long-term vendor relationships

## **Key Vendor Selection Criteria**

### **Product Quality and Specifications**

The vendor must supply products that strictly conform to the required technical specifications mentioned in the indent.

#### **Evaluation Aspects:**

- Compliance with technical requirements
- Quality certifications (ISO, BIS, etc., if applicable)
- Performance standards and durability
- Compatibility with existing systems

### **Cost Competitiveness**

The vendor's pricing should be reasonable, competitive, and justified in comparison with other vendors.

#### **Evaluation Aspects:**

- Comparative price analysis (L1 or best value)
- Breakdown of cost (base price, taxes, installation, etc.)
- Life-cycle cost (not just initial cost)

### **Past Performance**

The vendor's previous track record with the institution or other organizations is considered.

#### **Evaluation Aspects:**

- Previous supply history
- Quality consistency
- Adherence to delivery timelines
- Feedback from departments

### **Delivery Timeline**

The vendor's ability to deliver goods/services within the **stipulated time frame**.

#### **Evaluation Aspects:**

- Lead time for delivery
- Availability of stock
- Logistics capability

### **After-Sales Service**

The vendor must provide reliable support after delivery, especially for equipment and technical items.

**Evaluation Aspects:**

- Availability of service centers
- Response time for complaints
- Availability of spare parts
- Technical support capability

**Warranty / Guarantee**

The vendor should provide a clear warranty or guarantee period for the supplied products.

**Evaluation Aspects:**

- Duration of warranty
- Coverage (parts, service, replacement)
- Terms and conditions

**9. PURCHASE PROCESS WORKFLOW**

The Purchase Process Workflow establishes clear stages, responsibilities, and documentation, ensuring compliance with:

- Institutional policies
- Financial regulations
- Audit requirements

**Step-by-Step Workflow****1. Indent Submission**

The procurement process begins with the submission of an Indent (Purchase Request) by the concerned department.

**Activities:**

- Identification of requirement
- Preparation of indent with:
  - Item details
  - Quantity
  - Technical specifications
  - Estimated cost
  - Justification

**Responsibility:** Department / HoD

**2. Invitation of Quotations / Tenders**

Vendors are invited to submit quotations or bids based on the purchase value.

**Activities:**

- Identification of vendors
- Sending RFQ (Request for Quotation) or tender

- Ensuring minimum number of quotations
- Maintaining transparency in communication

**Responsibility:** Purchase Section/ Department

### 3. Comparative Statement Preparation

All received quotations are analyzed and compared.

**Activities:**

- Preparation of comparative statement including:
  - Price comparison
  - Technical specifications
  - Delivery terms
  - Warranty details
- Identification of lowest or best-value vendor

**Responsibility:** Purchase Section

### 4. Technical Evaluation

Technical aspects of the quotations are evaluated by experts.

**Activities:**

- Verification of compliance with specifications
- Assessment of quality and performance
- Demonstration/inspection (if required)

**Responsibility:** Technical Expert Committee/ Department

### 5. Purchase Committee Approval

The Purchase Committee reviews all documents and finalizes the vendor.

**Activities:**

- Examination of:
  - Indent
  - Quotations
  - Comparative statement
  - Technical evaluation report
- Final selection based on quality, cost, and service

**Responsibility:** Purchase Committee

### 6. Issue of Purchase Order (PO)

A formal Purchase Order is issued to the selected vendor.

**Activities:**

- Preparation of PO with:
  - Item description
  - Quantity and price
  - Delivery schedule
  - Terms and conditions
- Dispatch of PO to vendor

**Responsibility:** Purchase Section

## 7. Delivery and Inspection

**Description:** Goods are received and verified for correctness and quality.

### Activities:

- Physical verification of items
- Checking against PO specifications
- Functional testing (if applicable)
- Preparation of Goods Receipt Note (GRN)
- Entry in stock/asset register

**Responsibility:** Store Section & Department

## 8. Bill Processing and Payment

Final stage involving verification and payment to vendor.

### Activities:

- Verification of:
  - Vendor invoice
  - Purchase Order
- Processing payment as per agreed terms
- Recording transaction in accounts

**Responsibility:** Accounts Section

## 10. PURCHASE ORDER (PO)

A Purchase Order (PO) is a formal and legally binding document issued by the institution to a selected vendor for the supply of goods or services. It is generated only after completing all approval stages in the procurement process.

The PO serves as:

- An official authorization to the vendor
- A contractual agreement between the institution and supplier
- A reference document for delivery, inspection, and payment

### Conditions for Issuing Purchase Order

- PO shall be issued only after:

- Approval of indent
- Completion of quotation/tender process
- Technical and financial evaluation
- Approval by Purchase Committee / Competent Authority
- No procurement shall be made without a valid PO, except in approved emergency cases

### **Contents of Purchase Order (Detailed)**

A standard Purchase Order must include the following components:

#### **1. Item Details**

Clear and complete description of the items/services being procured.

##### **Includes:**

- Name of the item
- Technical specifications
- Model/brand (if applicable)
- Scope of service (in case of service procurement)

##### **Importance:**

Ensures the vendor supplies exactly what is required and avoids ambiguity.

