

PROCUREMENT
PROCESS WITH
VENDOR
INTERACTION
AND
COMPARISON



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Request for Quotation (RFQ) - Introduction

A Request of Quotation (RFQ) is a competitive price quote document used when inviting suppliers or contractors to submit a price quote for products or services where the requirements are standardized or produced in repetitive quantities.

An RFQ is often used for high-volume/low-value items and should be completed more quickly than an RFP. The buyer must provide a technical specification as well as his commercial requirements.



Why we need RFQ Process?

1. RFQ process is a Time-saving Process
2. It eliminates the risk of human errors
3. Price quotes are gathered in a formal, structured, and comparable way from the suppliers on price and quantity.
4. Suppliers understand that there is competition going on.
5. You show that you try to act without a prejudice or with a preferred supplier.



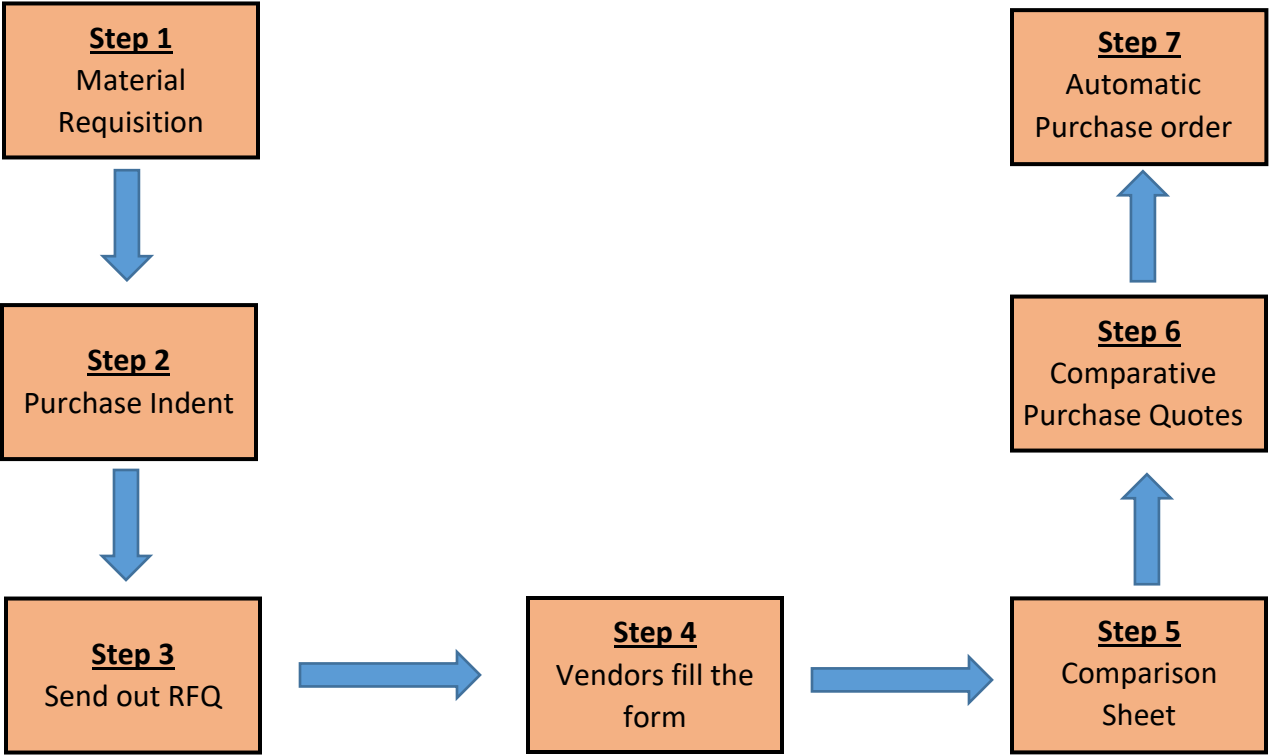
When should you use an RFQ?

An RFQ isn't required for every procurement order. There are certain situations in which a request for a quote is used:

- A pre-qualified list of suppliers exists
- Specific products or services are required, and there is no scope for innovative solutions
- Bulk product quantity is needed on an ongoing basis.
- Standard product specifications without any scope of customization
- There is no requirement for add-on service or maintenance contract

