




**Bangladesh Power Development Board**  
**INTEGRATED MANAGEMENT SYSTEM**  
**(BASED ON ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018**  
**STANDARDS)**

**OPERATIONAL PROCUREMENT POLICY**

	<b>INTEGRATED MANAGEMENT SYSTEM</b>	Document No.: BPDB-IMS-PR-052
	<b>OPERATIONAL PROCUREMENT POLICY</b>	Revision No.: 00 Effective Date: 01-11-2021 Page 2 of 6

## 1. Purpose

The purpose of this policy is to set out general principles and guidelines for the procurement of all material and services requirement by Bangladesh Power Development Board (BPDB).

This policy drives the code of procurement for all belongings & services for BPDB according to Group Procurement Policy along with Code of Conduct. This policy will give synergy to all cross-functional wing to get right product from right place with right time considering factual price. Procurement team shall demonstrate & harmonize among the departments of BPDB regarding purchasing of goods & services. It will work as an independent department & POC as & when required for all tasks (e.g., sourcing, tendering etc.). This policy has the essence of Group procurement policy & in accordance with code of conduct.

## 2. Scope:

This policy covers procurement of all material and services, general office procurement, procurement related to CSR, IT procurement and engagement of professional services, including capital expenditure (Capex) and operating expenditure (Opex). This policy will also apply to procurement for project development, fuel and spares.

## 3. Terms, Definition

None

### Abbreviations

**BPDB** – Bangladesh Power Development Board  
**POC** - Point Of contact  
**CSR** - Corporate Social Responsibility  
**ITB** - Invitation to Bid  
**End user** - Requester for goods & services.  
**PM** - Project Manager  
**Capex** – Capital Expenditure  
**Opex** – Operating Expenditure  
**MSDS** – Material Safety Data Sheet

## 4. Roles and Responsibilities


None

## 5. Procurement Process

### 5.1 General Procurement

#### 5.1.1 Issuance of Manual PR:

Prepared By		Approved By	
Reviewed By			

	<b>INTEGRATED MANAGEMENT SYSTEM</b>	Document No.: BPDB-IMS-PR-052
	<b>OPERATIONAL PROCUREMENT POLICY</b>	Revision No.: 00 Effective Date: 01-11-2021 Page 3 of 6

- End user's shall raise manual PR with considering details specifications, approved drawing, MSDS, machine name plate photo (where applicable), safety stock, approved budget with cost center along with respective department head as well as plant manager approval. Apart from manual PR form, any types of purchase request through email, oral discussion etc. will not acceptable to proceed further.
- For non-catalogue products & services (e.g. CSR activity {products which requires to execute}, charity & so on), tasks executing department shall issue manual approved PR along with detail scope of work where products & services should clearly mention.
- Procurement person will take around five workdays to review the manual PR after final approval & may ask end users if s/he has any inquiry to quantify the same.

#### 5.1.2 Collection of Quotation


For regular goods & services, usually quote collected from enlisted vendors.

5.1.3 For OEM/Exclusive or sole Distributor of OEM, single quote will be applicable.

#### 5.1.4 Through RFQ:

- 5.1.4.1 RFQ followed by PR. Apart from that T&C for different products & services along with closure out of submission should mention.
- 5.1.4.2 RFQ usually contains such information like delivery location, delivery schedule, preferred currency of quotation, payment mode, awarding criteria, POC (Point of Contact) & so on.
- 5.1.4.3 For specialized service like charity service to vulnerable people, medical camp arrangement, unskilled/non mgt. manpower supply RFQ might send to one service provider.
- 5.1.4.4 In Regular case RFQ shall send to at least 3 vendors for procurement & service if material/service procurement value is above BDT 6,00,000 (\$1=BDT 84). Below of that value i.e. BDT 6,00,000 RFQ need to be in place but it is not mandatory to go for 3 quote
- 5.1.4.5 For local catalogue consumables (i.e. Toner, Stationary etc.) value is above BDT 2,00,000 (\$1=BDT 84)
- 5.1.4.6 If sufficient quote will not receive in due course, then quotation submission date may extend with taking consent from end users' or higher mgt.
- 5.1.4.7 For repeated purchases/renewal of service/goods with the same vendor (with same price), an evaluation on performance will be conducted at least once every 12 months after the first renewal
- 5.1.4.8 For repeated purchases/renewal of services/goods with the same vendor (with the increase of price), competitive pricing will be conducted with an

Prepared By		Approved By	
Reviewed By			

	<b>INTEGRATED MANAGEMENT SYSTEM</b>	Document No.: BPDB-IMS-PR-052
	<b>OPERATIONAL PROCUREMENT POLICY</b>	Revision No.: 00 Effective Date: 01-11-2021 Page 4 of 6

evaluation on performance at least once every 12 months after the first renewal.

