



Purchase Policy

Purpose

To provide guidelines on the procurement and usage of Equipments, materials and consumables.

Policy

SIMATS is committed to provide utmost safety for our patients undergoing procedures.

SIMATS is committed to provide good quality and standard medical supplies and consumables for patient care.

The process for acquisition of medical supplies and consumables shall be addressed with respect to:

- Vendor selection
- Vendor evaluation
- Indenting process
- Generation of purchase order
- Receipt of goods

All medical supplies and consumables are used in a safe manner wherever applicable.

All medical supplies and consumables shall be stored in a clean, safe, secure environment in accordance with the manufacturer specification.

Sound inventory practices shall be utilized to guide the storage and usage of all medical supplies and consumables.

All Hazardous material shall be identified and Material safety data sheet shall be prepared to prevent health hazards.

Sound inventory control shall be done as per VED, FIFO, ABC analysis etc.

Procedure

Vendor Registration and Selection

The Purchase manager shall maintain a database of registered suppliers. This database shall be organized as per the various Inventory heads.

The hospital shall strive to maintain at least two registered suppliers for each item used by the hospital.

The registration of each supplier shall be based on *Criteria for Approval of Suppliers*.

The final selections and approval of suppliers; and awarding of tenders / contracts shall be done in consultation with the Director and concerned functional heads in the respective areas.

Tender / Quotation Process

Tenders / Quotations should be obtained for all items. Tenders can be called for through advertisements or directly from registered firms.

There should be at least three bidders for a tender /quotation process to be valid. In case of proprietary items of special nature where a single or few suppliers are available a single bidder may be requested for tender / quotation; after obtaining approval of the Director.

The Coordinator Materials Management shall prepare a comparative statement of the bidders short - listed for final negotiation and final discussion is based on quality with comparable rate.

The comparative statement shall cover the following details about the bids short-listed; Name & Details of Bidder, Make / Model, Price per Unit, Quantity offered, Delivery Period, Terms of delivery, Past Performance of the supplier; etc.

Purchase Orders

No goods / items, except cases of emergency purchases' shall be obtained without a written purchase order issued and signed by the competent authority.

For regular purchase orders for items agreed upon by rate contracts the MMC and Accounts Manager shall have the authority to sign and issue the purchase orders.

Associate Dean of Administration shall have the authority to sign and issue purchase order up to the value of Rs2, 00,000/-, In case of new purchase order has to be approved by the Director of Academics

The Director shall have the authority to sign and issue purchase orders for any purchases above the value of Rs.2, 00,000/-

In case any of the above approval authorities are not available for any period of time; their authority can be temporarily delegated to another staff member nominated by the Chairperson through an office order for a specified period.

The Purchase Assistant shall be responsible for preparation of the purchase orders and the Coordinator Materials Management for its verification before submission for approval and issue.

All purchase orders shall contain the following relevant information; Order Number, Date, Full Name and Address of the Supplier, Consignees' Name and Address, Terms & Conditions, Description of goods, Quantity, Supplier Quotation / Tender / Contract reference, Price terms, Payment Terms, Payment Mode, Delivery date and Schedule, Packing / Transport Instructions, Freight Payment terms, Insurance details, Inspection Details, Penalties, Special Terms and Conditions if any.

In case of amendments to the purchase orders, the same shall be incorporated and shall follow the same procedure before approval and issue.

Rating of Suppliers

The Coordinator Materials Management/ Purchase manager shall be responsible for the rating of the key suppliers at least once in a year.

The evaluation for rating shall be based on assessment of quality by both the Central Stores in-charge at the time of receipt and by the user department; separately for each item evaluated.

These ratings and details of any violations of terms of the purchase order by any supplier shall be presented to the Associate Dean of administration on a periodic basis. He shall take appropriate actions based on this feedback.

A Supplier Evaluation Sheets shall be used to record these feedback and these shall be maintained for all key supplier item wise.

