

KINGS

ENGINEERING COLLEGE

An Autonomous Institution

Affiliated to Anna University, Chennai



PURCHASE POLICY

As per the Approval of Governing Council
(Updated in 2025)

PREFACE

Kings Engineering College is a distinguished Engineering Institution dedicated to excellence in technical education, research, and innovation. To foster a conducive environment for cutting-edge teaching, learning, and research, the institution ensures that its academic infrastructure, laboratories, and computational resources are continuously upgraded and maintained to the highest standards.

This **Purchase Policy** is meticulously formulated to guide the procurement of equipment, consumables, and services in a transparent, timely, and cost-effective manner. It serves as a comprehensive framework, streamlining all activities—from requisition and tender evaluation to purchase order finalization and asset management—ensuring total accountability and adherence to budgetary constraints.

This policy acts as an operational guide, empowering faculty and staff to acquire necessary resources effectively, thereby supporting the smooth routine operations and strategic growth of the Institution.

PURCHASE POLICY

A Purchase Committee is constituted to review and evaluate the purchasing documentation with the objective is to recommend the most appropriate supplier or service Provider based on price, quality, stock availability, references, credentials etc.

1. Objectives

- Procuring goods and services that meet international engineering standards.
- Promoting ethical practices, competitive bidding, and equitable treatment of suppliers.
- Streamlining procedures to ensure timely availability of resources for laboratories and departments.
- Establishing clear delegation of authority and adherence to financial regulations.

2. Constitution of Purchase Committee

The Purchase committee would be constituted with following members

- **Chairman – Principal**
- **Coordinators – Heads of Departments**
- **Members – Senior Faculty members / Lab Instructors**

3. Roles and Responsibilities

The roles and responsibilities of the Purchase Committee should include;

1. The HoDs of departments concerned / Lab In-charge / Lab Technicians should make arrangements for getting the quotations based on the intended specifications with respect to Lab requirements.
2. Comparative chart is prepared based on the recommendations of the department, usually by the respective HoD.
3. Purchase committee will deliberate on the quotations, specifications and negotiate with vendors and recommend the suitable vendor for the procurement.
4. The committee meets as and when needed to discuss about the market conditions and explore possibilities of identifying new sources of supply at competitive / economical / subsidised rates.
5. Inspecting supplied equipment against the original purchase order to ensure that technical specifications, quantities, and brand models are correct.
6. Conducting a joint verification with the Lab In-charge to certify that the equipment is operational and meets the required safety standards.

7. Overseeing the entry of all permanent and consumable assets into the [Institutional Stock Registers](#) before releasing payments.
8. Ensuring all procurement activities adhere to the institution's financial ethics, preventing conflicts of interest during the negotiation phase.
9. Evaluating existing suppliers based on their promptness, service quality, and adherence to warranty terms to maintain an [approved vendor list](#).
10. Negotiating long-term Annual Maintenance Contracts (AMC) and extended warranties to minimize recurring maintenance costs for the college.
11. Verifying that every purchase request is within the allocated departmental budget for the current academic year and Keeping a rigorous record of all minutes of meetings, comparative statements, and final recommendations for future financial audits.

4. **Definition of Goods**

The term "**Goods**" refers to all tangible and intangible property acquired by the Institution through purchase, lease, or gift for the purpose of supporting academic, research, and administrative functions. This includes:

Capital Assets: Major laboratory machinery, engineering instruments, heavy equipment, and workshop tools.

IT & Digital Resources: Computer hardware, servers, networking devices, proprietary software, and cloud-based subscriptions.

Knowledge Assets: Physical books, e-journals, digital databases, periodicals, and multimedia educational materials.

Infrastructure & Utilities: Office furniture, electrical fittings, air conditioning units, and classroom teaching aids (smart boards, projectors).

Consumables & Spares: Raw materials, chemical reagents, electronic components, stationery, and spare parts required for routine maintenance.

Every purchase case should be initiated on receipt of a written requirement/ requisition with the detailed specification.

5. **Purchase Procedure**

- The Lab In-charge or Department Head (HoD) identifies a requirement based on syllabus updates, research needs, or stock depletion.
- A "Purchase Requisition Form" is filled out, detailing exact technical specifications, estimated costs, and justification.
- The HoD reviews the request for academic relevance and budget availability before forwarding it to the Principal/Director.
- The department or central office invites quotations from at least three reputable vendors.

- The Lab In-charge verifies if the quoted models meet the specific technical tolerances and standards required for engineering labs.
- A detailed chart is prepared comparing vendors on price, warranty, delivery time, and technical features.
- The Purchase Committee examines the comparative statement and technical feedback.
- The committee meets with shortlisted vendors to negotiate for the best price, extended warranties, and free installation/training.
- The committee signs off on the most "technically sound and economically viable" vendor.
- The complete file (Requisition + Quotes + Comparative Chart + Committee Minutes) is submitted to the Chairman/Director.
- The Chairman/Director reviews the file for institutional alignment and financial feasibility.
- No Purchase Order (PO) can be released without the formal signature and seal of the Chairman/Director.
- A formal Purchase Order is issued to the selected vendor, clearly stating terms, conditions, and penalty clauses for delays.
- Upon delivery, the Departmental Committee inspects the goods for damages and conducts a "Live Demonstration" to ensure functionality.
- The goods are entered into the Departmental and Central Stock Registers.