5.1.4.9 Always cheaper quote against RFQ doesn't give any notion that material or service will be up to the mark, it can be a penetration strategy, so sometimes other bidders' may be awarded due to logical reasoning.

5.1.4.10 Against RFQ, received technical offer will send to user dept. for vetting & selection, on the other hand commercial offer reviewed by procurement.

**5.1.5 Through Tender:**

5.1.5.1 Above BDT 2, 00, 00,000 valued procurements/service; tendering process will float. It may close or open tender.

5.1.5.2 Tender committee should form along with respective PM, user dept., finance & procurement wing.

5.1.5.3 Starts from pre-qualification bid with taking consent from PM/users', procurement will float the same to prescribed vendors.

5.1.5.4 Recommended qualified vendors' by PMT & users department shall eligible to get Invitation to Bid (ITB).

5.1.5.5 After getting bid proposal, committee will open the submitted tender document & finalize the rank of the participated bidders. Vendor shall provide technical & commercial offer in separate attachment to avoid plagiarism. Opening of tender documents should be witnessed and signed off by a representative from an independent department (using a Bid Opening Recording form).

5.1.5.6 Technical proposal evaluated by PM & users' wing by setting their own criterion. On the other hand, commercial proposal also evaluated by PM, finance & procurement wing.

5.1.5.7 Based on both technical & commercial evaluation, recommendation shall take place & award vendor with taking approval with signing threshold.

5.1.5.8 Finally go for preparing contract & issue PO.

**5.1.6 Preparation of Comparative Statement (CS)**

5.1.6.1 Sometimes CS will be made based on 2 vendors' if sufficient quote will not get within deadline.


5.1.6.2 Based on offered quote CS will be prepared & accordingly approval authority shall set based on signing threshold.

5.1.6.3 Different Parameters will set for evaluation of CS for different products & services.

5.1.6.4 After CS valuation, PO will be shared with awarded vendor through email or letter.

5.1.6.5 For OEM/exclusive, vendor/distributor CS will not be applicable.

Prepared By		Approved By	
Reviewed By			

	<b>INTEGRATED MANAGEMENT SYSTEM</b>	Document No.: BPDB-IMS-PR-052
	<b>OPERATIONAL PROCUREMENT POLICY</b>	Revision No.: 00 Effective Date: 01-11-2021 Page 5 of 6

### 5.1.7 Issuance of PR through SAP:

After receiving manual approved PR from user, procurement department shall start sourcing from competitive bidder's & prepare CS accordingly. After selecting, the prospect vendor, procurement department shall inform user department to raise PR with details line item is SAP by providing all the relevant information.

### 5.1.8 Issuance of PO through SAP:

After receiving PR from SAP, procurement department will convert the PR to PO & release it through approval process. After approval of PO, procurement department will circulate the PO to the awarded vendor along with supplier code of conduct for acknowledgement.

### 5.2 Emergency/Urgent Procurement

5.2.1 Request shall generate through dept. head/plant head with proper justification from email. Based on that PO will generate. This is not mandatory to collect 3 quotation for urgent/emergency procurement. Whatever quotation collect in due course, based on that evaluation & finalize vendor to get award. Such types of procurement cannot be more than 10% of total raised PR in a year.

5.2.2 Direct communications by telephone or e-mail can be used to check the availability of the requested material, give the go ahead to the vendor to supply the material with the consent of the end user, but at later stage, all shall be normalized through the system. In accordance to Group Procurement Policy, PR/PO should be created in SAP within 10 days from date of request (emergency/urgent procurement request).

### 5.3 Vendor Performance Evaluation:

The evaluator assigns the score to each supplier performance in each attribute and then the score will be multiplied by the assigned weight of each factor. Finally, the weighted score will be totaled to find out the final performance rating of each supplier. The supplier who obtains highest score will then be the best performer. Vendor performance evaluation shall be applicable subsequently every two years.

## 6. References

ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018

## 7. Appendix

- a) Vendor Evaluation Form
- b) Vendor Pre-qualification Form

Prepared By		Approved By	
Reviewed By			



# INTEGRATED MANAGEMENT SYSTEM

## OPERATIONAL PROCUREMENT POLICY

Document No.:  
BPDB-IMS-PR-052

Revision No.: 00

Effective Date: 01-11-2021

Page 6 of 6

### 8. Revision History

SI No.	Revision Number	Section	Change Made	Date of Revision

---

Prepared By		Approved By	
Reviewed By			