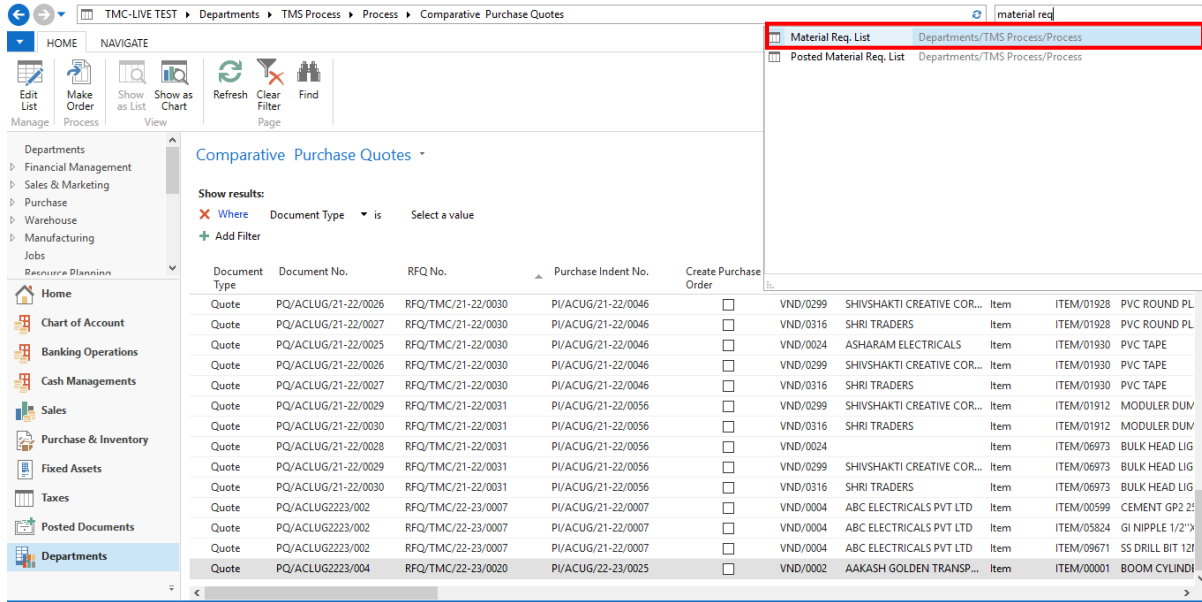


Six - Step RFQ Process

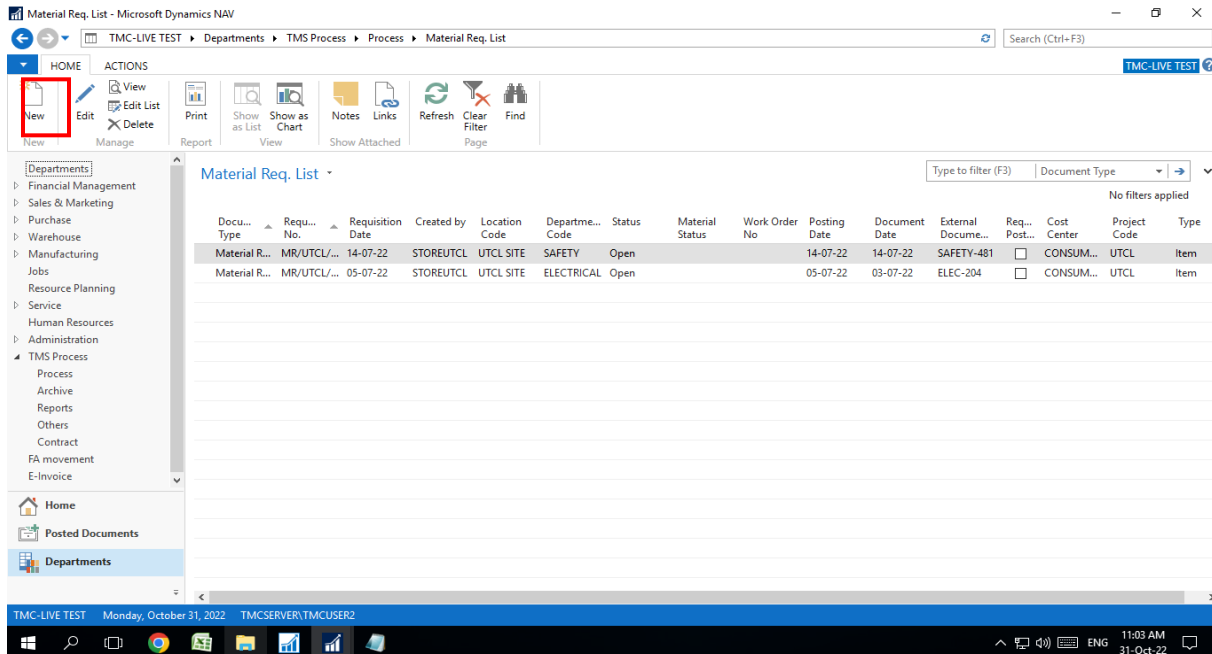


Material Requisition for Purchase Indent –

- Go to the search bar on the top right corner of the window and search – **Material Requisition List**. Click on the required list option.



- The Material Requisition window will appear and Click on New to create a new material requisition.



- Define the required fields on the material requisition. Click on Post & send mail to post and send the document.

MR/ACUG/21-22/0001

General

Requisition No.: MR/ACUG/21-22/0001 Posting Date: 03-12-21
 Requisition Date: 15-09-21 Document Date:
 Created by: ANKITA DWIVEDI External Document No.: VIVEK91225
 Location Code: ACL UG Project Code: ACL OC
 Department Code: ELECTRICAL Cost Center: CEN-WAR
 Status: Open Type: Item
 Work Order No.: TESING FOR DEMO Requisition Posted:

Material Req. Subform

Type	Item No.	Part Number	Description	Description 2	Available Qty.	Required Quantity	Unit Of Measure	Rack/Shelf No.	Location Code	Project Code	Cost Center	Site F
Item	ITEM/0004		HOSE PIPE 3/4X25 MTR		0.00	120.00	PCS		ACL UG	ACL OC	CEN-WAR	
Item	ITEM/0003		HOSE PIPE 1/2X25 MTR		60.00	150.00	PCS		ACL UG	ACL OC	CEN-WAR	

OK

- Now go to the Posted Material Req. List. Select the desired document and click on view.

Posted Material Req. List - Microsoft Dynamics NAV

TMC-LIVE TEST > Departments > TMS Process > Process > Posted Material Req. List

View Show as List Show as Chart Notes Links Refresh Clear Filter Find

Posted Material Req. List

Document Type	Requisition No.	Requisition Date	Created by	Location Code	Department...	Status	Work Order No.	Posting Date	Document Date	External Docum...
Material Requisition	MR/ACUG/22-23/0001	16-05-22	STOREACL...	ACL UG	MECHANI...	Released		16-05-22	16-05-22	
Material Requisition	MR/ACUG/22-23/0002	16-05-22	STOREACL...	ACL UG	CIVIL	Released		16-05-22	16-05-22	
Material Requisition	MR/ACUG/22-23/0003	16-08-22	ANKITA D...	ACL UG	STORE	Released		16-08-22	16-08-22	
Material Requisition	MR/ACUG/22-23/0004	16-08-22	ANKITA D...	ACL UG	CIVIL	Released		16-08-22	16-08-22	SLIP NO 22...
Material Requisition	MR/ACUG/22-23/0005	16-08-22	ANKITA D...	ACL UG	MECHANI...	Released		16-08-22	16-08-22	SLIP NO 00...
Material Requisition	MR/ACUG/22-23/0006	16-08-22	ANKITA D...	ACL UG	MECHANI...	Released		16-08-22	16-08-22	
Material Requisition	MR/ACUG/22-23/0007	30-10-22	TMCSEVE...	ACL UG	CIVIL	Released	TESTING P...	30-10-22	30-10-22	TEST91225

The selected material requisition document will open. Click on Create Material Issue or Create purchase indent (this depends upon the line Available QTY & Required QTY)

If the Available QTY is less than the Required QTY On line - Use the Create Material Issue.

If the Available QTY is greater than the Required QTY - Use the Create Purchase Indent.

View - Posted Material Req. - MR/ACLUG/22-23/0007

HOME NAVIGATE

View Create Material Issue Create Purchase Indent Process

Notes Links Refresh Clear Filter Go to Previous Next

MR/ACLUG/22-23/0007

General

Document Type: Material Requisition

Requisition No.: MR/ACLUG/22-23/0007

Requisition Date: 30-10-22

Created by: TMCSEVER;TMCUSER1

Location Code: ACL UG

Department Code: CIVIL

Status: Released

Work Order No.: TESTING PURPOSE

Posting Date: 30-10-22

Document Date: 30-10-22

External Document No.: TEST91225

Requisition Posted:

Material Issue Created:

Purchase Indent Created:

