

**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
	<p><b>Background</b> Vendor development is an ongoing activity undertaken by the PURCHASE UNIT and it involves identifying new sources of supply for materials / services. Vendor development is undertaken on a continuous basis. Efforts are made to develop dedicated vendors for specific items based on criticality, quality requirements or any other basis (as may be decided by the management).</p>	Continuous	
1.1	<p><b>List of Vendors</b> Maintain the list of approved vendors and update the list on an ongoing basis for the following items/ materials:</p> <ul style="list-style-type: none"> <li>• Items/ materials having minimum/ maximum inventory levels defined.</li> <li>• High value items/ materials.</li> </ul>	As and when required	Purchase & Stores Unit (Purchase Section)
1.2	<p>Prepare a master list of single source vendors along with the reasons for procurement from a single source. Forward the list to the Dean-Administration for approval. (OEM vendors, specialised product ) <b>(IDENTIFIED AS KEY CONTROL)</b></p>	As and when required	Purchase & Stores Unit (Purchase Section)
1.3	<p><b>Vendor Search and Screening</b> Develop new vendors for various materials based on the following:</p> <ul style="list-style-type: none"> <li>• Requirement of new item/ material,</li> <li>• Need to generate competition between existing vendors,</li> <li>• Materials procured through single source vendors,</li> <li>• Planned phase out of certain vendors based on performance or any other criteria/ situation, Need to reduce the lead time.</li> </ul>	As and when required	Purchase & Stores Unit (Purchase Section)
1.4	<p>Use the following methods/ sources to identify new and/ or alternative vendors:</p> <ul style="list-style-type: none"> <li>• Market Research,</li> <li>• Introduction letters received from vendors,</li> <li>• Vendor visits through market visits,</li> <li>• Exhibition visits,</li> <li>• References by existing vendors/ other sources,</li> <li>• Internet search,</li> <li>• Vendor website to indicate their credentials and areas, items/ services offered by them,</li> <li>• Display of advertisements in media and industry folder/ magazine/ journals/ newspapers,</li> <li>• Any other sources.</li> </ul> <p><b>Note:</b> As far as possible, purchases should be procured from direct manufacturers/ suppliers. Dealings with brokers/ intermediaries/ agents should be avoided.</p>	As and when required	Purchase & Stores Unit (Purchase Section)
1.5	<p>Contact the vendor and obtain the following from the vendor:</p> <ul style="list-style-type: none"> <li>• Vendor Profile (including statutory registration details),</li> <li>• Product brochure,</li> </ul> <p>Quotations.</p>	As and when required	Purchase & Stores Unit (Purchase Section)
1.6	<p>Review the vendor profile and product brochure in coordination with the respective Campus Head-PURCHASE UNIT.</p>	As and when required	Purchase & Stores Unit (Purchase Section)
1.7	<p>Conduct a further shortlisting of vendors based on market references and financials.</p>	As and when required	Purchase & Stores Unit (Purchase Section)
1.8	<p><b>Receipt of Information via Vendor Registration Form (TO BE PROCESS)</b> Obtain relevant information/ credentials about the vendor through a <b>Vendor Registration Form (VRF)</b>, including but not limited to the following:</p> <ol style="list-style-type: none"> <li>a) Whether the vendor belongs to the Micro, Small &amp; Medium Enterprise (MSME) or Small Scale Industry (SSI),</li> <li>b) Whether the vendor is a manufacturer, first stage dealer, second stage dealer, limited company, proprietor, partnership, related party, resident or non-resident?</li> <li>c) Self certified copies of statutory documents such as PAN card, GST registration certificate, MSME/ SSI registration certificate along with a customized cancelled cheque / Bank mandate of letterhead.</li> </ol>	Within 7 days of identifying a new vendor	Purchase & Stores Unit (Purchase Section)

**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
	Refer <b>Exhibit 1</b> for a template for the New Vendor Registration Form (VRF).  <b>Note:</b> The VRF should be sent to the vendor via email or courier and a duly filled form should be obtained by email or courier.		
1.9	Review the VRF, follow up for the missing/ additional credentials as per the form, and update it.  <b>Note:</b> Follow up for the missing credentials should be through email or courier.	Immediately on receipt of duly filled VRF from vendor	Purchase & Stores Unit (Purchase Section)
1.10	Send the VRF with copies of the statutory documents to the respective Campus Heads of Accounts for records.	Within 1 day	Purchase & Stores Unit (Purchase Section)
1.11	Prepare an evaluation/ summary report and forward all supporting documents to the Dean-Administration after obtaining approval from the respective Campus Heads of Accounts. <b>(IDENTIFIED AS KEY CONTROL)</b>  <b>Vendor Master (TO BE PROCESSED)</b>	Within 1 day	Purchase & Stores Unit (Purchase Section)
1.12	Send the VRF after obtaining approvals from Head of Accounts, Dean-Administration for creating the Vendor Master and the Vendor Code in the ERP.	Within 24 hours of receipt of approval from Dean-Administration	Incharge - Purchase Section
1.13	Capture the following details in the ERP Vendor Master:  a) Name, postal and factory address, contact person with designation, phone number and email ID. b) PAN, GSTIN, etc. c) Whether MSME/ SSI? d) Requested by, date of request and approved by with date of approval. e) Account group and category. f) Bank details. g) Credit limit with number of days of credit offered to BITS. h) Whether related to any BITS employee?  <b>Note:</b> Access to update the vendor master is restricted to an authorised ERP person.	Immediately	Purchase & Store Unit (Purchase Section)
1.14	Ensure that new codes are created for one-time and regular vendors.	As and when required	Purchase & Store Unit (Purchase Section)
1.15	Maintain a copy of the VRF in a separate file.	As and when required	Purchase & Store Unit (Purchase Section)
1.16	Changes to the Masters (TO BE PROCESSED) Review the Vendor Master periodically.	At least once in a year	Incharge - Purchase Section

