

M.P.NACHIMUTHU M.JAGANATHAN ENGINEERING COLLEGE
CHENNIMALAI, ERODE – 638 112.

PURCHASE COMMITTEE AND FINANCIAL POWER

(w.e.f: 1st November 2020)

A. Objectives:

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

B. The constitution of the PC:

PC is comprised of the following members:

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| 1. The Principal, MPNMJEC | - Chair Person |
| 2. Senior Professor of the Institution | - Member |
| 3. HoDs of Dept. concerned | - Member |
| 4. Faculty In-charge of the Lab concerned | - Member |
| 5. Technical Staff In-charge of the Lab concerned | - Member |
| 6. Members nominated by the Management & Principal | - 2 Members |



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PURCHASE PROCEDURE REGULATION

1. Purchase procedure:

The Institution may follow either of the two procedures given below:

- a) Non- Centralized Equipment's / Goods / Services – Department related
- b) Centralized Equipment's / Goods / Services – Computers & accessories, Stationery, Electrical items, Furniture & Fixtures, raw materials, AC, Refrigerator, carpentry Items, purchase of sports materials, fittings, plumbing materials pamphlets.

All the purchase of material and services will be made through the normal purchase procedure as indicated below:

- 1) Quotations would be invited in respect of purchases above Rs.25,000/- by all the Departments /offices with specifications of the material clearly laid down. Quotations would be invited from a good number of leading and relevant reputed Manufacturers/dealers.
- 2) Provided further that purchase may be made by any HoDs of the Departments authorized by the Principal. The HoDs may enter into contracts with supplier firms in respect of purchases they are competent to make.

2. Approved Items:

The purchase for the following items may be made at their fixed rates without the call of quotations with the due sanction of the amount of expenditure by the Principal.

- a) Stationery
- b) Electrical items – Materials for Internet & Electric cables
- c) Raw materials
- d) Carpentry items
- e) Printing of pamphlets

3. Purchase Committee:

The Principal of the Institution shall appoint Purchase Committee once in 3 years for the purchase of various items.

3.1 Functions:

- a) This Committee shall act for purchase of articles in bulk i.e. valuing Rs.25,000/- and above subject to the rules regarding delegation of financial powers in force.
- b) The requirements of various departments received by the Principal shall be consolidated and placed before the Committee for scrutiny. The Committee will then recommend for


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calling of quotations or for negotiations as it may deem fit.

- c) In order to expedite supplies or to ensure the quality and standard of goods, the Committee shall have the power to allot the supply of articles to any agency by negotiations, if the circumstances so require, even at higher than the lowest quotation.
- d) The Committee or any member or members authorized by it shall inspect the articles supplied and would approve the same.
- e) In the event of disagreement in the Purchase Committee, the matter will be referred to the Principal for final decision.
- f) This Committee may also consider such other matters relating to purchases as may be referred to it by the Principal.
- g) In such cases where it is not possible to follow the normal procedure due to emergent purchases and also in case of such items where the purchase through quotations is not feasible for the reasons to be assigned in writing, the PC may recommend to the Principal to release the purchase order.

3.2. Financial Powers of the Principal :

The Principal shall be competent to incur expenditure within the provision included in the budget estimates, pass bills and make payments relating thereto. He shall also pass the bills for making payments as forwarded by the HoDs in accordance with the powers delegated to them. The detail of financial powers to be exercised by the Principal, is as under:-

1.	Purchase on lowest quotation basis	Full Powers
2.	Lower of two/ higher quotation basis	Rs.50,000/-
3.	Single quotation basis	Rs.50,000/-
4.	Emergent purchase without quotation	Rs.50,000/-
5.	Execution of work / maintenance	Rs.50,000/-
6.	Journey by Taxi	Full powers on approved rates against entitlement in respect of journey for attending meeting of the Executive Bodies of the other Institution and authorized meetings.
7.	Journey out of Project Funds	Full powers


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