Storage of Materials

Materials are stored in the store\floor according to the manufacturer's recommendation and as per government recommendations. Sound inventory control practices (first in and first out) guide storage of the material Inventory shall be as directed by department head. Expired, Short expiry & damaged materials shall be stored in a separate designated area. All drug storage containers/racks shall be clearly & legibly labeled. Dental material requiring a cold chain shall be stored in the refrigerator within a temperature range of 2 to 8 degree C and rest shall be stored at room temperature. Medicine requiring maintenance of cold chains, such as vaccines and sera are stored in refrigerators and maintained in low temperature. Monitoring of all refrigerated items will be done once in a day & a record will be maintained. A daily record log of temperature readings will be maintained on the outside door of the refrigerator .In case the variation is found repetitively, it will be notified to the Maintenance / Engineering department.

Expired

Dental materials shall not be kept in stock after the expiration date on the label and no contaminated or deteriorated drugs shall be available for use. The mechanism for destruction and disposal will be as per laid down norms and regulations. In case of non-supervision, all materials shall be stored under Lock & Key.

Technical Evaluation Process

The Associate dean of administration shall prepare the technical and feasibility report based on the following aspects.

1. Utilization Loads – Consider the utilization of the proposed equipment; relative to its projected average utilization versus installed capacity of proposed equipment.
2. Break even analysis – This would provide a view of the potential revenue and period of profit yields for the proposed equipment.
3. Preferred Specification – The committee should freeze on the preferred specifications for the equipment in terms of capacity, range etc.
4. Site selection – The site selection for the equipment should be based on a critical analysis of requirements like size, temperature requirements, OP / IP locations, patient traffic flow etc.
5. Payment Modalities
6. Contract Clauses
7. Possibility of turnkey installation
8. Warranty
9. Continuous supply of spares and consumables
10. Service contracts / After sales service
11. Training of staff / users / biomedical engineers.
12. Import guidelines if applicable

13. Power supply
14. Equipment software system used and its up-gradation
15. Technology and Technology Obsolescence

Guarantees & Annual Maintenance Contracts

All the equipment purchases shall consider the inclusion of a warranty period of three years and shall include the terms and charges for AMC for subsequent three years. The contracts may be awarded inclusive or exclusive of this as per the recommendations of the MMC.

Spare Parts

All technical and feasibility analysis for equipment purchases shall consider the future use of spare parts and consumables by the equipment.

Efforts shall be made to include these as a part of the contract. In case of imports efforts are to be made to include terms which shall protect the hospital against future escalation of prices / duties.

The technical and feasibility analysis should consider the factor of technology obsolescence. In case of probability of phasing out of models or technology efforts should be made to include the purchase of spares / consumables for the life period of the equipment.

Purchase Orders /

Contracts

All purchase orders / contracts shall be wetted by the Finance Department before their signing. Clearance of the legal advisors may be obtained before any contract above Rs.10 Lakhs is signed with any equipment / equipment service provider.

All purchase orders / contracts shall be signed by the Chairperson.

All purchase orders / contracts shall specify the following relevant information; Order Number, Date, Full Name and Address of the Supplier, Consignees' Name and Address, Terms & Conditions, Description of goods, Quantity, Supplier Quotation / Tender / Contract reference, Price terms, Payment

Supply and Installation of Equipment

All payments except the advance payments for equipment shall be made only after the following are provided.

- Necessary customs / duty/import clearances
- Installation reports by the concerned manufacturer / supplier
- Written clearance from the user department
- Written clearance from the Biomedical engineering
- Handing over of sufficient copies of the Operating Manual, Service Manuals, Circuit Diagrams etc., as applicable
- Completion of User / technical training, if applicable
- Proof of date of manufacture & certificate of origin
- Performance guarantee

Guarantees and Annual Maintenance Contracts

All the equipment's purchases shall consider the inclusion of a warranty period of three years. And shall include the terms and charges for AMC for subsequent three years.

The contracts may be awarded inclusive or exclusive of this as per the recommendations of the MMC.