

Draft Business Requirements Document (BRD)

Purchase Policy

1. Introduction

This document outlines the requirements for the Purchase module for the implementation in ERPNext System as per the purchase policy provided by the AIRAWAT Research Foundation. The system will streamline the process of purchasing, approving, vendor registration & maintaining the records of each purchase order.

2. Business Objectives

- Automate and simplify the purchase requisition and approval workflow
- Ensure compliance with the organization's purchase policy and financial delegation rules
- Provide real-time visibility and traceability of all procurement activities
- Streamline vendor registration, selection, and blacklisting processes

3. Definitions

- a. "Board" means the Board of Directors of AIRAWAT RESEARCH FOUNDATION.
- b. "Company" shall mean AIRAWAT RESEARCH FOUNDATION.
- c. Project Director means Executive Directors of the Company.
- d. "Goods" shall mean goods [(not limited to) all articles, material, commodity. furniture, fixtures, raw, materials, spares, instruments, machinery, equipment etc.] and/or services (business services like accounting, auditing, cleaning, banking, consulting, education, insurance, transportation etc.).
- e. "Policy" shall mean the Purchase Policy of the Company.
- f. The "Purchase Committee" shall mean the Purchase Committee of the Company, comprising of the members, -
 - i. Project Director(s) as Chair.
 - ii. Chief Executive Officer ("CEO") of the Company, if appointed in the
 - iii. Company.
 - iv. Chief Operating Officer ("COO") of the Company, if appointed in the Company.
 - v. Any external members as may be appointed by Project Director(s).

The Meetings of the Purchase Committee shall have a quorum of at least 3 (three) members wherein presence of the CEO, COO, or the Project Director(s) either physically or electronically shall be necessarily required.

- g. "Purchases" shall mean purchasing of Goods and services
- h. "Vendor" shall mean the supplier of the Goods and services
- i. "Indentor" shall mean the person purchasing the Goods and services.
- j. "ERP" shall mean the purchase management system used by Company.
- k. Classification of Goods: All items to be procured shall be classified into three categories viz, Non-Consumables (NC), Limited Time Assets (LTA) and Consumables (CON).

3. Process Overview

Step 1: Purchase Requisition Form:

The indenter raises a Purchase Requisition Form (PRF) which will go to the respective authority, as per the matrix defined below, for approval as per the purchase policy. The person filling the PRF should ensure that the item(s) are within the Budget of the Funding Program or should seek authority to purchase as per the Purchase Policy. Any persons designated to authorize requisitions in acting capacity shall have the authority given on file clearly stating the period authorized. The Company shall ensure that all Purchases are within the approved Budget.

Field	Description	Field Type
Indenter's Details		
Name	Name of the Indenter	Auto Populated
Employee ID	Indenter ID Number	Auto Populated
Email ID	Indenter Email ID	Auto Populated
Indent Date	Date of Requisition Submission	Auto Generated
Purchase Details		
Type of Material	Consumable/Non-Consumable/Limited Time Asset/Services	Dropdown/Radio-Button
Purchase Type	Approved Budget/Unplanned/Emergency	Dropdown/Radio-Button
Purpose of Purchase	Description why purchase was made	Text-Field
Requester Name	Full name of the requester	Auto Filled/Text-Field
Details of Required Items		
Delivery Details		
Delivery Period	Delivery Period Details	Numeric-Field + Dropdown (Days, Weeks, Months)
Delivery Location	Delivery Location Details	Text-Field
Warranty/Guarantee	Warranty/Guarantee Details	Numeric-Field + Dropdown (Weeks, Months, Years)
Suggested Supplier	Vendor/Supplier Detail	Text Box + Search
Budget Details		
Declaration		
Declaration	Certified that the price quoted by the firm is reasonable as per the knowledge and prevailing market rate	CheckBox and indenter name to be auto fetched

Details of Required Items						
Sr.No.	A complete description of Goods/Services intended to be procured	Quantity Required	Currency	Unit Price	GST Rate applicable	Total Cost with Taxes (Formula: T= (unit Rate x quantity) x 1.GST)
Auto Generated	Text-Field	Numeric Field	Dropdown	Numeric Field	Dropdown	Numeric Field

