PURCHASE & OUTSOURCING POLICY

Kirloskar Institute of Management with 30 years of excellence in management education, is committed to ensure transparency, efficiency, and accountability in its procurement and outsourcing processes. This policy aims to establish guidelines for purchasing and outsourcing ensuring optimal utilization of financial resources while maintaining quality and compliance with statutory norms.

Objectives

1. To streamline procurement and outsourcing processes for academic and administrative requirements.
2. To ensure transparency, fairness, and cost-effectiveness in all procurement and outsourcing decisions.
3. To establish standard operating procedures (SOPs) for vendor selection, purchase approvals, and contract management.
4. To comply with NBA accreditation guidelines, financial prudence, and ethical procurement practices.

Scope

This policy applies to:

1. The procurement of goods, materials, and services for academic, administrative, research, and infrastructure needs.
2. The outsourcing of non-core activities such as housekeeping, security, cafeteria, transportation, IT services, and facility management.
3. All stakeholders, including faculty, staff, and administration involved in the purchase and outsourcing process.

Purchase Policy

1. General Procurement Principles

   a) All purchases must align with institutional needs and financial planning.
   b) Transparent and competitive processes will be followed for major procurements.

c) 3 quotations are chosen from the

vendors and the comparison is made and then the lowest quote

d) Vendors must be selected based on quality, cost, and service efficiency.

Procurement Methods

Procurement is categorized based on cost and urgency:

1. Petty Purchases (< ₹10,000): Direct purchase with approval from the respective department informing the dean academics or dean admin.

2. Regular Purchases (₹10,000 – ₹1,00,000): approval by the Head of the department.

3. Middle-Value Purchases (1,00,000-10,00,000): approval from the director

4. Anything above 10 lakh needs approval from the Vice President.

Condition: Competitive quotations from at least three vendors;

Vendor Selection Criteria

1. Financial and technical competency

2. Industry reputation and compliance with statutory requirements

3. Quality certification and past performance with the institution

4. Ethical business practices and sustainable procurement

5. Approval & Payment Process

6. Purchase requisition by department → Review by the Head of the department → Approval by the Director

7. Advance payments allowed only for authorized cases, with a balance paid after delivery verification.

5. Outsourcing Policy

Rationale for Outsourcing :

To enhance operational efficiency and focus on core academic functions, the institution may outsource non-core activities such as:

1. Housekeeping & Maintenance

2. Security Services

3. Transportation whenever necessary

4. IT Infrastructure Management

5. Cafeteria Services

Vendor Selection & Contracting :

1. Open tendering or request for proposal (RFP) based on institutional needs.

2. Evaluation based on quality, financial stability, and compliances.

3. Contract agreements with defined service level agreements (SLAs) and performance evaluation mechanisms.

Monitoring & Compliances:

1. Periodic performance reviews by an Review Committee/HR.

2. Renewals based on key performance indicators (KPIs) and compliance audits.

6. Policy Governance & Review:

1. The Purchase & Outsourcing Committee (POC) will oversee implementation and compliance.

2. Periodic audits to ensure financial transparency and adherence to the standards.

3. Annual review and updates to align with best practices and institutional goals.

This policy ensures a structured, transparent, and accountable framework for procurement and outsourcing, reinforcing the institution's commitment to academic and operational excellence in line with NBA accreditation guidelines.