Project Code: ACL OC

Cost Center: CAPITAL

Type: Item

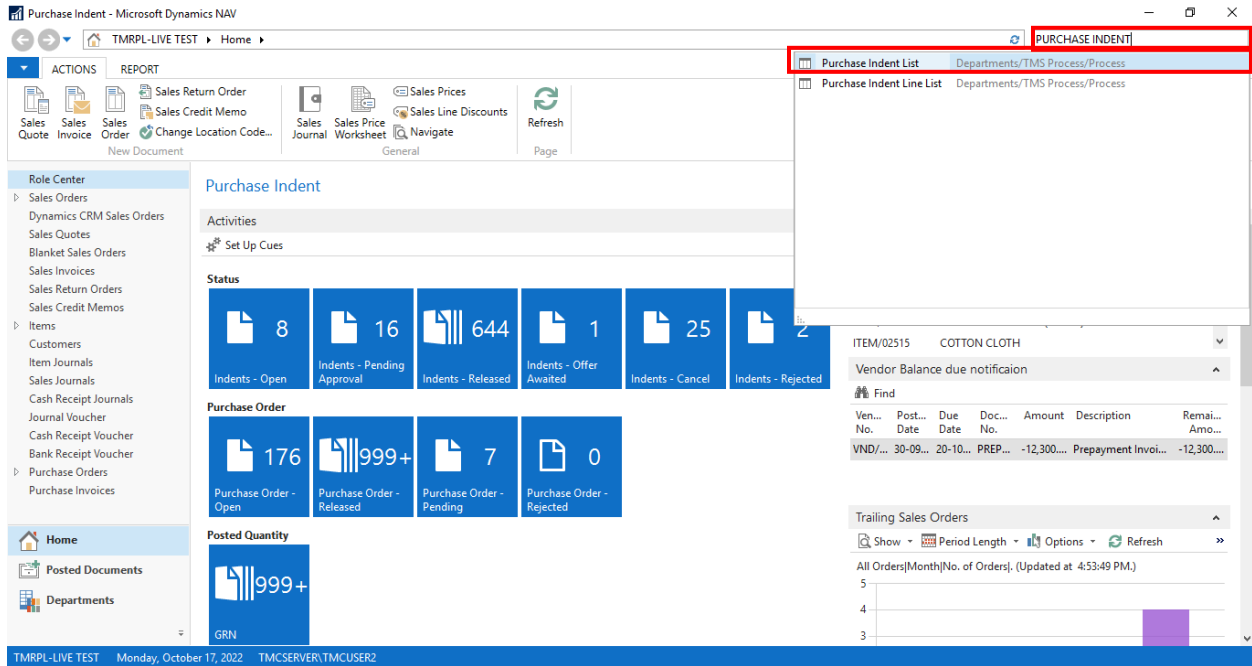
Material Req. Subform

Type	Item No.	Part Number	Description	Description 2	Available Qty.	Required Quantity	Unit Of Measure	Rack/Shelf No.	Location Code	Project Code	Cost Center	Site Rem
Item	ITEM/00001		BOOM CYLINDER HOSE (LC42H01779D...		-50.00	1,000.00	NOS	RM12	ACL UG	ACL OC	CAPITAL	Compan

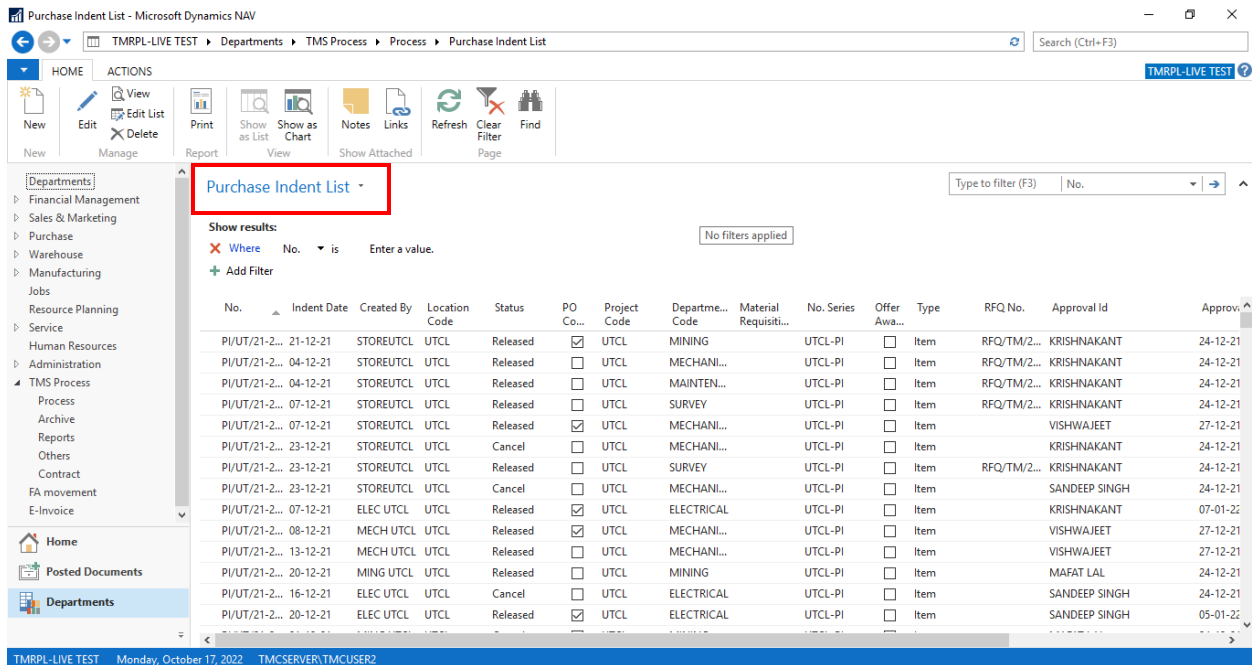
Close

Purchase Indent

- Go to the search bar on the top right corner of the window and search – **Purchase Indent List**. Click on the required list option.



- Purchase Indent List window will appear. You can find all the purchase indents there.



- Select the Purchase indent with **released status**, against which you wish to create a **RFQ (Request for Quotation)** and click on **Edit**.

Purchase Indent List

Show results:

Where No. is Enter a value.

No.	Indent Date	Created By	Location Code	Status	PO Co...	Project Code	Departme...	Material Requiriti...	No. Series	Offer Awa...	Type	RFQ No.	Approval Id	Approv...
PI/UT/21-2...	21-12-21	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	MINING		UTCL-PI	<input type="checkbox"/>	Item	RFQ/TM/2...	KRISHNAKANT	24-12-21
PI/UT/21-2...	04-12-21	STOREUTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MECHANI...		UTCL-PI	<input type="checkbox"/>	Item	RFQ/TM/2...	KRISHNAKANT	24-12-21
PI/UT/21-2...	04-12-21	STOREUTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MAINTEN...		UTCL-PI	<input type="checkbox"/>	Item	RFQ/TM/2...	KRISHNAKANT	24-12-21
PI/UT/21-2...	07-12-21	STOREUTCL	UTCL	Released	<input type="checkbox"/>	UTCL	SURVEY		UTCL-PI	<input type="checkbox"/>	Item	RFQ/TM/2...	KRISHNAKANT	24-12-21
PI/UT/21-2...	07-12-21	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	MECHANI...		UTCL-PI	<input type="checkbox"/>	Item		VISHWAJEET	27-12-21
PI/UT/21-2...	23-12-21	STOREUTCL	UTCL	Cancel	<input type="checkbox"/>	UTCL	MECHANI...		UTCL-PI	<input type="checkbox"/>	Item		KRISHNAKANT	24-12-21
PI/UT/21-2...	23-12-21	STOREUTCL	UTCL	Released	<input type="checkbox"/>	UTCL	SURVEY		UTCL-PI	<input type="checkbox"/>	Item	RFQ/TM/2...	KRISHNAKANT	24-12-21
PI/UT/21-2...	23-12-21	STOREUTCL	UTCL	Cancel	<input type="checkbox"/>	UTCL	MECHANI...		UTCL-PI	<input type="checkbox"/>	Item		SANDEEP SINGH	24-12-21
PI/UT/21-2...	07-12-21	ELEC UTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	ELECTRICAL		UTCL-PI	<input type="checkbox"/>	Item		KRISHNAKANT	07-01-22
PI/UT/21-2...	08-12-21	MECH UTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	MECHANI...		UTCL-PI	<input type="checkbox"/>	Item		VISHWAJEET	27-12-21
PI/UT/21-2...	13-12-21	MECH UTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MECHANI...		UTCL-PI	<input type="checkbox"/>	Item		VISHWAJEET	27-12-21
PI/UT/21-2...	20-12-21	MING UTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MINING		UTCL-PI	<input type="checkbox"/>	Item		MAFAT LAL	24-12-21
PI/UT/21-2...	16-12-21	ELEC UTCL	UTCL	Cancel	<input type="checkbox"/>	UTCL	ELECTRICAL		UTCL-PI	<input type="checkbox"/>	Item		SANDEEP SINGH	24-12-21
PI/UT/21-2...	20-12-21	ELEC UTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	ELECTRICAL		UTCL-PI	<input type="checkbox"/>	Item		SANDEEP SINGH	05-01-22

- **Edit- Purchase Indent** window will open.