Details of Required Items					
Total	Numeric Field (Auto Populated)	Numeric Field (Auto Populated)	Numeric Field (Auto Populated)	Numeric Field (Auto Populated)	*Numeric Field (Auto Populated)

*Currency: Currency of countries sharing land border with India not to be included

*GST Rate Applicable: Dropdown as per the prevailing norms & percentage

Budget Details			
Sr.No.	Project Number	Budget Head	Budget Amount
Auto Generated	Numeric Field (Dropdown + Search)	Text-Field	Numeric Field

Based on the Total Cost with Taxes (*), the PRF will go to the respective authority for approval as per the below matrix:

Sr.No.	Purchase Limit (Rs.)	Competent Financial Authority
1.	Up to Rs. 25K	COO
2.	Up to Rs. 5.00 Lakhs	CEO
3.	Above Rs. 5.00 Lakhs	Purchase Committee*

*As mentioned in the definition

Step 2: Approval of PRF

Once submitted, the request is routed to the designated approver for review. Approval is necessary for the purchase process of the goods and services.

Field	Description	Field Type
Indentor's Details		
Name	Name of the Indentor	Auto Populated
Employee ID	Indentor ID Number	Auto Populated
Email ID	Indentor Email ID	Auto Populated
Indent Date	Date of Requisition Submission	Auto Generated
Purchase Details		
Type of Material	Consumable/Non-Consumable/Limited Time Asset/Services	Auto Populated
Purchase Type	Approved Budget/Unplanned/Emergency	Auto Populated
Requester Name	Full name of the requester	Auto Populated
Details of Required Items		
Delivery Details		
Delivery Period	Delivery Period Details	Auto Populated
Delivery Location	Delivery Location Details	Auto Populated
Warranty/Guarantee	Warranty/Guarantee Details	Auto Populated
Suggested Supplier	Vendor/Supplier Detail	Auto Populated
Budget Details		

Field	Description	Field Type
Declaration		
Declaration	Certified that the price quoted by the firm is reasonable as per the knowledge and prevailing market rate	Auto Populated
Approval Details		
Approver Name	Purchase Approver Details	Auto Populated
Approval Status	Approved/Rejected	Dropdown
Comments	Optional Remarks from the approver	Text Area
Date of Approval	Date of Decision	Auto Filled

Step 3: Selection of Vendor

Once the PRF is approved, an advertisement will go to the website. The selection of vendor will be based on purchase requirements and the advertisement posted.

After the advertisement is posted on the website, the willing vendors can first register themselves and then submit their bid against the purchase requests. Approver of vendor registration shall be COO or designated purchase manager.

- Vendor Registration

Field	Description	Field Type
Email Verification		
Email ID	Official Email of the Vendor	Text-Field
OTP	One-Time Password Verification	Numeric Field
Company Information		
Company Name	Legal Name as per Registration	Text Field
Certification of Incorporation	Upload scanned Copy	File Upload
PAN Number	Company PAN	Alphanumeric Field
PAN Certificate	Upload PAN card	File Upload
GST Number	GSTIN	Text Field
GST Certificate	Upload GST Certificate	File Upload
Key Managerial Personnel (KMP)		
KMP Name & Contact Info (s)	Name of the concerned person (s)	Table (Name, Designation, Mobile Number, Email, Photo Upload)
KMP Declaration Letter	On Company Letterhead signed by authorized signatory	File Upload
Key Contact Person for Communication		
Contact Name	Primary Liaison for Coordination	Text Field
Email ID	Official Email	Text Field
Phone Number	Contact Number	Numeric Field
Authorisation Letter	Letter authorizing contact person on company letterhead	File Upload

Declaration		
Blacklisting Status	Declaration that firm is not blacklisted or was not blacklisted in the last 5 years by any govt./PSU/autonomous body	Checkbox
Upload Signed Declaration	Declaration on letterhead with authorized signatory	File Upload
Date of Submission	Date of Registration	Auto-Generated

- Vendor Registration Approval

Once the vendor has registered themselves, the same will go for the approval from the COO or the designated purchase manager.