#### **2. Quantity**

The exact number or volume of items to be supplied.

##### **Includes:**

- Unit of measurement (Nos., Kg, Liters, etc.)
- Total quantity required

##### **Importance:**

Prevents shortages or excess supply and ensures proper inventory control.

#### **3. Price**

The agreed cost of the items or services.

##### **Includes:**

- Unit price
- Total cost
- Applicable taxes (GST, etc.)
- Additional charges (installation, transportation, if any)

##### **Importance:**

Provides financial clarity and forms the basis for payment processing.

#### **4. Delivery Schedule**

Specifies the time frame within which the vendor must deliver the goods/services.

**Includes:**

- Delivery date or period
- Delivery location
- Installation timeline (if applicable)

**Importance:**

Ensures timely availability of resources and avoids delays in academic or administrative activities.

## 5. Payment Terms

Defines the conditions under which payment will be made to the vendor.

**Includes:**

- Payment mode (bank transfer, cheque, etc.)
- Payment schedule (advance, partial, or full after delivery)
- Payment timeline after invoice submission
- Required documents (invoice, delivery note, etc.)

**Importance:**

Ensures transparency in financial transactions and avoids disputes.

## 11. RECEIPT AND INSPECTION

The Receipt and Inspection stage is a critical part of the procurement process, ensuring that all goods received by the institution are as per the Purchase Order (PO), of acceptable quality, and free from defects.

This process establishes:

- Accountability for received materials
- Verification of vendor compliance
- Proper documentation for audit and payment

### 11.1 Receipt of Goods

All purchased goods must be delivered either to the central store or directly to the concerned department, as specified in the Purchase Order.

**Procedure:**

- Goods are received by the Store Keeper / Authorized Staff
- Initial verification includes:
  - Number of packages
  - Physical condition of goods
  - Delivery details

## 11.2 Verification Against Purchase Order

The received items are checked against the Purchase Order to ensure correctness.

### Verification Includes:

- Item description and specifications
- Quantity supplied
- Make/Model/Brand
- Accessories and components
- Compliance with ordered requirements

## 11.3 Inspection Process

A detailed inspection is carried out to ensure that the goods meet required quality and performance standards.

### Inspection by Department Faculty

#### Role:

- Verify functional and academic suitability
- Check whether the equipment/material meets departmental requirements
- Conduct basic testing (if applicable)

#### Inspection Criteria

- Quality and workmanship
- Functional performance
- Compliance with specifications
- Safety standards
- Completeness of supply

## 11.4 Acceptance / Rejection of Goods

- **Accepted:** If goods meet all specifications and quality standards
- **Conditionally Accepted:** Minor issues noted; accepted with remarks
- **Rejected:** If goods are defective, damaged, or not as per PO

#### Action for Rejected Goods:

- Inform vendor immediately
- Arrange replacement or return

## 11.5 Documentation

Proper documentation is mandatory for audit and payment processing.

### 1. Delivery Challan

A document provided by the vendor at the time of delivery.

#### Includes:

- Item details
- Quantity supplied
- Date of delivery
- Vendor details

## 2. Stock Entry

Recording of accepted goods in the stock or asset register.

### Includes:

- Item name and details
- Quantity received
- Date of entry

### 11.6 Responsibilities

Role	Responsibility
Store Keeper	Receipt and initial verification
Department Faculty	Functional inspection
Accounts Section	Verification for payment

## 12. PAYMENT PROCESS

The Payment Process ensures that vendors are paid accurately, transparently, and only after due verification of goods/services received. It forms the final stage of procurement and is critical for:

- Financial control and accountability
- Vendor satisfaction and trust
- Prevention of fraudulent or duplicate payments

### 12.1 Payment Workflow

#### Submission of Invoice by Vendor

The vendor submits a tax invoice/bill after successful delivery of goods or completion of services.

#### Invoice Must Include:

- Vendor name and address
- GST number (if applicable)
- Invoice number and date
- Purchase Order (PO) reference
- Item/service details
- Quantity and price

- Tax details and total amount

## 12.2 Verification Process

Before processing payment, the invoice undergoes multi-level verification to ensure correctness and compliance.

### A. Verification by Department

**Responsibility:** Concerned Department / HoD

**Checks:**

- Confirmation that goods/services are received and usable
- Verification of specifications and quantity
- Certification of satisfactory performance

### B. Verification by Stores

**Responsibility:** Store Keeper

**Checks:**

- Matching of invoice with Goods Receipt Note (GRN)
- Verification of quantity received
- Confirmation of stock entry

### C. Verification by Accounts Section

**Responsibility:** Accounts Officer

**Checks:**

- Matching invoice with:
  - Purchase Order
  - Comparative statement (if applicable)
- Verification of:
  - Rates and calculations
  - Taxes (GST compliance)
  - Budget availability
- Ensuring no duplication of payment

## 12.4 Approval for Payment

- After all verifications, payment is submitted for **final approval**
- Approval authority depends on the **financial limit and institutional rules**

## 12.5 Payment Modes

### 1. NEFT / RTGS / Bank Transfer

Preferred and most commonly used method of payment.