6. Purchase Limits / Approval Powers of Principal and HOD

The Head of the Department is authorized to approve minor requirements and urgent consumables up to ₹25,000 to ensure uninterrupted laboratory operations. For mid-range expenditures and equipment upgrades up to ₹1,00,000, the Principal holds the sanctioning power based on a formal review of competitive quotations. Any procurement exceeding this limit is classified as a major capital investment and requires the final executive approval of the Chairman/Director following a thorough Purchase Committee evaluation.

7. Instructions for Purchase Committees

- Obtain at least three competitive quotations and prioritize the lowest bidder; if three quotes are unavailable, formal written justification must be recorded in the requisition.
- Record comprehensive minutes including the item nomenclature, make, model, quantity, and all incidental costs, along with tracking any cash advances or travel expenses involved.
- While all members share general responsibility, technical members are specifically accountable for certifying that the equipment meets exact engineering specifications and quality standards.

- A nominated committee member and the end-user department must jointly inspect and certify in writing that the received materials match the ordered quality and quantity.
- Finalize all costs inclusive of applicable GST and submit a formal status report of the proceedings to the Principal within three working days.

The purchase /financial rules and the administrative instructions issued from time to time will have to be kept in view.

8. Frequency of Meetings

The Purchase Committee shall meet as and when needed.

9. Tenure of the Purchase Committee

The Tenure of a Purchase Committee would be 1 Year. Principal, if not satisfied with the performance of the existing Committee, may reduce its tenure, and if satisfied, may extend the tenure for another three years

10. Stock Assessment and Collection of Requirements

- Every department must conduct a comprehensive physical verification of all "Dead Stock" (machinery/tools) and "Consumable Stock" at the end of each academic year.
- The Lab In-charge must categorize equipment as Functional, Under Repair, or Condemned (Unserviceable) to determine replacement needs.
- Any shortage or damage found during the audit must be documented and reported to the Principal for reconciliation before new orders are placed.
- HoDs must identify new equipment requirements based on Syllabus changes, AICTE norms, or new elective courses.
- Requirements for final-year student projects and faculty research grants must be submitted separately with a clear timeline.
- A "Minimum Stock Level" must be maintained for critical lab consumables (e.g., electronic components, chemical reagents) to prevent disruption of practical classes.
- The Lab Technicians submit requirements to the Lab In-charge, who forwards a consolidated list to the HoD.
- Each department shall maintain a register where faculty can log equipment needs throughout the semester for future budget planning.
- The Office of the Principal will merge individual department lists into a Centralized Purchase Plan to enable bulk negotiation and volume discounts.
- For high-value equipment, departments must provide a "Utilization Plan" showing how many students or research scholars will benefit.
- All collected requirements must be tagged as Essential (Mandatory for labs) or Desirable (Upgrades) to help the Chairman prioritize spending.

11. Stock Entry

After the delivery of equipment, first Gate entry should be made, then main store stock entry. After this, store keeper must transfer the items to the concerned department. In the department, the conditions of the equipment must be checked by the concerned lab in-charge and HOD and the stock must be entered in the stock register after checking the bills.

The Departments shall take all the items- purchased or received on stock in the Stock Registers. Articles of permanent nature shall be entered in the Permanent Stock Register, while consumable articles shall be entered in the Consumable Stock Register. The details such as name of the article, quantity, specifications, serial No. of the equipment, cost, bill no., date of purchase etc. shall be entered in the stock registers.

12. Purchase of Non- Centralized Items

All the non-centralized items i.e. the items other than the centrally stored items shall be purchased by PC on case to case basis by inviting quotations.

13. Cycle of Rate Contracts

The cycle of Rate Contract shall, as far as possible, be for a period of one year from first day of October to the last day of September. However, this cycle may change depending upon the circumstances. The PC shall ensure that all rate contracts are in position one 12 month before the expiry date of the existing rate contracts. All the rate contracts, finalized by the PC, shall be circulated amongst the Depts. after verification by the Audit.

14. Transparency, competitiveness, fairness and elimination of arbitrariness in purchase

The following criteria shall be followed to maintain transparency, competitiveness, fairness and eliminate arbitrariness in purchases:

- At least 15 (fifteen) days clear notice excluding the dates of dispatch and receipt shall be given for filing of quotations.
- Quotation shall be self- contained and comprehensive, and full specifications/ details of goods shall be clearly spelt out without any ambiguity.
- All the Quotations shall be sent to the prospective suppliers.
- The HoD's may open the quotations.

15. Payments

As far as possible, all purchases shall be made on credit/ bill basis. However, payments may be made against delivery after satisfactory installation and inspection report where the suppliers do not agree to make supply on credit. To ensure that the firm does not hesitate from supplying the material on bill basis, and to enlist their full cooperation and earn good will, the payment of all bills shall be made within the stipulated period

- After delivery of the Purchases made, the bills may be passed by the Department to the stores and accounts section only after ascertaining that there is no pending issues related with the equipment supplied by the company on earlier occasions.
- The account section may pass the bills to the Management for payment approval, after checking the bills with purchase order and also with the advance amount if any, paid already.
- The payment information must be communicated to the HODs by the account section or the HODs must enquire about the status of the bill payment in the office for their information.
- For consumable purchase, the lab in-charges and HODs must submit the price list along with the list of items to be purchased and get the approval. The price list or quotation can be obtained from two or three shops.



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