Field	Description	Field Type
Registration Details (Auto-Populated)		
Approval		
Approver Name	Approver Details	Auto Populated
Approval Status	Approved/Rejected	Dropdown
Comments	Optional Remarks from the approver	Text Field
Date of Approval	Date of Decision	Auto Filled

- Bid Submission by Vendor

Once the vendor registration is approved, the vendor can now submit the bid submission document against the purchase advertisement.

- Evaluation report submission

After the bid submission is done, the evaluation process will start, and the evaluation report will be submitted on the ERP. The selected vendor will be notified via email through ERP.

Note: Blacklisting of Vendors can be done on the recommendations of the CEO/COO/Project Director(s). The CEO, COO or the Project Director(s) may either through email or hard copy letter instruct the Chief Financial Officer (CFO) of the Company to add/remove the name of any Vendor in the Blacklisting data

Vendor Registration

Tender Part

- (i) Bid Submission by vendors
- (ii) Evaluation report submission

Step 4: Issuance of Purchase Orders & Agreements

Upon selection of a vendor as per the Purchase Procedure, in the interest of ensuring quality, reliability and timeliness, a legally binding contract or work order in the form of a purchaser order should be drawn up for the Goods in question and signed by both the parties prior to procurement. The same to be uploaded against the PRF in the ERP system for better transparency and documentation.

Step 5: Goods Receipt Note

Once the selection of vendor is determined and purchase order is issued & uploaded in the ERP system, the indenter will issue a Goods Receipt Note in ERP.

Good Receipt Note Form

Field	Description	Field Type
Indenter's Details		
Name	Name of the Indenter	Auto Populated
Employee ID	Indenter ID Number	Auto Populated
Email ID	Indenter Email ID	Auto Populated
Indent Date	Date of Requisition Submission	Auto Generated
Delivery Acknowledgement		
Delivery Date	Delivery Date	Calendar Picker
PRF Reference Number	Purchase Requisition Form Reference Number	Alphanumeric Field
Purchase Order Number	Purchase Order Number	Auto Populated
Delivery Challan/Invoice Details	Details of Delivery Challan or Invoices Details	Text-Field
Delivery Location	Delivery Location	Text-Field
Invoice File Upload	Invoice Details Uploaded	File-Upload
Received Items Confirmation		
Declaration by Indenter		
Declaration	Quantity received as per order	Checkbox
	Quality matches the specification	Checkbox
	Vendor invoice and delivery note checked	Checkbox
Inspection Remarks		
Inspections Remarks	Inspection Remarks by Indenter	Text-Field
Indenter Signature	Digital Signature	Signature
Date	Date of issuing GRN	Auto Filled

Received Items Confirmation				
Sr.No.	Description of Items	Quantity Ordered	Quantity Received	Inspection Remarks
Auto Generated	Text-Field	Numeric-Field	Numeric-Field	Text-Field

(*The above fields are taken as per the understanding from the policy. Change in fields can be done as per the requirement.)

Step 6: Purchase Payment Processing

Once the GRN is processed, the PPGS will be automatically generated and will route to the CFO for approval.

PPGS Form:

Field	Description	Field Type
Indentor's Details		
Name	Name of the Indentor	Auto Populated
Employee ID	Indentor ID Number	Auto Populated
Email ID	Indentor Email ID	Auto Populated
Indent Date	Date of Requisition Submission	Auto Populated
Delivery Acknowledgement		
Delivery Date	Delivery Date	Auto Populated
PRF Reference Number	Purchase Requisition Form Reference Number	Auto Populated
Purchase Order Number	Purchase Order Number	Auto Populated
Delivery Challan/Invoice Details	Details of Delivery Challan or Invoices Details	Auto Populated
Invoice File Upload	Invoice Details Uploaded	Auto Populated
Received Items Confirmation		
Declaration by Indentor		
Declaration	Quantity received as per order	Auto Populated
	Quality matches the specification	Auto Populated
	Vendor invoice and delivery note checked	Auto Populated
Inspection Remarks		
Inspections Remarks	Inspection Remarks by Indentor	Auto Populated
Indentor Signature	Digital Signature	Auto Populated
Date	Date of issuing GRN	Auto Populated