*mk*



**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
1.17	Prepare a requisition for changes to the Vendor Master along with reasons and obtain approval of the Dean - Admin and Head - Finance	As and when required	Purchase & Store Unit (Purchase Section)
1.18	Maintain a copy of the approved requisition in a separate file.	As and when required	Purchase & Store Unit (Purchase Section)
1.19	Receive the logs for changes to the Vendor Master on a quarterly basis. Verify the logs vis-à-vis requisitions to ensure updates/ changes to masters are authorised. <b>(IDENTIFIED AS KEY CONTROL)</b>	Quarterly	Incharge - Purchase Section
2.0	<b>VENDOR DEVELOPMENT AND REGISTRATION</b> <b>Background</b> Vendor shortlisting is based on predefined criteria, such as, business results, reliability, technological and technical capabilities, quality, market reputation, etc. The Incharge - Purchase Section is responsible for shortlisting the vendor.		
2.1	<b>Indenting/ Note for Approval (NFA)</b> Initiate the procurement process by raising purchase requisition (PR) in ERP. Once the purchase requisition (PR) is raised in ERP, a purchase requisition ID is created. (Exhibit 12)	As and when required	Initiator-End User
2.2	Provide the list of prospective vendors for the items to be procured along with their contact details. .	Immediate	Initiator-End User
2.3	Send this purchase requisition (PR) with the necessary supporting documents to the HOD for approval.	Within 1 to 2 days	Initiator-End User
2.4	Upon HOD approval, consult with the Accounts department for confirmation of budget details. Post confirmation, obtain approval of the Dean-Administration. <b>(IDENTIFIED AS KEY CONTROL)</b>	Immediate	Initiator-End User
2.5	<b>Request for Quotation ( RFQ )</b> Once the approved purchase requisitions (PR) are received, consolidate all requisitions and perform an item-vendor linkage from the existing vendor database to narrow down the list of vendors for the required material.	Within 5 to 10 days of receipt of PR	Purchase & Store Unit (Purchase Section )
2.6	If the vendor does not exist for the material to be procured, start searching for prospective domestic suppliers (including the list of prospective vendors provided by the End User in the indent).	Within 5 to 10 days of receipt of PR	Purchase & Store Unit (Purchase Section )
2.7	Invite quotations by preparing a Request for Quotation (RFQ). Enter a quotation reference number and date and mention the last date by which the quotations are to be received by the Central Purchasing Unit (PURCHASE UNIT).	Within 5 to 10 days of receipt of PR	Purchase & Store Unit (Purchase Section )
2.8	Ensure that the following details are mentioned in the RFQ: <b>(Ref. Exhibit 2)</b> ◆ Specifications, ◆ Expected Quantity, ◆ Expected Delivery Schedule, ◆ Other commercial terms, and ◆ Last date for submission of quotation.	Within 5 to 10 days of receipt of requisition.	Purchase & Store Unit (Purchase Section )
2.9	In case the RFQ needs to be modified, then first amend the concerned PR for incorporating the necessary modification.  <b>Note:</b> In case a new vendor is to be considered for the RFQ, then prior approval from Dean-Administration (Dean -Admin may consult Campus Director) shall be obtained, else the Incharge - Purchase Section shall release the RFQ.	Immediately	Purchase & Store Unit (Purchase Section )

*Mh*

**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
2.10	Send the RFQ to all the enlisted/ approved vendors via any of the following appropriate mechanisms: (a) Email (b) Telephone (c) Courier (d) Registered Post	Within 1 day	Purchase & Store Unit (Purchase Section )
2.11	Invite a minimum of three quotations.  <b>Note:</b> Quotation from a single source, known source or user recommended source or from new vendors is based on the necessity of the User department.	Within 5 to 10 days of receipt of NFA and other documents	Purchase & Store Unit (Purchase Section )
2.12	If quotations are not received from the vendors, then follow-up with them for the quotations.  <b>Quotation Receipt &amp; Analysis, Negotiation and Selection of Vendor</b>	Within timelines specified in RFQ	Purchase & Store Unit (Purchase Section )
2.13	Receive quotations through  (a) email (b) courier (c) registered post	As per schedule in RFQ	Purchase & Store Unit (Purchase Section )
2.14	Form a Purchase Committee comprising of (not limited to) Dean-Administration, Incharge - Purchase Section and Head-Finance & Accounts (or his representative), any other invitee as per Director of the respective campuses. For EMU related purchases, Head – EMU (or his representative) may be invited as a member of the committee. However, end user should only give technical inputs and not be the decision maker with respect to pricing. <b>(TO BE PROCESSED)</b> <b>Negotiation Matrix :</b> 1. <b>Upto 3 lakhs</b> • Purchase Team and user 2. <b>3 lakhs to 5 lakhs</b> • User • HOD / AD / FIC / IC (or appointed representative) • Incharge - Purchase Section • Head / Manager (Accounts) / Chief Accountant • FIC – CC / Sr. Manager IT (In case of computer and related items) 3. <b>Above 5 Lakhs</b> • User • HOD / AD / FIC / IC ( or appointed representative ) • Incharge - Purchase Section • Head / Manager ( Accounts ) / Chief Accountant • Dean Administration • FIC – CC / Sr. Manager IT ( In case of computer items ) 4. <b>Rate Contracts</b> • User • HOD / AD / FIC / IC (or appointed representative) • Incharge - Purchase Section • Head / Manager (Accounts ) / Chief Accountant • Dean - Administration • FIC – CC / Sr. Manager IT ( In case of computer items )	Beginning of every Financial Year	Campus Director
2.15	Invite quotations on a specific (access controlled) email ID – for which access is provided to the members of the Purchase Committee.	As per schedule in RFQ	Purchase & Store Unit (Purchase section) staff on behalf of the Purchase Committee
2.16	Open the quotations and sign on the quotations mentioning the date of opening the quotation. <b>(TO BE PROCESS)</b>	As per schedule in RFQ	Incharge - Purchase Section on behalf of Purchase Committee
2.17	Open the quotations and prepare a Comparative statement (CS) of every item mentioned in the quotations invited. (e.g. full particulars with specifications, price quoted, taxes levied or terms of supply and other conditions). (Refer Exhibit 3)	Within 1 to 2 days after the last date for receipt of quotations	Purchase & Store Unit (Purchase section) staff on behalf of the Purchase Committee

