

SGBS UNNATI FOUNDATION

PROCUREMENT POLICY & PROCESS

A. Principle

SUF should strive to ensure that procurements deliver value-for-money and are cost effective.

B. Purposes of Procurement Process

The purpose of procurement procedures is to ensure that:

Procurements are made to the maximum extent possible on a practical, open and freely competitive basis.

Maximum value-for-money is obtained on all procurement of goods and services.

Procured goods and services are delivered in the correct quantity and quality and in a timely manner.

C. Scope of Application

The scope of these processes shall be applicable for the procurement of:

- IT Hardware and Software
- Office equipment other than IT equipment e.g. chairs, tables, desks, cabinets, cupboards, TV, projector, printer etc
- Printing of communication materials like brochures, reports, leaflet, pamphlets, banners etc.
- Annual Maintenance Contracts

D. Procurement of Goods

1. Direct Procurement

Goods can be procured directly from the market, up to an amount of Rs.30,000/= per item or in such a case where the quantity ordered of an item of value less than Rs 30,000/= pushes the total value in one purchase from one supplier to not beyond Rs.30,000/=. However cost effectiveness, product standardisation with earlier procurement of the same item and benefit of SUF shall always be borne in mind while making such procurement.

At least one quotation shall be obtained in all such cases as above and the same shall have to be approved by one of the Directors or the CFO. The procurement shall be made only after such approval.

Where the procurement is done by the Director or CFO then the value limit for direct procurement is Rs 50,000/=.

In the case procurement via online portals, a copy of the page showing options for procurement with the pricing will be deemed as a valid quotation.

2. Procuring from Pre-approved Supplier

In cases where repetitive purchases are anticipated, SUF may appoint a supplier, to cater to the repetitive requirements, after obtaining at least two (preferably three) competitive quotations.

The quotations shall be reviewed and approval given to one of the Supplier's taking into account the price, product standardisation with reference to earlier purchases, previous history of supply by the same supplier, quality of earlier supplies etc, by any one the Directors & the CFO. The item specification, unit prices etc shall be finalised during this process. Product standardisation with procurement of similar items anytime earlier shall also be kept in mind while selecting/approving the supplier.

The approval shall be for a period not exceeding 12 months.

Procurement from Approved Supplier can be processed without any further approvals.

3. Competitive Procurement

Procurement of goods exceeding Rs. 30,000/= (or Rs. 50,000/= in the case of procurement by Director or CFO) shall be done after obtaining at least two competitive quotations. Three quotations are preferred.

The quotations shall be reviewed by any one of the Directors or the CFO and approval given to one of the quotations taking into account the price, previous history of supply by the same supplier, product standardisation with procurement of similar items anytime earlier, quality of earlier supplies, urgency of delivery etc amongst other aspects.

E. Procurement of Software

Software for the purpose of this document refers to:

1. Specific Licenses that are required for the running of an application that is essential for the operation of the computer system, such as Windows, MS Office, Linux, OS etc if they dont come bundled with the computer or
2. General Licenses that are supplied by a variety of suppliers such as Antivirus, cloud storage, computer utilities etc
3. Specific Licenses that are required to operate bespoke solutions used for managing some aspects of day to day operation such as accounting, human resources, program management, expense management etc.

Procurement Process

4. Procurement of software, falling under E.1 above, will be made from any

authorised supplier of the software as there is no other choice. However it shall be checked whether the software can be bought via BigTech portal at subsidised rates for not for profit organisations.

5. Procurement of software, falling under E.2 above, shall be as per the Direct procurement process D.1 detailed herein before. However it shall be verified if the software can be bought via BigTech portal at subsidised rates for not for profit organisations.
6. The procurement of software as per E.1 and E.2 above shall be approved by one of the Directors or the CFO.
7. Procurement of software, falling under E.3 above, shall be by a process of identification of the need for such a bespoke solution, identifying the potential providers of such services and then deciding based on the pricing and other parameters.

The details shall be reviewed by any two Directors and the CFO and the approval given taking into account the license cost, product alignment with and capability to match the current and future needs of the organisation, credibility of the supplier and their presence in the long run for support and up gradation as and when required etc amongst other parameters.

The Licenses thus procured shall be as far as possible be on SAAS (Software As A Service), whereby license fee is paid on a time-line or number of User basis and thus avoid buying the software out-right.

Any increase in the agreed license fee of more than 10% on a yearly basis shall need the approval of one of the Directors and CFO.

F. Annual Maintenance Contracts

Annual Maintenance Contracts(AMC) shall be renewed as per the AMC rates agreed at the time of purchasing the items. No further approval are required for this.

Any increase in the AMC rates shall have to be approved by one of the Directors or the CFO.

G. General

Approval over email or by signing off on the approved quotation is deemed sufficient in all cases.

This policy/process is approved by the Board of Directors in their meeting held on 26 Feb 2017