



INDIAN INSTITUTE OF TECHNOLOGY INDORE

Standard Operating Procedure (SOP) for General payment against direct purchase in Form F-9

- i) Cash payments amounting more than ₹5,000/- should be avoided by the individual. The payment will be made directly to the firm.
- ii) Following should invariably accompany the form :
 - a) Requisite certification by Indenter & HoD as per purchase procedure.
 - b) Stock entry wherever required.
 - c) Financial sanction of the Authority empowered.
- iii) As per recent amendment in Section 26(1) M.P. Vat Act. . Payment / credit to any vendor / supplier for a value of above Rs. 5,000/-, VAT amount is to be deducted from payment to vendor / supplier and the same is to be deposited with Commercial Tax Department of Madhya Pradesh State.

It is advised to all the concerned that any purchase above Rs.5,000/- is to be done on credit basis only and payment of the same shall be made directly by the Institute to Supplier as per general payment procedures of the institute, after deducting VAT.