*Mu*



**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
2.18	Check and verify the correctness of the comparative statement ( CS ).	Within 1 to 2 days after the last date for receipt of quotations	Purchase & Store Unit (Purchase section) staff on behalf of the Purchase Committee
2.19	Invite vendors / speak with vendors regarding incomplete or missing details and deviations in technical terms and conditions, if any. Revised offer(s), if required, to be obtained in line with the terms and conditions of the RFQ.	Within 1 to 2 days of CS preparation	Purchase & Store Unit (Purchase section) staff and report to Respective Campus Purchase Committee
2.20	If the Comparative statement ( CS ) is found to be in order, then present it to the Purchase Committee for further action.	Within 1 to 2 days of CQA preparation	Purchase & Store Unit (Purchase section) staff on behalf of the Campus Purchase Committee
2.21	Invite vendors/ speak with the vendors for price negotiations based on the comparative statement (CS) prepared. Negotiate the price with all the vendors. Consider the previous purchase prices and the price quoted by other vendors during the price negotiations.	Within 4 to 5 days	Campus Purchase Committee
2.22	After the negotiation meeting, all the members/ participants negotiating the prices need to sign on the comparison statement and prepare the Minutes of Meeting after the negotiations. <b>(TO BE PROCESS)</b>	Within 4 to 5 days	Campus Purchase Committee
2.23	Prepare the Note for Approval (NFA) and obtain approval of the Campus Director / Dean Administration on the NFA. In case, the selected vendor is other than the L1, state the justification on the NFA. <b>(Refer Exhibit 4) (IDENTIFIED AS KEY CONTROL)</b>	Immediate	Campus Purchase Committee
2.24	Inform the vendors about their selection through email/telephone.	Immediate	Purchase & Store Unit (Purchase section)
<b><u>Pending Indents and NFAs (TO BE PROCESSED)</u></b>			
2.25	Review the Open PR's and send the list of items to the concerned user departments to obtain reasons/ remarks for the open items from the PRs.	Once in a month	Purchase & Store Unit (Purchase section)
2.26	Discuss the open items and feedback received with the Incharge - Purchase Section.	Within 7 to 10 days of the month	Purchase & Store Unit (Purchase section)
2.27	Prepare and finalise an action plan for all open/pending PRs in the mutual agreement with the User departments and implement it by way of execution or amendment, or cancellation, as the case may be.	Within 7 to 10 days of the month end	Purchase & Store Unit (Purchase section)
2.28	Prepare and send a report on open items to the Dean-Administration & Head - Accounts and Finance including feedback received from the concerned department. <b>(Refer Exhibit 5)</b>	Once in a month	Purchase & Store Unit (Purchase section)
3.0	<b><u>Purchase Order (PO)/ Firm Indent</u></b>		
3.1	Prepare a Purchase order (PO) in the ERP containing a continuous serial number reference and all terms and conditions of purchase including the expected time of delivery.	Immediate	Purchase & Store Unit (Purchase section)