- CFO Approval

Field	Description	Field Type
PPGS Details (Auto-Populated)		
CFO Approval		
CFO Name	CFO Details	Auto Populated
Approval Status	Approved/Rejected	Dropdown
Comments	Optional Remarks from the CFO	Text Field
Date of Approval	Date of Decision	Auto Filled

- CEO/COO/Project Director(s) Approval

Field	Description	Field Type
PPGS Details (Auto-Populated)		
CFO Approval		
CFO Name	CFO Details	Auto Populated
Approval Status	Approved/Rejected	Auto Populated
Comments	Optional Remarks from the CFO	Auto Populated
Date of Approval	Date of Decision	Auto Populated
CEO/COO/Project Director(s) Approval		
CEO/COO/Project Director(s) Name	CEO/COO/Project Director(s) Details	Auto Populated
CEO/COO/Project Director(s) Status	Approved/Rejected	Dropdown
Comments	Optional Remarks from the CEO/COO/Project Director(s)	Text Field
Date of Approval	Date of Decision	Auto Filled

- Payment Processing by Finance Team
Once the PPGS is reviewed and approved by CFO & CEO/COO/Project Director(s), the finance team will initiate the payment of the vendor.

Field	Description	Field Type
PPGS Details (Auto-Populated)		
CFO Approval (Auto-Populated)		
CEO/COO/Project Director(s) Approval (Auto-Populated)		
Total Payable	Total Amount Payable	Numeric Field
Payment Mode	NEFT/RTGS	Radio Button
Payment Transaction Attachment	Pending/In Process/Completed	Dropdown
Remarks by Finance Team	Additional Notes if required	Text Field
Payment Date	Date of processing payment	Auto-Filled

Step 7: Goods Purchased from Online Procurement Sites/Direct Market Purchases

In case of the Goods are being purchased from the online procurement sites or direct market purchases (with value less than Rs.5 Lakhs including Taxes), the payments may be made in advance through internet banking facility, any other identical electronic mode. The reimbursement of such cases can be done through ERP upon production of Tax Invoice and Proof of Payment.

Reimbursement Form

Field	Description	Field Type
Indentor's Details		
Name	Name of the Indentor	Auto Populated
Employee ID	Indentor ID Number	Auto Populated

Field	Description	Field Type
Email ID	Indentor Email ID	Auto Populated
Purchase Details		
Date of Purchase	Date of Purchasing	Calendar Picker
Purchase Source	Details of online procurement sites or direct market purchases	Text-Field
Purpose of the Purchase	Description why purchase was made	Auto-Populated
Invoice Details	Invoice Details -	File Upload
Approval Reference Document	ERP approval or email approval if applicable	Auto-Populated
Goods/Services Purchased		
Payment Details		
Mode of Payment	Details of Mode of Payment	Radio Button with Text-Field for Other
Amount Paid (INR)	Amount Paid for Purchase	Numeric-Field
Date of Payment	Date of Payment	Calendar Picker
Vendor Name	Vendor/Supplier Name	Text-Field
Payment Reference Number/Transaction Number	Payment Reference Number/Transaction Number	Alphanumeric-Field
File Upload		
Purchase Invoice/Tax Invoice		File Upload
Proof of Payment (Bank Statement/Screenshot/Email Confirmation)		File Upload
Delivery Confirmation (if applicable)		File Upload

Step 8: Maintenance of Records - Stock Register

The Company shall maintain a record of all purchases in the Stock Register in the ERP System. The maintenance of each purchase will be recorded automatically in stock register after each purchase process completion.

