

Subject:- Limits for issue of PO / WO/RO.

1. Purchase database is being used to make all purchases. All purchases must be made using the database by issuing of PO/WO or RO. Material cannot be purchased without a PO/WO/RO.
 - a. Cash/expense card purchases – PO must be issued, cash collected from accountant/paid by expense card, material purchased by purchase assistant and accounts to be squared off by every Saturday.
2. However, the following items can be purchased or contracts given without PO/WO/RO.
 - a. Building material at rates published on monthly basis by purchase division. Project managers may order material as per their requirement from approved suppliers. Project managers to take permission from purchase in case of change in rate or purchase from supplier/vehicle not approved (by email only).
 - b. Contractors may be given labour contracts without PO/WO as per guideline rates issued.
 - c. Files, visiting cards, ID cards, etc.
 - d. Computer peripherals for repairs and maintenance (less than Rs. 1,000/- in value).
 - e. Stationary and miscellaneous purchases by Admin department upto Rs. 1,000 in value.
 - f. Items purchased upto to Rs. 5,000/- in value with written approval of MD.
 - g. Purchase of stamp papers (only Rambabu & Kanaka Rao shall be authorized to purchase stamp papers).
 - h. Issue of public notice (Can only be authorized by Kanaka Rao).
 - i. Franking charges (can only be authorized by Kanaka Rao Or Prabhakar Reddy).
 - j. Courier charges upto Rs. 1,000/-. Above Rs. 1,000/- approval is required from Kanaka Rao or MD.
3. 2 copies of PO/WO/RO must be printed, one for supplier and one office copy which is to be attached with the bill and sent to accountants for payment. Office copy of purchase order shall be filed in the pending bills file, till such time bills are received. Office copy of purchase order must be bar coded. Original requisition to be attached to office copy of PO/WO/RO.
4. All requisitions to be approved as follows:
 - a. Requisition for material to be supplied from SSLLP – Minish to approve all requisitions less than Rs. 1 lakh. MDs approval on requisition not required.
 - b. Requisition for material procured from other suppliers other than SSLLP – Minish to approve requisitions upto Rs. 25,000/- provided it is a regularly ordered item from long standing suppliers. MDs approval on requisition not required.
 - c. All technical items like pumps, equipment, non-standard items, lifts, generators, etc., to be approved by MD.
 - d. Requisition for purchase of items for replenishing stock of SSLLP upto a value of Rs. 2 lakhs – Minish to approve, MDs approval not required.
 - e. MD to approve all other requisitions.
5. The following limits for signing the PO/WO/RO shall be followed (Pos/WOs may be exempt, but all requisitions must be approved, even after issue of PO/WO).

S No	Purchase Order Value	Authorized Signatory
1.	Cement purchases – all major projects and for repairs and maintenance	Minish to negotiate and order cement without any approval provided the price is within +/- Rs. 10/- from the last approved price. PO may be issued. However, requisition and PO copy must be sent to MD for approval within one working day.
2.	Steel purchases for Tor steel	Minish to negotiate and order steel without any approval provided the price is within +/- Rs. 1/- per kg from the last approved price, subject to a limit of 10 tons. PO may be issued. However, requisition and PO copy must be sent to MD for approval within one working day.
3.	Steel purchases including binding wire, pipes, L angle, solid rods, Z angles, etc	Minish to negotiate and order steel without any approval provided the price is within +/- Rs. 2/- per kg from the last approved price, subject to a limit of one ton. PO may be issued. However, requisition and PO copy must be sent to MD for approval within one working day.
4.	RMC, solid blocks purchases – All projects – no limit	Monthly rates to be prepared and approved by MD. No additional approval is required. Approval is required in case of change in rates. Requisitions to be approved by MD after issue of PO within one working day, upto Rs. 2 lakhs.
5.	Items for replenishing stock of SSLLP like granite, etc.	Minish to negotiate and order such materials upto a limit of Rs. 2 lakhs. PO may be issued. However, requisition and PO copy must be sent to MD for approval within one working day.
6.	All items for replenishing stock of SSLLP not falling in the scope of Minish	Prabhakar to negotiate and order such materials upto a limit of Rs. 2 lakhs. PO may be issued. However, requisition and PO copy must be sent to MD for approval within one working day.
7.	Water proofing	Minish – issue WO as per guideline rates upto a value of Rs. 1 lakh. However, requisition and PO copy must be sent to MD for approval within one working day.
8.	Modular kitchens, wardrobes & other furniture where guideline rates have been issued.	Prabhakar must take authorization on rate and supplier along with credit terms from MD. He may sign the PO after such an approval for these projects.
9.	Online purchases.	Prabhakar can directly make online purchases upto Rs. 5,000/-.
10.	All POs/WOs/ROs related to promotions for purchase of material /items upto Rs. 5,000/-	Promotions in-charge. Approval of M.D. on estimate sheet or draft P.O. is required for all POs/WOs/ROs. Promotions in-charge can sign the WO/PO/RO.
11.	All POs/WOs/ROs related to ads in print media upto Rs. 30,000/-	Promotions in-charge. Approval of M.D. on estimate sheet or draft P.O. is required for all POs/WOs/ROs. Promotions in-charge can sign the WO/PO/RO.

12.	All POs/WOs/ROs related to printing of flyers / brochures upto Rs. 25,000/-	Promotions in-charge. Approval of M.D. on estimate sheet or draft P.O. is required for all POs/WOs/ROs. Promotions in-charge can sign the WO/PO/RO.
13.	All POs/WOs/ROs not mentioned above or exceeding limits mentioned above.	MD.
14.	Repairs and maintenance of equipment	Prabhakar/Minish may approve requisitions / PO/payments upto limit of Rs 5,000/-. Beyond that MDs approval is required.

6. Limits for approval of credit to supplier/bills related to purchase orders/ work orders/release orders is as follows:-

Sl. No.	Value of bills	Authorised Signatory
1.	Bills upto Rs. 10,000/- in value, from approved suppliers, can be approved for payment	Mr. Bhaskar, Mr. Dakshinamurthy, Goushee, Mr. Prabhakar or Mr. Minish
2.	Bills upto Rs. 1,00,000/- in value, from approved suppliers, can be approved for payment	Mr. Prabhakar or Mr. Minish
3.	All bills related to promotions upto Rs. 5,000/-	Promotions in-charge
4.	Limit for steel shall be Rs. 5 lakhs, for cement Rs. 2 lakhs and for RMC Rs. 4 lakhs.	Minish
5.	All technical items which are not part of standard purchases to be sent to Soham for approval.	MD
6.	All bills above these limits	MD. Such advice for payment should be approved by Purchase Manager.

7. Accountants must approve advise for credit to suppliers/contractors. In case of PO/WO/RO exceeding Rs. 25,000/- signature of Accounts Manager on advice must be taken. Accountants must ensure that the purchase order, DC, bill are appropriately tallied and signatures of purchase officer/purchase manager/MD is taken on the appropriate advice.
8. Cash vouchers to be approved Minish/Prabhakar upto Rs. 1,000/-. Thereafter MDs approval is required.
9. In normal course payments to suppliers based on available credit balance shall be decided by MD on every Friday. Purchase managers may recommend payment to be released only in exceptional circumstances to a supplier by sending email to MD by Thursday. Credit balances must be confirmed for making such a request.

Managing Director.