**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
3.2	<p>Ensure that the following details are mentioned on the PO (as applicable):</p> <ul style="list-style-type: none"> <li>• Item description / Code,</li> <li>• Rate,</li> <li>• Quantity,</li> <li>• Value,</li> <li>• Taxes (GST),</li> <li>• Standard payment terms including advance payment required, if any,</li> <li>• Price basis, i.e. Ex-works/ FOR basis,</li> <li>• Acceptable tolerance limit percentage above and below the quantity required,</li> <li>• Terms and conditions in case the quantity of materials received is not within the tolerance limit specified,</li> <li>• Delivery schedule and location, Mode of despatch and transporter details,</li> <li>• Freight details (whether on company account or freight paid basis),</li> <li>• Standards/ specifications, wherever necessary,</li> <li>• Discounts where applicable,</li> <li>• Penalty clause for delayed deliveries wherever applicable,</li> <li>• Deduction of additional charge for purchase of materials from some other vendor/ alternative arrangement in case of failure to meet the commitment,</li> <li>• Documents required to be sent along with the challan,</li> <li>• Time period for lifting the rejected materials and consequences for non-lifting of the materials within the time frame. Burden of transport cost (to and fro) for the rejected materials.</li> <li>• Factors for termination of the order and liability in terms of compensation for damage on account of such terminations,</li> <li>• Self declaration from the manufacturing vendor,</li> <li>• Necessary regulatory approvals to be complied with by the vendor.</li> </ul>	As and when required	Purchase & Store Unit (Purchase section)
3.3	<p>Create a Repeat PO (in case of items where Rate Contracts are not made) in the following circumstances:</p> <p>a) Requirement of identical items has arisen within a period of 6 months from the date of original PO for such item.</p> <p>b) There is no substantial change in the price of the item.</p> <p>c) Repeat order quantity does not exceed the original PO quantity.</p> <p><b>Note 1:</b> Ensure that the original order (Base PO) was not for emergency procurement.</p> <p><b>Note 2:</b> Repeat Order should be placed on the same vendor as of the original PO.</p> <p><b>Note 3:</b> Reference of the original PO should be given in the Repeat Order.</p> <p><b>Note 4:</b> Repeat Order should not be placed more than 2 times. (Prior Dean Admin approval to be obtained beyond above limit)</p> <p><b>Note 5:</b> Value of the Repeat PO should not exceed Rs. 100,000/-.</p>	As and when required	Purchase & Store Unit (Purchase section)
3.4	<p><b>PO Distribution and Acknowledgement</b></p> <p>Generate one copy of the PO/ Repeat PO and send the PO/ Firm Indent/ Repeat PO (in the prescribed format along with full details of items, rates and terms and conditions of supply) to the vendor by email/ post once it is approved and released in the ERP system.</p>	Immediate	Purchase & Store Unit (Purchase section)
3.5	<p>In the case of local vendors, the PO/ Firm Indent/ Repeat PO may be given by hand delivery also. Record the date of despatch of the PO/ Firm Indent to the vendor.</p>	Immediate	Purchase & Store Unit (Purchase section)
3.6	<p>Maintain the purchase order register with the following details in the ERP systems.</p> <ul style="list-style-type: none"> <li>◆ Indent number</li> <li>◆ Indent date</li> <li>◆ Supplier name</li> <li>◆ Items to be supplied</li> <li>◆ Total order cost</li> <li>◆ Expected date of receipt</li> <li>◆ Actual supply date</li> <li>◆ Bill number</li> </ul>	Within 1 to 2 days	Purchase & Store Unit (Purchase section)



**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
	<ul style="list-style-type: none"> <li>◆ Bill date</li> <li>◆ Bill amount</li> <li>◆ Budget Head</li> <li>◆ Location</li> <li>◆ User name, etc.</li> </ul>		
3.7	Obtain the signature/ acknowledgement of the vendor over e-mail for the acceptance of the PO/ Firm Indent. <b>(TO BE PROCESS)</b>	Within 1 to 2 days	Purchase & Store Unit (Purchase section)
3.8	<p><b>PO Amendment (TO BE PROCESS)</b></p> <p>Amend the PO in case of changes in taxes, rates, quantity required, date of delivery or other commercial terms. Rates should be amended after obtaining fresh quotes from the vendor and conducting negotiations.</p> <p><b>Note:</b> Ensure that the amended PO is linked to the original PO.</p>	As and when required	Purchase & Store Unit (Purchase section)
3.9	Provide reasons, justifications, and clarifications to the Campus Director / Dean-Administration for amendment of the PO. Work out the financial/ non-financial impact of amendment for review of the respective Campus Dean-Administration.	As and when required	Purchase & Store Unit (Purchase section)
3.10	Generate a copy of the amended PO and obtain approval as per the original PO signing authority. <b>(IDENTIFIED AS KEY CONTROL)</b>	As and when required	Purchase & Store Unit (Purchase section)
3.11	Send a scanned copy of the amended PO to the vendor	Within 1 to 2 days	Purchase & Store Unit (Purchase section)
3.12	Obtain the signature/ acknowledgement of the vendor over e-mail for the acceptance of the amended PO. <b>(TO BE PROCESSED)</b>	Within 1 to 2 days	Purchase & Store Unit (Purchase section)
3.13	Incorporate the modifications and the reasons for modifications to the PO in the ERP system.	Within 1 to 2 days	Purchase & Store Unit (Purchase section)
3.14	<p><b>PO Amendment Logs</b></p> <p>Review the PO amendment logs on a monthly basis for the nature of amendment, reasons and justifications. Bifurcate the amendment logs into controllable and uncontrollable reasons. <b>(IDENTIFIED AS KEY CONTROL)</b></p>	Monthly	Purchase & Store Unit (Purchase section)
3.15	<p>Prepare an action plan for reduction in amendments of the following POs:</p> <ul style="list-style-type: none"> <li>◆ Amendments having financial impact,</li> <li>◆ The same PO amended more than twice,</li> <li>◆ Amendments due to controllable reasons.</li> </ul>	Monthly	Purchase & Store Unit (Purchase section)
3.16	<p><b>Pending Orders/ Deliveries</b></p> <p>Follow-up with the vendor by email to confirm the delivery schedule based on delivery dates mentioned in the PO.</p> <p><b>Note:</b> In case of an item with a long delivery time (say more than one month), send a reminder to the vendor one week before the due date of delivery.</p>	Twice, every 15 days	Purchase & Store Unit (Purchase section)
3.17	Prepare the pending delivery report on a monthly basis to monitor unexecuted/ partly executed POs. (Refer Exhibit 6)	Once in a month	Purchase & Store Unit (Purchase section)
3.18	If the vendor fails to execute the order even after a second reminder, cancel the PO and inform the vendor as well as the User department.	After the second reminder	Purchase & Store Unit (Purchase section)
3.19	Communicate the revised date, if any, committed by the vendor to the concerned User department through email/ telephone.	Immediate	Purchase & Store Unit (Purchase section)
3.20	Update the revised date in the ERP system to facilitate a proper vendor evaluation as regards delivery parameters.	Immediate	Purchase & Store Unit (Purchase section)
3.21	Negotiate with other alternative vendors in case the material is required immediately to ensure continuity in supply to the User department in consultation with the Incharge - Purchase Section with respect to the rate and other terms.	As and when required	Purchase & Store Unit (Purchase section)
3.22	In case of single source procurement, obtain approval from the respective Campus Dean-Administration and Directors (>1L) for accepting delayed <b>(IDENTIFIED AS KEY CONTROL)</b>	As and when required	Incharge - Purchase Section