Edit - Purchase Indent - PI/UT/22-23/0173

PI/UT/22-23/0173

No.: PI/UT/22-23/0173

Indent Date: 27-06-22

Created By: STOREUTCL

Indenter Name: ANKIT DUBEY

Location Code: UTCL

Status: Released

Project Code: UTCL

Department Code: H.R. ADMIN

Material Requisition No.: [Empty]

Cost Center: CONSUMABLES

Offer Awaited:

Total Amount: 39,600.00

Type: Item

RFQ No.: [Empty]

Approval Id: VISHWAJEET

Approval Date: 28-06-22 11:32 AM

Cancel Remark: [Empty]

Cancel Details

Cancel Order:

Cancel Order DateTime: [Empty]

Cancel User ID: [Empty]

Purchase Indent Subform

Can... Line	Cancel Qty	Type	Item No.	Quantity	Part Number	Description	Description2	Material Requistio...	Available Qty.	Last Purchase Rate	Amc...
<input type="checkbox"/>	0.00	Item	ITEM/14374	4.00		TYRE 215/60R17			0.00	9,900.00	39,600.00

OK

- Go to the purchase indent lines. Scroll towards right on the line and true the Boolean for **Select for RFQ**.
- **Recommended Vendor** – Select the vendors you wish to send this RFQ form. You can enter multiple vendors here.

The screenshot shows the SAP 'Edit - Purchase Indent - PI/UT/22-23/0173' window. The 'Purchase Indent Subform' table is visible with the following data:

Qty to Receive	Unit Cost	Cost Center	Sub Cost Center	Purpose of Item Intended	Site Remarks	PO Created Quantity	PO	Rush Level	A...	Vendor Code	Select for RFQ	Recommended Vendor	Location Code	Project Code
0.00	0.00	CONSUM...		FOR OD19G0892 CRETA		4.00					<input checked="" type="checkbox"/>		UTCL	UTCL

- After selecting the vendors, go to the ribbon and click on **Create RFQ**.

The screenshot shows the same SAP 'Edit - Purchase Indent - PI/UT/22-23/0173' window. The 'Create RFQ' button in the ribbon is highlighted with a red box. The 'Purchase Indent Subform' table is also visible with the 'Select for RFQ' column checked.

RFQ (Request for Quotation) will be created.

➤ Go back to search bar and search for RFQ. Click on the related option.

Purchase Indent List - Microsoft Dynamics NAV

Search: rfq

RFQ Departments/Purchase/Order Processing

Multi RFQ Create Departments/TMS Process/Process

No.	Indent Date	Created By	Location Code	Status	PO Co...	Project Code	Department Code				
PI/UT/22-23/0164	24-06-22	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	MECHANI...	UTCL-PI	<input type="checkbox"/>	Item	KRISHNAKANT
PI/UT/22-23/0165	24-06-22	STOREUTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MECHANI...	UTCL-PI	<input type="checkbox"/>	Item	DEEPTENDU
PI/UT/22-23/0166	24-06-22	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	CIVIL	UTCL-PI	<input type="checkbox"/>	Item	PHALGUNI MUKHERJEE
PI/UT/22-23/0167	06-07-22	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	H.R. ADMIN	UTCL-PI	<input type="checkbox"/>	Item	KRISHNAKANT
PI/UT/22-23/0168	25-06-22	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	MECHANI...	UTCL-PI	<input type="checkbox"/>	Item	PHALGUNI MUKHERJEE
PI/UT/22-23/0169	25-06-22	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	MECHANI...	UTCL-PI	<input type="checkbox"/>	Item	DEEPTENDU
PI/UT/22-23/0170	27-06-22	ELEC UTCL	UTCL	Released	<input type="checkbox"/>	UTCL	ELECTRICAL	UTCL-PI	<input type="checkbox"/>	Item	VISHWAJEET
PI/UT/22-23/0171	27-06-22	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	CIVIL	UTCL-PI	<input type="checkbox"/>	Item	VISHWAJEET
PI/UT/22-23/0172	17-06-22	STOREUTCL	UTCL	Released	<input checked="" type="checkbox"/>	UTCL	MECHANI...	UTCL-PI	<input type="checkbox"/>	Item	PHALGUNI MUKHERJEE
PI/UT/22-23/0173	27-06-22	STOREUTCL	UTCL	Released	<input type="checkbox"/>	UTCL	H.R. ADMIN	UTCL-PI	<input type="checkbox"/>	Item	RFQ/TM/2... VISHWAJEET
PI/UT/22-23/0174	28-06-22	MECH UTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MECHANI...	UTCL-PI	<input type="checkbox"/>	Item	PHALGUNI MUKHERJEE
PI/UT/22-23/0175	29-06-22	STOREUTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MINING	UTCL-PI	<input type="checkbox"/>	Item	VISHWAJEET
PI/UT/22-23/0177	13-07-22	MECH UTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MECHANI...	UTCL-PI	<input type="checkbox"/>	Item	VISHWAJEET
PI/UT/22-23/0178	05-07-22	MECH UTCL	UTCL	Released	<input type="checkbox"/>	UTCL	MECHANI...	UTCL-PI	<input type="checkbox"/>	Item	VISHWAJEET

➤ RFQ window will appear with all the RFQs created. Select the RFQ you just created and click on **Edit**.

