

## **Guidelines for the procedure for Purchase of Consumables and Equipment:**

### ***For all local consumables and equipment worth Rs. 3 lacs and above:-***

- a. Principal Investigator (PI) should take sanction of the Dean (G&K) for the purchase.
- b. Decide the specification of the equipment.
- c. Finalize the specification in the meeting of the Institutional purchase committee as per the convenience of the Dean (G&K).
- d. Obtain approval of necessary authorities, civil engineers, M& E section, Electric department.
- e. Once specifications, approval from authorities and sanction of the Dean (G&K) is obtained, send a soft copy of the advertisement as email attachment to [pbi1977@gmail.com/](mailto:pbi1977@gmail.com) [kemwebsite@kem.edu](mailto:kemwebsite@kem.edu) for display at website for invitation of sealed quotations. Quotations should be addressed to:  
Seth GS Medical College & KEM Hospital Diamond Jubilee Society Trust (DJST),  
Parel, Mumbai 400012.  
Kind Attn: The Secretary
- f. Give a public advertisement in two newspapers (English and vernacular). The advertisement can be given with minimum words in the newspaper with a request to visit website, <http://www.kem.edu/diamond-jubilee-society-trust-djst/>  
An example of such advertisement is given below:  
Invited quotations for HPTLC by DJST, KEM Hospital.  
Visit <http://www.kem.edu/diamond-jubilee-society-trust-djst/> for details.
- g. Sealed quotations will be accepted at DJST office till the due date and will be opened in presence of the DIST secretary/treasurer and PI. The sanction papers will be required at the time of opening the sealed quotations.
- h. The PI will prepare a comparative statement of the prices quoted and recommend the dealer.
- i. The final decision regarding the purchase will be taken in the meeting of the Trustees and will be communicated to the PI accordingly.

### ***For all consumables and equipment less than Rs 3 lacs•***

- a. After obtaining permission from Dean (G&K) quotations (minimum 3) are to be invited from vendors in the line. Quotations should be addressed to:  
Seth GS Medical College & KEM Hospital Diamond Jubilee Society Trust (DJST),  
Parel, Mumbai 400012.  
Kind Attn: The Secretary  
The GST no. should be mentioned on the quotation & GST certificate should also be attached.
- b. A comparative statement of the quotations along with a recommendation should be sent to The Secretary, DJST.
- c. The order should be placed after receiving DJST sanction.

To shorten the time in this procedure, you may attach quotations, comparative statement and recommendation for consumables/equipment at the time of deposition of grant and submission of utilization budget. Thus, sanction can be taken for purchase at the time of deposition of grant.

***For all imported consumables and equipment***

1. Obtain the proforma invoice/quotation from the selected supplier. It should contain the following:
  - a. The cost of the equipment, to be purchased, including the freight and packing charges. The currency in which the payment is to be made should be clearly mentioned.
  - b. Mode of payment for the proposed purchase.  
(Payment to the foreign company can be made by any one of the following modes
    - i. By Issuing a Foreign Demand Draft
    - ii. Through Wire Transfer
    - iii. Through Letter of Credit (L/C)The first two modes mentioned above (i & ii) are modes for advance payment while for the third mode, the payment is released after the consignment arrives at the airport.)
  - a. Terms & conditions of company for said purchase / import.
  - b. Details of the bank to which the amount is to be transferred
    - i) Name of the Company/Remitted.
    - ii) Bank Name / Account No.
    - iii) Bank's swift Code
    - iv) Details of Bank Address.
  - c. Country of origin of the consignment
  - d. Product literature with photographs of the item.
  - e. Shipment details and the time taken for the same.
2. Place an order to the supplier based on the proforma invoice. Kindly preserve an office copy of the order letter & delivery challan.
3. For making payment through DJST to the supplier, a formal request to the Secretary, DJST along with **at least one set of copies of all the above mentioned documents** should be forwarded. The name of the sub-head of account in the DJST, from which the payment is to be debited, is to be clearly mentioned.
4. DJST holds a bank account in Parel branch of Bank of Maharashtra (Tel: 022-24133145), which doesn't have the foreign exchange facility. Hence, all the documents petitioning to request for payment in foreign currency are forwarded from this branch to the foreign exchange branch of the bank at Dadar, Ranade Road branch (Tel. 022-24306205)
5. For payment through wire transfer, it is necessary to fill in an online form ( form 15CA) for every transaction. In addition, a certificate from the auditor of DJST is necessary. The investigator needs to pay the charges for the same.
6. It is necessary to submit the application on DJST letterhead to the bank along with AI form (duplicates), LC form and declaration forms duly filled in and special adhesive stamp affixed, along with the set of documents. Please note that the paperwork required for submission of documents to the bank has to be done by the individual investigator. However, do not hesitate to contact us at any stage if you have any queries.
7. The bank directly remits payment to bankers of supplier in case of wire transfer or sends the intimation of the payment through letter of credit. But the demand draft has to be collected from the bank and sent to the beneficiary by the purchaser. Archive the copies of these bank transactions till the entire process of the purchase is completed.