*Mk*

**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref.: BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
3.23	Compile and forward details on the number of POs raised, closed and pending at the month-end to the Manager Purchase along with the reasons for open POs.	Monthly	Purchase & Store Unit (Purchase section)
3.24	Review the Open POs once in a month and send a list of items pending to be received to the concerned vendors with a copy to the concerned User departments and obtain remarks/ reasons for items pending delivery. (Refer Exhibit 14). <b>(IDENTIFIED AS KEY CONTROL)</b>	Once in a month	Purchase & Store Unit (Purchase section)
3.25	Discuss open POs and the feedback received from vendors with the concerned User departments.	Within 7 days	Purchase & Store Unit (Purchase section)
3.26	Prepare and finalise an action plan for open/ pending items depending on the feedback received in mutual agreement with the respective Campus Incharge - Purchase Section and the User department, and duly implement it (execute, amend or cancel – as the case may be). <b>[Note: All outstanding POs for more than 2 months should be discussed with User department and placed before Dean Admin for cancellation (if there are no valid reasons for the PO being open for more than 2 months)]</b>	Within 7 days	Purchase & Store Unit (Purchase section)
3.27	Ensure that the Opex items are received/ advance is recovered from vendors, wherein the advance disbursed is long overdue. <b>(TO BE PROCESSED)</b>	As and when	Purchase & Store Unit (Purchase section)
3.28	Discuss open POs and the feedback received from vendors with Dean-Administration	Within 7 days of receiving a response from the concerned vendor(s)	Purchase & Store Unit (Purchase section)
4.0	<b>Emergency Purchases</b>		
4.1	Send enquiries to a few selected/ identified vendors in case of emergency purchases.	As and when required	Purchase & Store Unit (Purchase section)
4.2	Give priority to/ or raise the PO on those vendors who can supply the material in the shortest possible time.	As and when required	Purchase & Store Unit (Purchase section)
4.3	Document the reasons for not following all the activities as described in the Sections.	As and when required	Purchase & Store Unit (Purchase section)
4.4	Send an email to the Dean-Administration and the respective Campus Head of Accounts for approval in case of any emergency purchase.	As and when required	Incharge - Purchase Section
4.5	Ratify the process of emergency purchase.	Within 7 days of placing the order with the vendor	Incharge - Purchase Section
4.6	Generate a report on the emergency purchases (to be shared with the Dean - Administration including details such as the item purchased, the reasons for the emergency purchase and losses incurred due to emergency purchases.	Monthly	Purchase & Store Unit (Purchase section)
5.0	<b>Advances for Opex (TO BE PROCESSED)</b>		
5.1	On receipt of order confirmation from the vendor, prepare a requisition for Opex Advance for an advance payment to be made as per payment terms of the Purchase order and send it to Dean-Administration for approval.	Within 3 days of getting supplier confirmation	Purchase & Store Unit (Purchase section)
5.2	On receipt of approval from the respective Campus Dean-Administration, send the complete set of documents to the Accounts department of the respective Campus for advance payment to be released.	Immediate	Purchase & Store Unit (Purchase section)
5.3	Make the advance payment for purchase as per the payment terms of the Purchase order.	Immediate	Head of Accounts
5.4	Inform the Purchase & Store Unit (Purchase section) staff of the details of the advance payment made to the vendor(s).	Immediate	Head of Accounts
5.5	Reconcile accounts with the details of the vendor's statement.	Quarterly	Accounts Department
5.6	Inform the Purchase section staff of the reconciled account status to take corrective action to control advance payments.	Quarterly	Head of Accounts

*Mh*



**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
5.7	In case of any dispute regarding negotiation, supply of materials, transportation, and quality of the Opex vendor, send the necessary advice to the Accounts department to hold the payment with the reason based on approval of the Dean-Administration.	As and when required	Purchase & Store Unit (Purchase section)
5.8	Release the 'hold payment status' only if the respective Campus Dean Administration advises to release the payment and specify the reason for release. <b>Note:</b> Necessary records of 'hold payment' should be maintained and updated every month and the status should be informed to the Incharge - Purchase Section from time to time.	As and when required	Head of Accounts
5.9	Send the statement on advances pending adjustment/ settlement to the Incharge - Purchase Section. Refer <b>Exhibit 7</b> .	Quarterly	Head of Accounts
6.0	<b>Review Meetings</b>		
6.1	After conducting the monthly review meetings, prepare minutes of the meeting stating the key issues discussed, key action points along with the action plan and target dates. Follow-up on the action plan and implementation status on a regular basis.	Immediate	Incharge - Purchase Section / end user department
6.2	<b>MIS</b> Prepare MIS on development of new vendors, and savings achieved from negotiations by the 10 <sup>th</sup> day from the end of the quarter and forward it to the respective Campus Dean-Administration and Head - Accounts and Finance. Refer <b>Exhibit 8</b> .	Quarterly	Incharge - Purchase Section
6.3	Generate/ prepare the following Quaterly status reports and forward the reports to the respective Campus Director/ Dean-Administration/ Heads of Accounts/ User departments for review. a) Budget vs. Actual spent vis-à-vis each budget head (Refer <b>Exhibit 9</b> ), b) Pending PRs (Refer <b>Exhibit 5</b> ), c) Overdue POs containing the number and value of such POs (Refer <b>Exhibit 14</b> ), d) Time interval from indent to issuance of RFQ and from RFQ to order placement (Refer <b>Exhibit 10</b> ), e) Time lost in getting clarifications from the PR requester, f) Time taken for vendor selection and for order placement after receipt of offers, g) Pending deliveries beyond the delivery schedule as per the PO and reasons for delays in execution along with the action plan (Refer <b>Exhibit 13</b> ), h) Outstanding advances given to vendors as per the report from the respective Campus Heads of Accounts and reasons for delays (if any) in execution along with the action plan (Refer <b>Exhibit 11</b> ), <b>(IDENTIFIED AS KEY CONTROL)</b>	Quarterly	Incharge - Purchase Section
7.0	<b>ITEM CODES:</b> <b>Item Code Categorization:</b> Item Codes shall be categorized as: (a) Inventory items and (b) non-inventory items.		
7.1	Inventory items: Item which are frequently used time and again, stocked and replenished items shall be considered as inventory items. (example: Chemicals, glassware, items used in labs by academic departments, housekeeping, electrical, plumbing, stationery items, components of EEE dept, Mechanical Workshop consumables, Cables, etc.) Inventory items shall be assigned an 8 digit item code (00012345)		
7.2	Non-Inventory items: These are Items which are not stocked items which are purchased and directly consumed for intended use. Item code for such items shall be "CONSUMABLE ITEMS – NON-INVENTORY" (example : printer cartridges procured by respective departments, consumable items procured for hostel use such as mats, mugs, spare parts used for maintenance of equipment by labs, gifts and promotional items, etc.)		
7.3	<b>Item code creation request:</b> Purchase & Stores Unit (Stores Section) shall hold the rights of creation of new item codes in ERP.  Respective user department shall fill the New Item Code creation request form ( <b>Exhibit 15</b> ) and submit to Purchase & Stores Unit (Stores Section)	As & when required by user	User /Lab In-charge and Purchase & Stores Unit (Stores section)