RFQ - Microsoft Dynamics NAV

Search (Ctrl+F3)

RFQ Departments/Purchase/Order Processing/RFQ

RFQ No. Type to filter (F3) Limit totals: ..16-10-22

RFQ No.	No.	Buy-from Vendor No.	Buy-from Vendor Name	Vendor Authoriza...	Location Code	Assigned User ID	Purchase Indent No.	Send Mail
RFQ/TM/2122/0001	PQ/UT/21-...	VND/00183	ANKITA		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2122/0002	PQ/UT/21-...	VND/00183	ANKITA		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2122/0003	PQ/UT/21-...	VND/00183	ANKITA		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2122/0004	PQ/UT/21-...	VND/00111	Compu Shoppe		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2122/0004	PQ/UT/21-...	VND/00173	COMPUTER WORLD		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2122/0005	PQ/UT/21-...	VND/00226	RODOMAC INDUSTRIES PVT...		UTCL		PI/UT/21-2...	<input type="checkbox"/>
RFQ/TM/2223/0002	PQ/UT/22-...	VND/00001	Abhishek Aluminium		UTCL		PI/UT/21-2...	<input type="checkbox"/>
RFQ/TM/2223/0002	PQ/UT/22-...	VND/00002	Aditya Hospital		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2223/0002	PQ/UT/22-...	VND/00003	Agrawal Bricks Udyog		UTCL		PI/UT/21-2...	<input type="checkbox"/>
RFQ/TM/2223/0002	PQ/UT/22-...	VND/00004	AGRAWAL INDUSTRIES		UTCL		PI/UT/21-2...	<input type="checkbox"/>
RFQ/TM/2223/0002	PQ/UT/22-...	VND/00005	Anil Kumar Garg		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2223/0002	PQ/UT/22-...	VND/00006	Ansh Technology		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2223/0003	PQ/UT/22-...	VND/00001	Abhishek Aluminium		UTCL		PI/UT/21-2...	<input type="checkbox"/>
RFQ/TM/2223/0004	PQ/UT/22-...	VND/00267	HEAVY EQUIPMENTS PARTS...		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2223/0005	PQ/UT/22-...	VND/00170	SHIV HARDWARE STORES		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2223/0011	PQ/UT/22-...	VND/00169	PROFESSIONAL BOOK DEP...		UTCL		PI/UT/21-2...	<input checked="" type="checkbox"/>
RFQ/TM/2223/0012	PQ/UT/22-...	VND/00001	Abhishek Aluminium		UTCL		PI/UT/22-2...	<input type="checkbox"/>

Vendor Details

Vendor No.: VND/00001

Name: Abhishek Aluminium

Phone No.:

E-Mail: sanjanagoswami25...

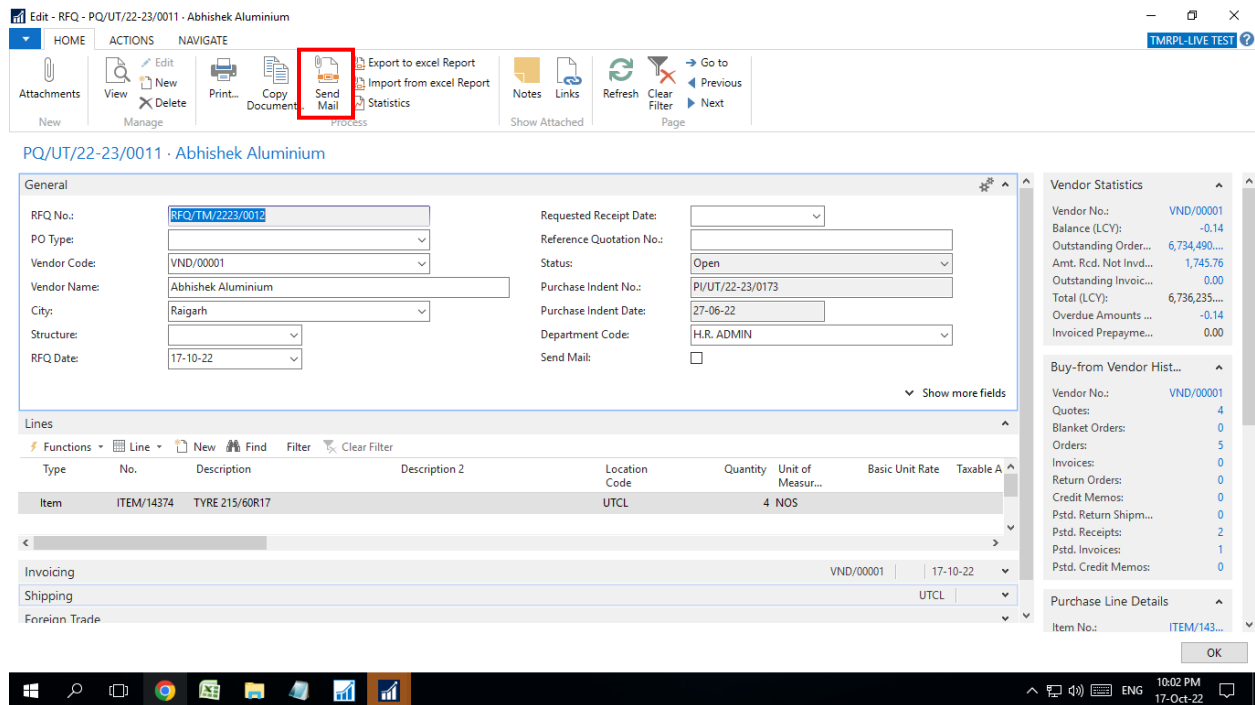
Fax No.:

Contact: 9770200181

Notes

There is nothing to show in this view.

- Edit window will open. Click on **Send Mail** action to send the mail with RFQ form link to all the selected vendors at their mentioned mail.