**Features:**

- Secure and fast electronic transfer
- Direct credit to vendor's bank account
- Easy tracking and audit trail

**2. Cheque Payment (if applicable)**

Used in specific cases where electronic transfer is not feasible.

**Features:**

- Issued in the name of the vendor
- Requires proper authorization and signatures
- Requires physical handling
- Less preferred compared to digital modes

**12.6 Payment Timeline**

- Payments should be processed within stipulated time as per PO terms
- Delays must be avoided to maintain **vendor relationships**

**13. STOCK AND ASSET MANAGEMENT**

Stock and Asset Management ensures that all purchased items are properly recorded, tracked, maintained, and verified throughout their lifecycle. This system is essential for:

- Efficient inventory control
- Proper utilization of institutional resources
- Prevention of loss, theft, or misuse
- Compliance with audit, NAAC, and NBA requirements

**13.1 Classification of Items**

All procured items are classified into:

- **Consumables:** Recorded in Stock Register
- **Capital Assets:** Recorded in Asset Register

This classification ensures appropriate tracking and control mechanisms.

**13.2 Stock Register (For Consumables)**

The Stock Register is used to record items that are consumed regularly.

**Entries Include:**

- Date of receipt
- Item name and description
- Quantity received
- Supplier details
- Issue/consumption details
- Balance stock
- **14. Emergency Purchases**

## 14. EMERGENCY PURCHASES

Emergency purchases are permitted to address urgent and unforeseen requirements where delay in procurement may:

- Disrupt academic activities (labs, examinations)
- Affect essential services (power, IT systems, safety equipment)
- Cause damage to infrastructure or equipment
- Impact institutional operations

In such cases, normal procurement procedures may be relaxed, but adequate controls must still be maintained to ensure transparency and accountability.

### 14.1 Conditions for Emergency Purchase

Emergency procurement may be undertaken only under the following conditions:

- Immediate requirement with no scope for delay
- Situation not predictable or planned in advance
- Item/service is critical for continuity of operations

### 14.2 Approval Requirements

Emergency purchases must follow a special approval mechanism:

#### Pre-Purchase Approval

- Mandatory approval from Principal / Competent Authority
- Approval may be obtained through:
  - Written request
  - Email approval (in urgent cases)

### 14.3 Procurement Procedure (Simplified)

- Department identifies urgent requirement
- Prepares justification note
- Obtains approval from Principal
- Purchase made through:
  - Direct purchase / single vendor (if required)
- Basic documentation collected (invoice, bill, etc.)

### 14.4 Documentation Requirements

The following documents must be maintained:

- Approval from Principal
- Invoice/Bill
- Delivery Proof
- Inspection/Verification Report
- Stock Entry Record

## 15. DISPOSAL OF ASSETS

Asset disposal refers to the removal of obsolete, unserviceable, or non-functional items from institutional records in a systematic and approved manner, ensuring transparency and audit compliance.

### 15.1 Identification of Assets

- Departments identify items that are:
  - Obsolete (outdated technology)
  - Unserviceable (beyond repair)
  - Damaged or unused
- A list of such items is prepared with justification
- Recommends disposal with proper documentation by HoD

### 15.2 Disposal Methods

#### 1. Scrap Sale

- Items sold as scrap to authorized vendors
- Suitable for unusable/damaged items

#### 2. Write-off (Management Approval)

- Items with no resale value are written off
- Requires approval from Management / Governing Authority

### 15.3 Documentation

- List of assets for disposal
- Justification report
- Approval from competent authority
- Disposal records (sale/write-off)
- Update in asset register

## 16. AUDIT AND COMPLIANCE

Audit and compliance mechanisms ensure that all procurement and financial activities are conducted in a transparent, accountable, and regulation-compliant manner. These practices help maintain institutional credibility and readiness for inspections and accreditation.

### 16.1 Audit

- Conducted periodically (half-yearly/ yearly)
- Reviews:
  - Purchase procedures
  - Financial transactions
  - Stock and asset records
- Identifies discrepancies and suggests corrective actions

## 16.2 Documentation for Compliance

Proper records must be maintained for:

- **Purchase Indents**
  - Approved requests indicating requirement and justification
- **Quotations / Tenders**
  - Vendor submissions for price and technical comparison
- **Comparative Statements**
  - Analysis of quotations for vendor selection
- **Purchase Orders (POs)**
  - Official orders issued to vendors
- **Bills and Invoices**
  - Vendor payment documents with tax details
- **Stock Registers**
  - Records of consumable items received and issued
- **Asset Registers**
  - Records of capital equipment with asset details
- **Audit Reports**

## 17. CONCLUSION

In conclusion, the Purchase Policy of Sri Manakula Vinayagar Engineering College ensures transparency, accountability, and efficiency in procurement while promoting need-based and cost-effective purchasing. It aligns with the principles of the United Nations Sustainable Development Goals by supporting environmentally responsible and ethical procurement practices.