*Mk*

**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref.: BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
8.0	<p>On receipt of the filled Exhibit 15 – Item Code shall be created in ERP. <b>(TO BE A PROCESS)</b></p> <p><b>RECEIPT OF MATERIALS</b> Purchase &amp; Stores Unit (Stores Section)/ the respective user for their respective departments shall check the goods and Invoice/Delivery Challan (DC) on their arrival. Count the received materials, verify the make and its catalogue number (wherever required) vis-à-vis the PO and DC.</p> <p><b>(IDENTIFIED AS KEY CONTROL)</b></p>	Immediate on receipt of material	Purchase & Stores Unit (Stores section)/respective user
8.1	<p>Purchase &amp; Stores Section (Stores Section) shall generate an entry in the Material Entry software with following details:</p> <ul style="list-style-type: none"> <li>* Supplier name</li> <li>* Delivery challan (if Invoice not available)/ Invoice no.</li> <li>* Mode of supply</li> <li>* Courier details (if any)</li> <li>* Purchase Order ref.</li> <li>* Photograph of Invoice and courier docket uploaded along with the entry .</li> <li>* Any other remarks.</li> </ul>	Immediate on receipt of material	Purchase & Stores Unit (Stores section)
8.2	<p>Upon accepting receipt of the ordered item, affix a 'Material Checked' stamp on the original Delivery challan/Invoice. Further, Instruct the vendor to deliver the said materials to respective user/department.</p>	Immediate on receipt of material	Purchase & Stores Unit (Stores section)
8.3	<p><b>For Materials received directly by user (delivered by courier/vendor)</b></p> <p>User shall self certify on the invoice/delivery challan that the items have been received by him/her mentioning the date of receipt and location of usage. The same shall be Certified by respective user and furnished on the same day or latest by next working day for stamping by Stores as 'Material Checked'</p>	On receipt of the certified Invoice from user	Purchase & Stores Unit (Stores section) & respective user
8.4	<p>In case of any discrepancy with regard to the count, make, SKU size or catalogue number of the received materials, inform the respective Campus PURCHASE UNIT Executive.</p>	Immediate on receipt of material	Respective User Dept.
8.5	<p>Inform the concerned vendor regarding the discrepancy and arrange for the replacement of a damaged item or delivery of a short-received item</p>	On highlighting material receipt discrepancy to the vendor	Purchase Section
8.6	<p>Follow-up with the respective Campus Purchase &amp; Stores Unit (Purchase Section) for obtaining the replacement of a damaged item or delivery of a short received item.</p>	Immediate	Purchase & Stores Unit (Stores Section)
9.0	<p><b>BILL SUBMISSION PROCEDURE (TO BE A PROCESS)</b></p>		
9.1	<p>The user shall verify the items received as per Invoice and shall follow the following process:</p> <ul style="list-style-type: none"> <li>* Prepare a Bill Forwarding Format (<b>Exhibit 16 &amp; Exhibit 17</b>) along with following documents/details. All the required data/details in the format shall be provided.</li> </ul>	Within one week from receipt of material/completion of work	Respective user
9.2	<p><b>For Material supplies.</b></p> <ol style="list-style-type: none"> <li>i. Original signed Invoice/Delivery Challan by vendor with 'Material Checked' stamp on the invoice.</li> <li>ii. Courier Docket (for materials received by courier/transport/logistics (This is a mandatory document to be attached as a proof of delivery)</li> <li>iii. Certification from user on the invoice.</li> <li>iv. For Capex items: Installation location &amp; installation date shall be mentioned on the bill forwarding format.</li> <li>v. In case of direct purchase done by user, declaration mentioned in the bill forwarding format shall be signed along with the invoice</li> </ol>	Within one week from receipt of material	Respective User
9.3	<p><b>For AMC/Service/Repair visits</b></p> <ol style="list-style-type: none"> <li>i. Original Copy of Invoice duly signed and stamped by vendor and certified by PI/ HOD.</li> </ol>	Within one week from completion of work	Respective User



