



**PHARMA DEVILS**

## **SOP FOR PURCHASE MANAGEMENT**

**SOP No.:**

### **1.0 OBJECTIVE:**

To lay down the procedure for indenting, procurement & receipt of indenting material including raw, packing, Chemicals, Solvents and miscellaneous items (viz. Consumables, stationeries, housekeeping items, etc.) & Capital items.

### **2.0 SCOPE:**

This SOP is applicable to ..... from plant to Supply chain and vice versa.

### **3.0 RESPONSIBILITY:**

3.1 Initiation: All user departments.

3.2 Approval: Department Heads & F & A.

3.3 Procurement & Supply- Supply chain

### **4.0 PROCEDURE:**

#### **4.1. Indenting of RM & PM:**

4.1.1 Supply chain is getting the business needs of three months from business development.

4.1.2 Based on marketing production plan, three months production plan is prepared by the supply chain and intimated to plant.

4.1.3 Supply chain is intimate firm plan of one month to plant Head for production planning & supply chain of plant.

4.1.4 Supply chain procures the raw material and packaging material based on the existing three months production plan & calculates the shortages based on the existing stock of the plant.

4.1.5 The stock is notifying by the plant supply chain to supply chain (HO) by providing the stock statement.

4.1.6 Supply chain is procuring the required grade of the material based on the approved specification provided by CQA.

4.1.7 Based on the shortages, supply chain (HO) makes purchase order to the approved vendors & send the P.O copy for their acceptance.

4.1.8 After acceptance of the P.O by vendor, the copies are circulated to F& A, plant supply chain.

4.1.9 The material is sent directly by the vendor directly to plant as per P.O instruction along with COA (if applicable).

4.1.10 Store executive shall receive, make sampling intimation, approval of GRN & sends for payment to account department as per SOP.

4.1.11 In case of rejections of raw and packaging materials it should be intimated to supply chain (HO) as per SOP.

#### **4.2 Indenting of capital items.**

4.2.1 For capital items, NFA shall be made with duly approved by HOD & Plant Head.

4.2.2 In case the capital item budgeted more than 1 lakh, the approval shall be taken from President.



**PHARMA DEVILS**

**SOP FOR PURCHASE MANAGEMENT**

**SOP No.:**

- 4.2.3 Based on the NFA, URS shall be made for the capitalised equipment or instrument by the user department and send to supply chain.
- 4.2.4 Based on the URS, supply chain ask quotation and send the quotation to Plant for evaluation. All technical details are evaluated with the consultation of plant user department. A techno-commercial comparison is prepared by the User department and sends to supply chain for further evaluation.
- 4.3 Indenting of chemicals, spare parts & consumables**
- 4.3.1 Based on the requirement, individual department shall raise the indent in the material indent form as per Annexure-1
- 4.3.2 The indenter shall clearly mention item code, description, UoM, Qty. in the indent SOP
- 4.3.3 Indenter followed by department head duly signs the indent.
- 4.3.4 The indent form is then submitted to supply chain department.
- 4.4 Supply chain department shall verify the qty. of stock available, qty. to be ordered, last purchase price & value of the item.
- 4.5 After verifying all the above mentioned, the supply chain department shall sign and forwards the indent form to finance & account department.
- 4.6 The finance & account department shall verify the indent for its budgeted quantity and shall sign and forwards to the plant head for authorized signatory.
- 4.7 The plant head shall approve the indent form & forwards the indent form to supply chain department.
- 4.8 The plant supply chain department shall send a copy of indent to head office (supply chain) department.
- 4.9 The corporate supply chain department shall purchase the material as per the indent & raise the purchase order & procure required material.
- 4.10 After receipt of material, goods receipt note shall be raised & after store signing, send the intimation to respected department.
- 4.11 After inspection of the received material indenter HOD shall sign on the GRN copy.
- 4.12 Supply chain manager authorise the GRN and send a copy to accounts along with necessary documents for release of payment to supplier & accounting record purpose.
- 4.13 GRN copy shall be distributed as per GRN SOP.

**5.0 REVISION HISTORY:**

<b>Revision No.</b>	<b>Reason for Revision</b>	<b>Superseded from &amp; date</b>
<b>00</b>	<b>New SOP</b>	



**PHARMA DEVILS**

**SOP FOR PURCHASE MANAGEMENT**

**SOP No.:**

**6.0 REFERENCES:**

SOP

**7.0 ABBREVIATIONS:**

FIFO	:	First in First out
SOP	:	Standard Operating Procedure
HOD	:	Head of department.
GRN	:	Goods receipt note
NFA	:	Note for approval
PO	:	Purchase order
UOM	:	Unit of measurement
HO	:	Head office
F&A	:	Finance & Accounts
COA	:	Certificate of analysis
QC	:	Quality Control
QA	:	Quality Assurance
CQA	:	Corporate Quality Assurance
Dept.	:	Department

**8.0 ANNEXURES:**

Annexure -I : MATERIAL INDENT



**PHARMA DEVILS**

**SOP FOR PURCHASE MANAGEMENT**

**SOP No.:**

**Annexure -I  
MATERIAL INDENT**

**Sr.No.:** -----

**Indented By (Deptt.):** -----

**Date:** -----

S.No	Item Code	Description	Uom	Required Qty.	Qty. in Stock	Qty. To be Ordered	Last Purchase Price	Value Of the Item	Tentative Dt. of required	Mark/ Brand Name	Budget Qty. for Year

**Remarks:**

**Indentor**

**Deptt. Head**

**Supply Chain**

**F & A**

**Authorized Signatory**