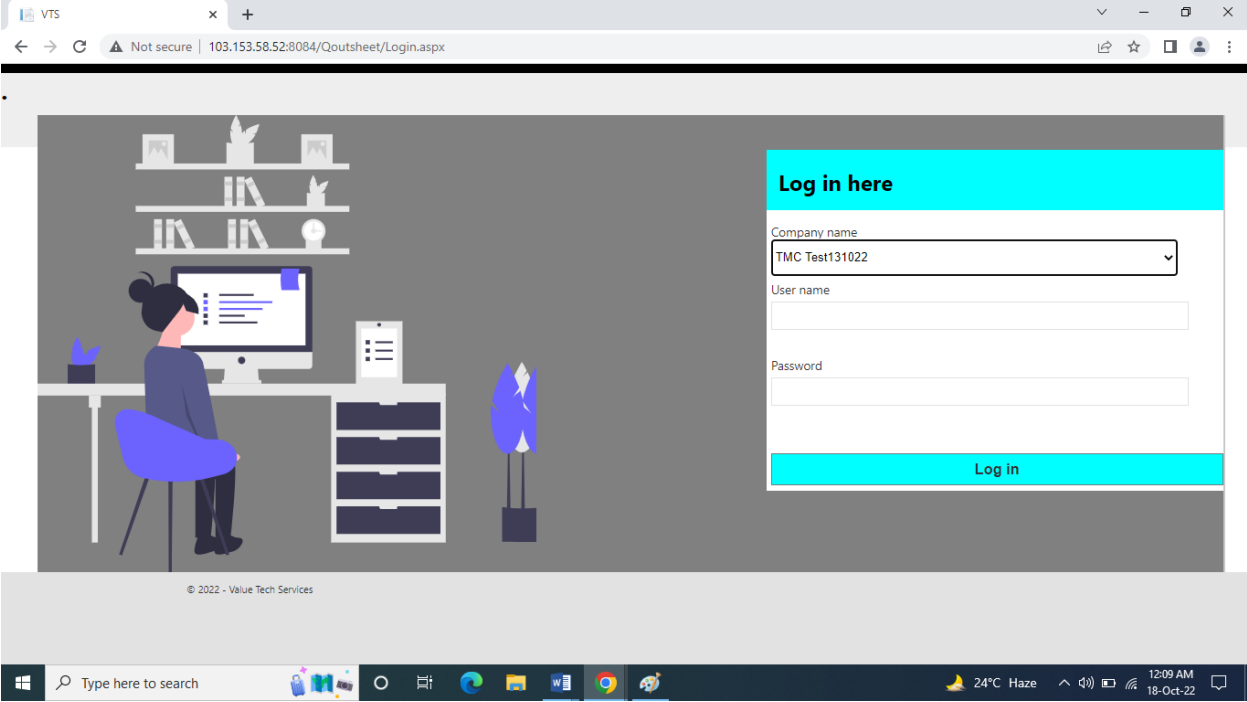


Comparison Sheet

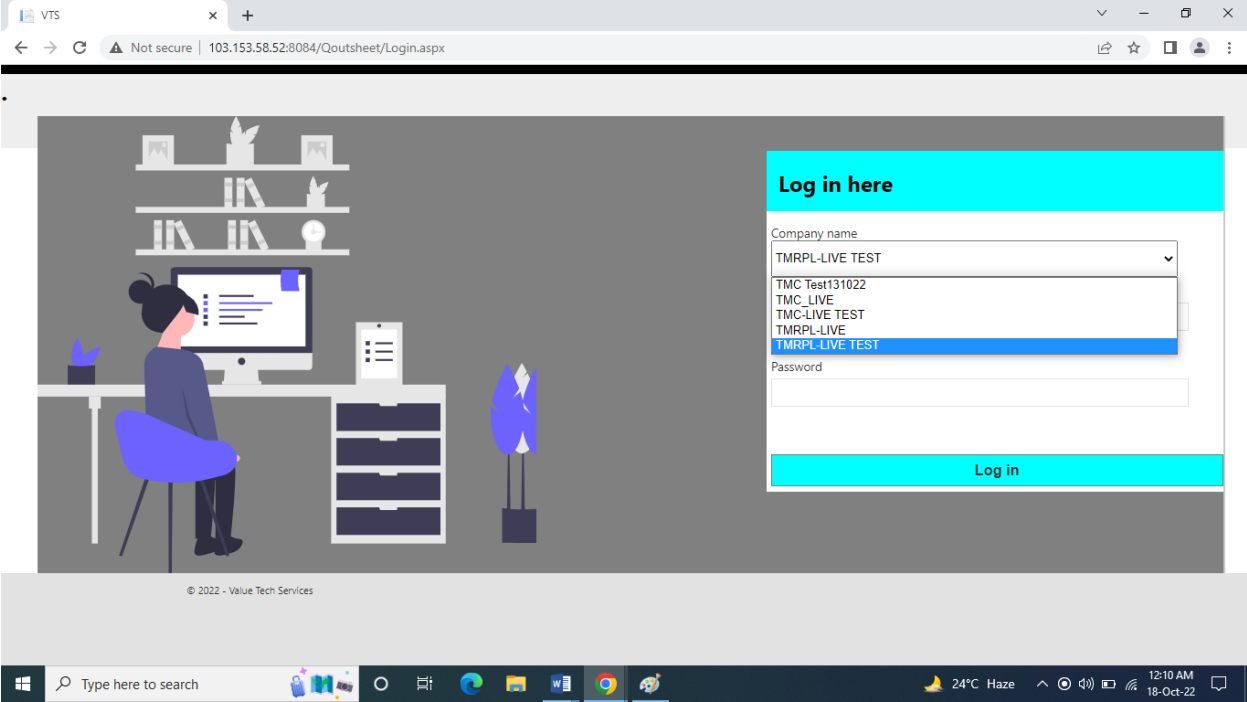
- All the selected **vendors receive a mail** on their respective mail ids.
- There is a link provided in mail. **Click** on that link and it will open RFQ Form in a new tab on browser. That link will be active for a week. All the vendors have to submit the form within that time.
- Vendors will **fill the RFQ form** with their best price for each item along with the information asked for in that form by the company.
- After entering the required details, vendors need to **click on submit** button to submit the form successfully.

➤ You can now view the comparison sheet on the separate portal created for it.

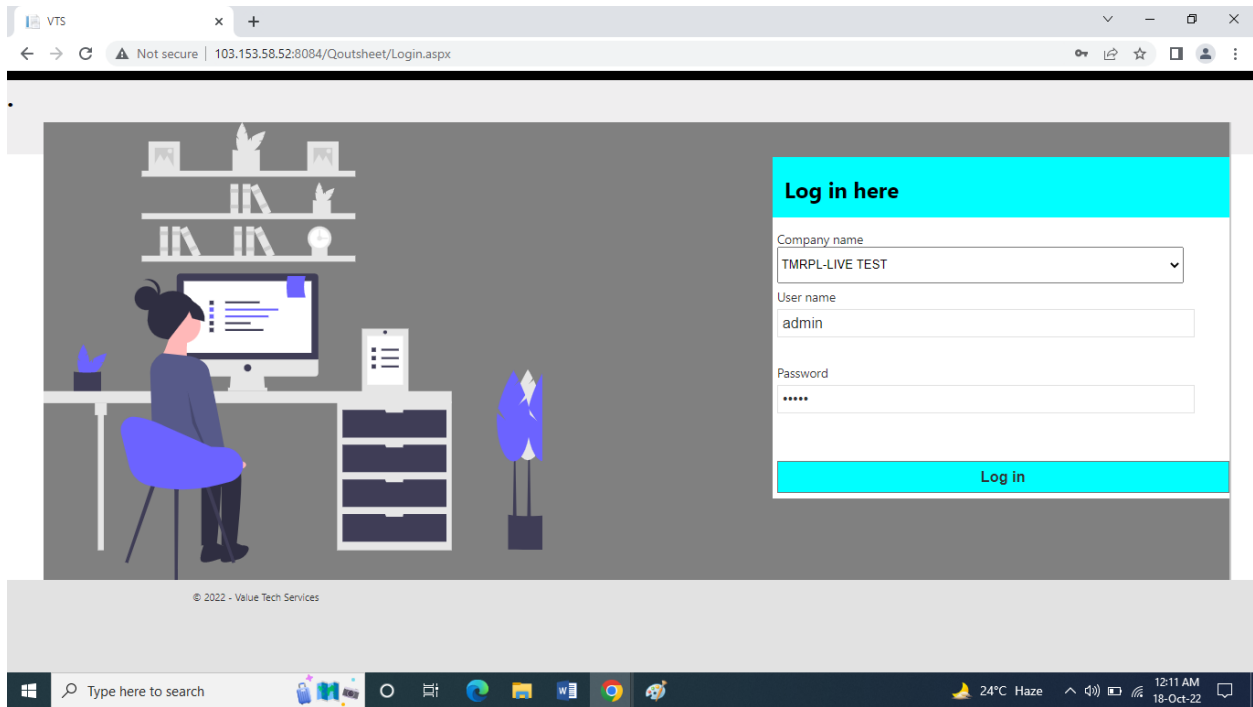
➤ Following is the portal for Comparison sheet.