**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
9.4	<p>ii. Service Report towards the work carried out.</p> <p>iii. If spare parts are delivered and used during repairs; same shall be routed through Purchase &amp; Stores Unit (Stores Section) and 'Material Checked' stamp is required to be affixed on the Delivery challan/Invoice.</p> <p><b>For Work Orders - Services</b></p> <p>i. Original Copy of Invoice duly signed and stamped by vendor and certified by PI/ HOD.</p> <p>ii. Measurement sheet for the billed items where billing is done on measurement basis such as painting/fabrication works, civil works, etc.</p> <p>iii. Measurement sheet shall be certified by EMU, respective user and the vendor.</p> <p>iv. Delivery challan towards material brought and used for carrying out the required works to be attached with the Invoice. The delivery challans should bear the 'Material checked' stamp on it.</p>	<p>Within one week from completion of work</p>	<p>EMU and respective user</p>
10.0	<p><b><u>BILLS PROCESSING PROCEDURE</u></b> <b><u>(TO BE A PROCESS)</u></b></p>		
10.1	<p>Purchase &amp; Stores Unit (Stores section) section will check the completeness of documents received with bill forwarding format and accept the same for processing the Goods Receipt Note (GRN) in ERP.</p>	<p>Immediate on receipt of Bill forwarding from user</p>	<p>Purchase &amp; stores Unit (Stores Section)</p>
10.2	<p>Date of receipt of bill in stores shall be mentioned on the said Bill forwarding form to track the date of receipt of document in stores.</p>		
10.3	<p>Check whether the invoice is against an approved Purchase order.</p>		
10.4	<p>Check whether Administrative approvals are in place for non P.O supply Invoices.</p>		
10.5	<p>Check whether item specifications, rates, quantities, total amount matches with the Purchase Order.</p>		
10.6	<p>Goods Receipt Note (GRN) shall be prepared in ERP with required information as below.</p> <p>i. Quantity of items received</p> <p>ii. Rate per unit</p> <p>iii. Date of receipt of material</p> <p>iv. Invoice #</p> <p>v. Delivery Challan # (if any)</p> <p>vi. Mode of supply (Courier details if received by courier)</p> <p>vii. Verify the GRN amount with the Invoice amount.</p> <p>viii. Scan Copy of invoice shall be attached along with the GRN in ERP as an ease for any future reference.</p> <p>ix. Upon authorization of the GRN, same shall be forwarded to Accounts and Finance dept for further accounting and payment purpose along with bill submission register (<b>Refer Exhibit 23</b>)</p>		
11.0	<p><b><u>CYCLE TIME FOR BILL RECEIPT TO GRN</u></b></p> <p>Purchase &amp; Stores Unit (Stores section) shall mention the date of receipt of Bill forwarding along with required documents.</p> <p>At the time of GRN preparation, Stores section shall mention the date of receipt of bill forwarding in ERP.</p> <p>Cycle time for bill receipt to GRN is fixed at a maximum of 4 working days.</p>	<p>Within 4 working days from receipt of Bill forwarding</p>	<p>Purchase &amp; stores Unit (Stores Section)</p>
12.0	<p><b><u>STORAGE OF MATERIALS</u></b></p>		
12.1	<p>Segregate the received material and store them in rack(s)/designated storage space.</p>	<p>On receipt of the material</p>	<p>Respective lab in-charge and Purchase &amp; Stores Unit (Stores section)</p>
12.2	<p>Affix Item Code label/Mention the designated Item Code for each of the received item.</p>		
13.0	<p><b><u>ISSUANCE/CONSUMPTION OF MATERIALS</u></b> <b><u>(TO BE A PROCESS)</u></b></p>		
	<p>(i) Prepare a Material Issue Slip (<b>Exhibit 18</b>) with approval from Section Incharge / HOD and submit to Purchase &amp; Unit (Stores Section)</p>	<p>As and when required by user</p>	<p>Respective lab in-charge and Purchase &amp; Stores Unit (Stores section)</p>
	<p>(ii) Issue the required materials as per approved Issue Slip.</p>		
	<p>(iii) Record the details of issued items in ERP with respective Item code.</p>		
	<p>(iv) Update Bin Card in ERP (<b>Refer Exhibit 19</b>)</p>		