### ***After receipt of imported equipment and consumables***

8. The arrival of the equipment at the cargo complex of the airport is generally intimated to the purchaser by cargo arrival notice along with airway bill sent by freight forwarding agent of the respective airline.
9. A Delivery Order (DO) should be obtained from the bank by submitting a request letter on DJST letterhead along with the documents. The DO enables the purchaser to clear the consignment for the cargo complex.
10. The following documents should be submitted to the clearing agent
  - a. Cargo Arrival Notice
  - b. Airway Bill / Notice of call
  - c. Declaration form
  - d. Supply invoices
  - e. N.M.I.C. copy
  - f. D. E. C. copy
  - g. Literature
  - h. Bank's DO letter
  - i. DSIR Recognition letter
  - j. Letter of endorsement from University (Mumbai /MUHS)
  - l. Authority letter of clearing agent address to custom.

The clearing charges and/or other charges will have to be borne by the purchasing department which could be debited from respective DJST account on request, if it is desired to be paid through DJST.

11. After installation of the equipment, the installation report and the bill of entry should be submitted to DJST. There will be 3 copies of the bill of entry- 1 control copy for customs, one home consumption copy and one exchange copy. The latter 2 should be submitted to the DJST. It is the responsibility of DJST to submit the exchange copy to the foreign exchange department.

### ***After receipt of local equipment and consumables***

- Once you receive the equipment /consumables (irrespective of cost), a covering letter with Bill/Tax invoice duly signed by the investigator (DJST sub- account holder) is to be submitted to DJST along with the sanction paper for payment.
- Bill/Tax invoice should be in the name of Seth GS Medical College & KEM Hospital Diamond Jubilee Society Trust (DJST).
- If the delivery of consumables/ equipment is going to be against payment, DJST staff should be informed minimum 5 days in advance so that the cheque will be kept ready.
- Payments are made by crossed cheques. You need to inform the company personnel/agent to collect the same from the DJST office only against a stamped receipt.
- If the company needs payment by demand draft, DJST staff should be informed in advance.
- It takes a minimum of 3 days to prepare the cheque after receiving bill/ tax invoice in the DJST office, if the amount is less than Rs.1,00,000/-. If it is more than Rs.1,00,000/-, an extra day may be needed.

- Bills for maintenance (including amount for annual maintenance contract) or repair for the equipment purchased for the department can be paid from the funds deposited in DJST after prior approval.
- A consumable / any item costing less than Rs. 25,000/- can be purchased through contingency grant without prior approval. However, if any such purchase is made multiple times on the same day (from the same /different vendor) and if the total amount for the same exceeds Rs. 25,000/-, then the investigator needs to provide an explanation.
- Similarly, such purchases should not be made from two different sub accounts of the same investigator with DJST on the same day. DJST is considered as a single account for auditing hence such expenditures will not be appropriate from two sub-accounts/ heads. In short, do not split the amount spent into 2 or more cash memos  
If there are multiple consumable items, please specify. All the food items, as are purchased for research meetings/workshops/seminars/conferences etc. are considered as one single consumable.