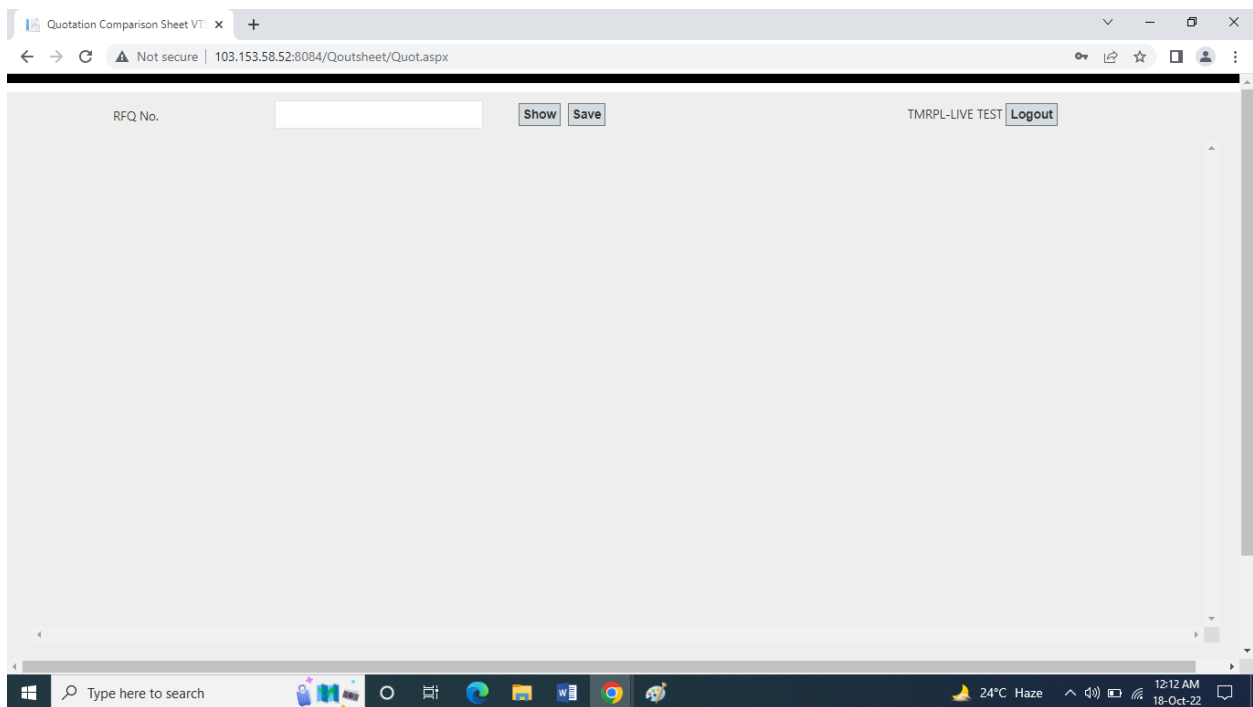
➤ Select your company from the company name list.



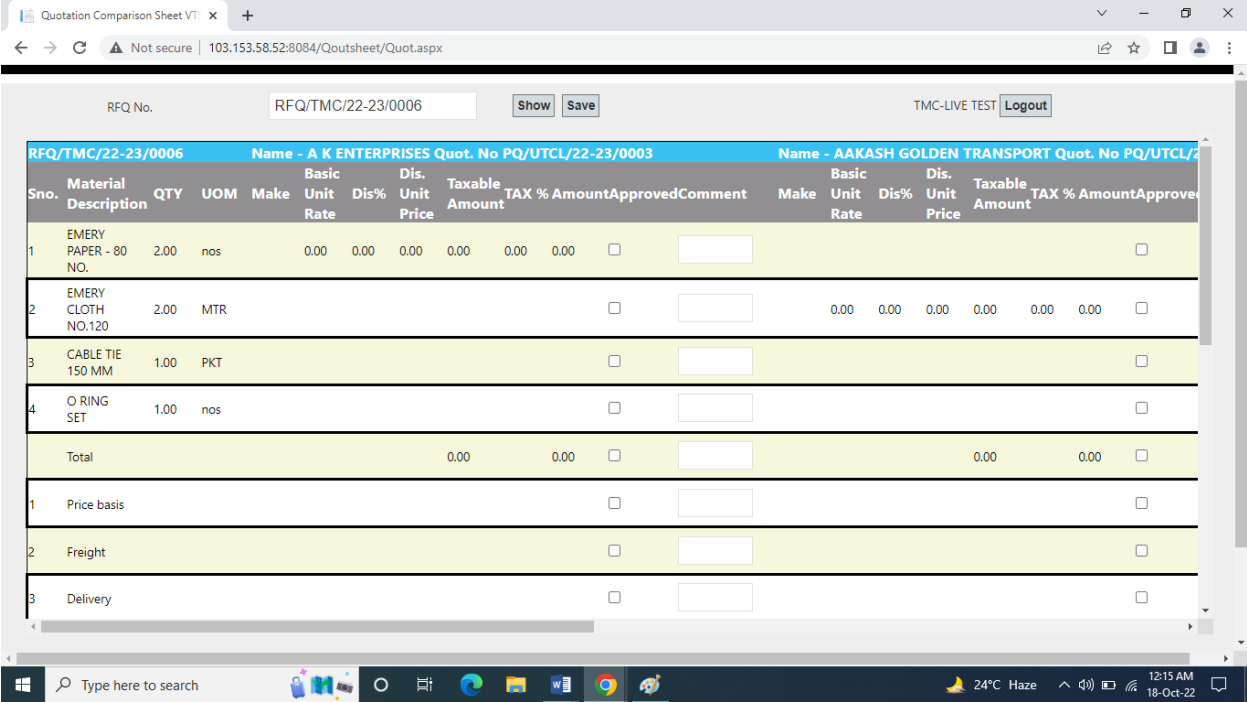
➤ Enter the username and password to log in.



➤ Following screen will appear. You need to enter the RFQ No. to view the comparison sheet.



➤ After entering the RFQ No. the comparison sheet for that RFQ will show.