Stock Register Form (Recorded Automatically)

Field	Description	Field Type
Entry Details		
Entry ID	Unique Identifier for the stock entry	Auto Generated
Stock Entry Date	Date when the item is entered in the stock register	Auto Generated
Register Type	Type of register being updated (Consumables / Fixed Assets)	Auto Generated
Purchase Identification		
Purchase Order No./Invoice No.	PO number associated with the item	Auto Generated
Invoice Number	Tax Invoice number for reference	Auto Generated
Invoice/PO Date	Date on the invoice or purchase order	Auto Generated

Field	Description	Field Type
Indentor Name	Indentor Name	Auto Generated
Indentor Department/Project	Department/Project of Indentor	Auto Generated
PRF Approval Date	Date when the PRF was approved	Auto Generated
Approving Authority	Details of Approving Authority (COO/CEO/Purchase Committee)	Auto Generated
Item Details		
Item Serial Number	Serial number for each line item	Auto Generated
Item Description	Description of the goods/services procured	Auto Generated
Quantity	Number of units received	Auto Generated
Unit Price	Cost per unit of the item	Auto Generated
Total Cost (Incl. Taxes)	Final cost per item	Auto Generated
Program/Project Allocation		
Project Name	Name of the project or program for which purchase was made	Auto Generated
Project Code	Unique Project Code	Auto Generated

Step 9: Purchases with Quotation

For purchases between Rs. 16,000 and Rs.5,00,000, the indentor will be required to fill the PRF with suggested suppliers (minimum 3) if there are already in the system. If the suggested suppliers/vendors are not available in the system, the indentor can submit the PRF without filling the required details of suggested suppliers.

Step 10: Role of Purchase Manager

The designed purchase manager can fill the required details of suggested suppliers, if not already in the system by registering the vendors.

For the details and required fields for vendor registration, the above fields from Step 3 can be used. The approver for the vendor registration will be COO or designated purchase manager.

After filling the suggested suppliers' details, the COO or designated purchase manager can approve the PRF, and the suggested suppliers will be notified via email and ERP for asking for their quotation against the requirement. There will be a provision for suppliers to upload their quotation in form of a document file.

Note: The credentials for the suggested suppliers will be sent over email once their registration is completed and approved by Purchase Manager.

Field	Description	Field Type
Details of Required Items		
Delivery Details		
Supplier Details		
Quotation Details		
Quotation ID	Quotation ID Number	System-Generated

Field	Description	Field Type
Quotation File	Original Supplier Quotation Document	File Upload
Version Number	Version Number of the Quotation Submission	System-Generated (Auto-Incremental)
Remarks/Comments	Any additional comments/remarks	Text-Field
Quotation Date	Date of Quotation Submission	Auto Generated
In Case of Re-Submission of Quotation		
Superseded Status	In case of Re-submission the status will automatically change to Yes/No	Auto-Generated
Re-Submission Checkbox	Indicative for re-submission	Checkbox (Yes/No)
Re-Submission Reason	Supplier Justification	Text-Field
Re-Submission Date	Date of Quotation Re-Submission	Auto-Generated

Audit Trail: System logs DateTime, and User for each upload. Previous versions remain stored and viewable but are marked as Superseded once a new version is uploaded.

Step 11: Selection of Supplier

The supplier shall be selected based on the quotations received. Upon final selection, all non-selected suppliers shall be marked as rejected within the system, and automated notifications shall be sent to respective suppliers via email and ERP.

In the event of a quotation re-submission:

- Before completion of offline evaluation: The latest uploaded version shall automatically supersede the previous version for manual review.
- After commencement of committee evaluation: The Purchase Manager shall be prompted to decide whether to:
 - Accept Revised Quotation: The evaluation process shall be restarted offline, and the ERP shall record and store the new version.
 - Reject Revised Quotation: The earlier evaluation process shall remain valid, and the ERP shall issue a rejection notification to the supplier.

Step 12: Purchase Order

Following completion of the supplier selection process, a Purchase Order (PO) shall be prepared and finalized strictly based on the final accepted version of the quotation. The PO document, once approved and signed, shall be uploaded in the ERP against the corresponding supplier selection record. The selected supplier shall receive an automated notification through email and ERP regarding the issuance of the PO.

4. Key Stakeholders

- Indentor
- Project Director
- Project Co-Director
- CEO
- COO
- CFO

- Purchase Committee
- Purchase Manager
- Finance Team
- Vendors