*Handwritten signature*

**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
13.1	<b><u>Issue of Materials from Stores after Office Hours or on Holidays</u></b> <b><u>(IDENTIFIED AS KEY CONTROL)</u></b>	As and when required by user (only in case of emergency)	Security Officer/respective lab in-charge and Purchase & Stores Unit (Stores section)
13.1.1	Inform the respective Campus Stores In-charge/Lab in-charge as may be the case and obtain his verbal approval to open the Stores after office hours or on holidays, in case of emergencies.		
13.1.2	Obtain the keys from the security office to open the respective stores and update in the security key register		Respective user /Section incharge
13.1.3	Take the necessary items required from the Stores and update the details in the Stores material issue register kept at the security key issuing office.		Respective user /Section incharge
13.1.4	Regularise the items taken by preparing the Material Issue slip and formally obtain approval of the respective Section Incharge.		Respective Section Incharge
14.0	<b><u>RETURNABLE (RGP) &amp; NON-RETURNABLE GATE PASS (N-RGP)</u></b>		
14.1	<b><u>RETURNABLE (RGP)</u></b>		
	(i) Any item/equipment being sent for repairs/job work/servicing to the vendor shall require a Returnable Gate pass (RGP)		
	(ii) User shall email the following details to Purchase & Stores Unit (Stores section) for obtaining a Gate pass:	As and when required	Respective User
	· Name and address of vendor		
	· Item Description (specifications (if any), its serial number, etc.		
	· Qty of items to be sent		
	· Purpose of sending		
	· Reference (if any) such as PO #		
	· Tentative date of return back of the said item after repairs/job work.		
	(iii) Gate Pass shall be prepared and issued to the user for sending the material outside the campus.	Immediate	Purchase & Stores Unit (Stores Section)
	(iv) Gate Pass shall be issued in Triplicate. The distribution of copies is as follows: Vendor's copy, Security Office Copy and BITS Office copy.		
	(v) Security Office shall affix "Returnable" Gate Stamp on the Vendor's copy and handover the copy to vendor.	Immediate	Security Office (Main Gate)
	(vi) Security office and Purchase & Stores Unit (Stores Section) shall retain their respective copies for records purpose.		
	(vii) Vendor at the time of bringing back the material back to campus after	At the time of return back of	Vendor and respective User
	(viii) Vendor shall handover the material along with Gate Pass to the user.	Immediate	Vendor
	(ix) User shall further handover the same Gate Pass to Purchase & Stores Unit (Stores section) which acts as a proof that the sent material has been received back.	Immediate	Respective user
14.2	<b><u>NON - RETURNABLE (N-RGP)</u></b>		
	N-RGP shall be applicable for following items that are going out of the campus against buyback & scrap disposal items. Following procedure shall be followed for issuing N-RGP.		
	(i) User shall email the following details to Purchase & Stores Unit (Stores section) for obtaining a Gate pass:	As and when required	Respective User
	· Name and address of vendor		
	· Item Description (specifications (if any), its serial number, etc.		
	· Qty of items to be sent		
	· Purpose of sending		
	· Reference (if any) such as PO #		
	(ii) Gate Pass shall be prepared and issued to the user for sending the material outside the campus.	Immediate	Purchase & Stores Unit (Stores Section)
	(iii) Gate Pass shall be issued in Triplicate. The distribution of copies is as follows:	Immediate	Purchase & Stores Unit (Stores Section)

*Mu*



**BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE PILANI, K K BIRLA GOA CAMPUS  
PROCUREMENT, STORES AND INVENTORY MANAGEMENT**

Document Ref. : BITSGOA/SOP/P&S/001 dated 14th Aug 2024

SR. NO	TASKS	TIMELINES	RESPONSIBILITY
	<p>Vendor's copy, Security Office Copy and BITS Office copy.</p> <p>(iv) Security Office shall affix "Non-Returnable" Gate Stamp on the Vendor's copy and handover the copy to vendor.</p> <p>(v) Security office and Purchase &amp; Stores Unit (Stores Section) shall retain their respective copies for records purpose.</p> <p>vi. Stores Section shall maintain a record of Open Returnable Gate pass and a follow up email shall be sent to the user to know the status of its closure. <b>(Exhibit 21)</b> (Returnable and Non-Returnable Gate Pass) – <b>(Exhibit 20)</b></p>	<p>Immediate</p> <p>Once every month</p>	<p>Security Office</p> <p>Purchase &amp; Stores Unit (Stores Section)</p>
15.0	<p><b><u>SCRAP DISPOSAL</u></b></p> <p>Any Opex/Capex item to be scrapped following the below procedure.</p> <p>i. User shall prepare the list of items to be scrapped and verify the Asset code # mentioned on the asset with Finance dept. for confirmation of its existence from Fixed Asset Register (FAR)</p> <p>ii. Once the items are traced in FAR, user shall make a note for approval with approval from HOD, Finance Head and Dean - Admin and submit to Purchase &amp; Stores Unit (Stores section) for further processing/disposal.</p> <p>iii. Post NFA Approval, inquiry shall be sent to minimum two vendors and obtain quotes accordingly.</p> <p>iv. Disposal Committee comprising of Head - EMU, Head - Finance, Purchase Manger and Stores Manager shall assess the quotes and prepare a comparative price statement.</p> <p>v. Hold a negotiation call with scrap vendors and finalise the prices.</p> <p>vi. NFA shall be prepared with price details and supporting documents, for approval to Dean - Admin (for value upto Rs. 1 Lakhs) and to Director (for value more than 1 Lakhs)</p>		
16.0	<p><b><u>PHYSICAL VERIFICATION OF STOCK (TO BE A PROCESS)</u></b></p> <p>(i) Arrange for the physical verification of stocks in the respective Campus Stores.</p> <p>(ii) Record the status, observations, findings and justifications for discrepancies observed (if any) during physical verification. Refer <b>(Exhibit 22)</b> for a template of the Physical Verification Report.</p> <p>(iii) Sign the Physical Verification Sheet. Thereafter, enter the physical stock details in the ERP.</p> <p>(iv) Mail a scanned copy of the above-mentioned signed sheets to the respective Campus, Dean-Administration for their approval.</p>	Half Yearly	Purchase & Stores Unit (Stores Section) & Respective lab incharges
17.0	<p><b><u>MIS</u></b></p> <p>Generate/ prepare the following monthly status reports and forward the reports to the respective Campus Dean-Administration/ Heads of Accounts/ User departments for review.</p> <ul style="list-style-type: none"> <li>• Cycle time from receipt of bills in stores to GRN creation.</li> <li>• Open Gate Pass report</li> <li>• Physical Stock Verification Report</li> </ul>		Purchase and Stores Unit (Stores section)

Approved by :

  
16/08/24  
PROF. MEENAL KOWSHIK  
(DEAN - ADMINISTRATION)

  
PROF. SUMAN KUNDU  
(DIRECTOR)  
16 AUG 2024