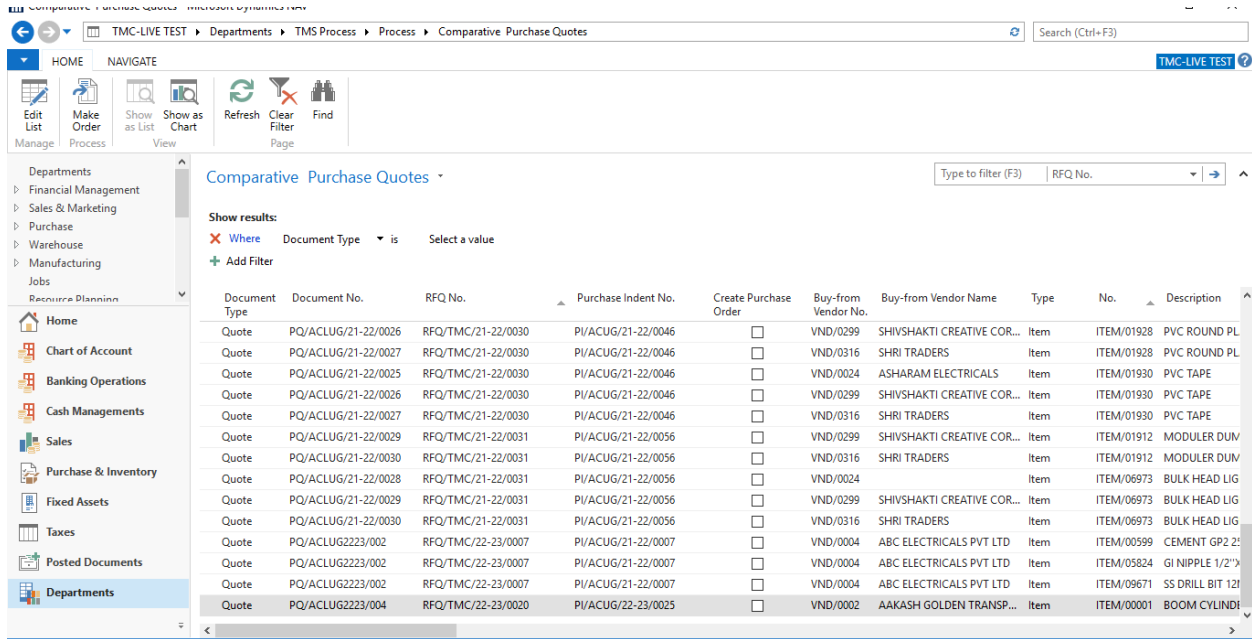


- Analyze the comparison sheet. Select the vendor accordingly and click on submit.
- Once you submit your selection, Microsoft Dynamics NAV (ERP) will automatically fetch the data from the comparison sheet.

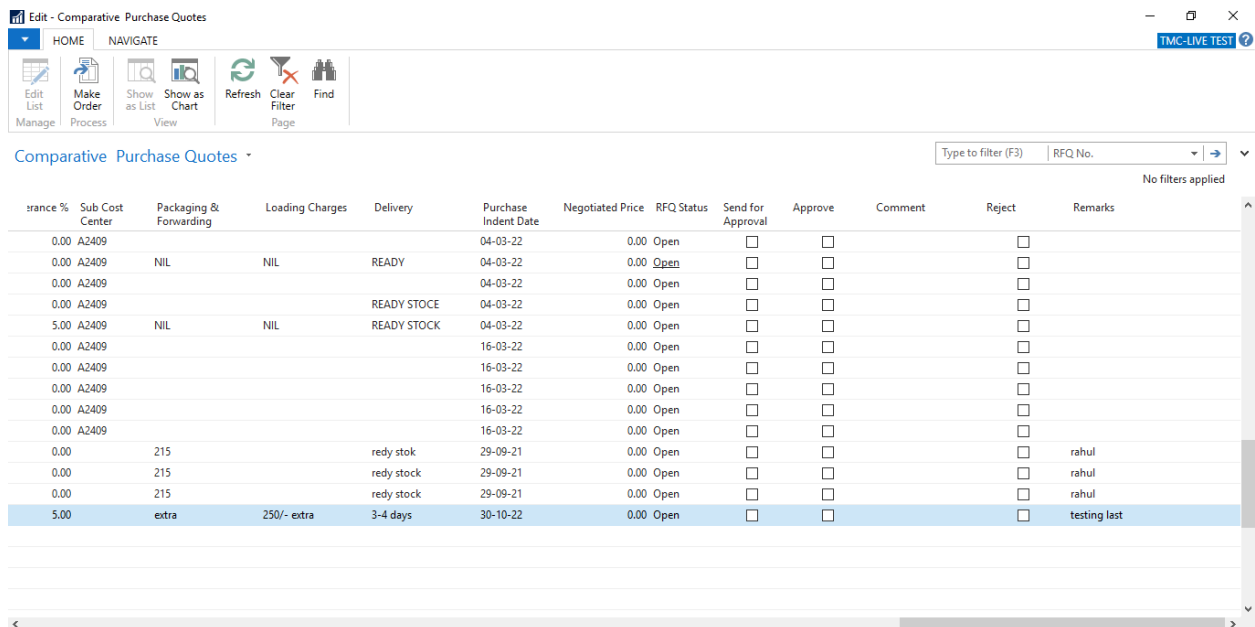
Comparative Purchase Quote

➤ Now go back to your ERP and search for **Comparative Purchase Quotes**.

The following screen will appear.



➤ You can find different fields for different purposes such as **Send for Approval, Approve, Reject & Create Purchase Order Boolean**.



➤ After marking the approval Boolean, fill in the purchase order quantity.

- Mark the **Create purchase order** Boolean to automatically create a purchase order against the selected purchase quote.

The screenshot shows the 'Comparative Purchase Quotes' window in Microsoft Dynamics NAV. A dialog box is open, indicating that a purchase order has been successfully created with order number PO/ACUG/22-23/0035. The background table displays a list of purchase quotes with columns for Document Type, Document No., RFQ No., and checkboxes for creating a purchase order. The table data is as follows:

Document Type	Document No.	RFQ No.	Buy-from Vendor No.	Buy-from Vendor Name	Type	No.	Description
Quote	PQ/ACUG/21-22/0025	RFQ/TMC/	VND/0024	ASHARAM ELECTRICALS	Item	ITEM/01928	PVC ROUND PL
Quote	PQ/ACUG/21-22/0026	RFQ/TMC/	VND/0299	SHIVSHAKTI CREATIVE COR...	Item	ITEM/01928	PVC ROUND PL
Quote	PQ/ACUG/21-22/0027	RFQ/TMC/	VND/0316	SHRI TRADERS	Item	ITEM/01928	PVC ROUND PL
Quote	PQ/ACUG/21-22/0025	RFQ/TMC/21-22/0030	PI/ACUG/21-22/0046				
Quote	PQ/ACUG/21-22/0026	RFQ/TMC/21-22/0030	PI/ACUG/21-22/0046				
Quote	PQ/ACUG/21-22/0027	RFQ/TMC/21-22/0030	PI/ACUG/21-22/0046				
Quote	PQ/ACUG/21-22/0029	RFQ/TMC/21-22/0031	PI/ACUG/21-22/0056				
Quote	PQ/ACUG/21-22/0030	RFQ/TMC/21-22/0031	PI/ACUG/21-22/0056				
Quote	PQ/ACUG/21-22/0028	RFQ/TMC/21-22/0031	PI/ACUG/21-22/0056				
Quote	PQ/ACUG/21-22/0029	RFQ/TMC/21-22/0031	PI/ACUG/21-22/0056				
Quote	PQ/ACUG/21-22/0030	RFQ/TMC/21-22/0031	PI/ACUG/21-22/0056				
Quote	PQ/ACUG2223/002	RFQ/TMC/22-23/0007	PI/ACUG/21-22/0007				
Quote	PQ/ACUG2223/002	RFQ/TMC/22-23/0007	PI/ACUG/21-22/0007				
Quote	PQ/ACUG2223/004	RFQ/TMC/22-23/0020	PI/ACUG/22-23/0025				

Purchase order will be created automatically.

Advantages of the process –

- The whole process will revolve around your ERP System.
- You will start in the ERP System and come back to it at last.
- This will save your time as you won't have to enter the data manually after comparing and selecting the vendor.
- This will definitely save you from human errors.

