

RE ACADEMY FOR TECHNICAL SKILLS, CHENNAI
(A CSR initiative of EGF and implemented by CED (Tamil Nadu), Madurai)

November 01, 2020 – October 31, 2022

(3) PURCHASE POLICY

Purpose

RE Academy for Technical skills was established under the CSR initiative of EGF and implemented by CED (Tamil Nadu), Madurai. A purchase policy has been evolved for the purchase of goods and services which are necessary for the smooth operation of our Academy.

The aim of the internal control system for the supply of goods and services is to ensure proper vendor rating and further they are handled by individuals having such purchase skills. This will ensure that purchases made do not exceed the budget provided and further to ensure purchased goods and services follow with the quantity, quality and price specified in the order.

Methodology

RE Academy for Technical Skills, shall adopt the following procedure in purchasing goods, equipment and services required for the needs of its projects.

Non Recurring items:

- If the RE vendor is providing the material, then the approved rates of RE can be accepted
- In other cases, use of competitive bidding shall be a priority practice. There shall be three quotations. The first criterion in choosing a supplier shall be the lowest bid. However, if the quality is not acceptable, then the next higher bidder can be considered after recording the reasons in writing.

Recurring Items:

- If the RE vendor or CED vendor is providing the material, then the approved rates of either RE or CED can be accepted.
- For the new vendors, CED Head office shall follow the procedure of getting three competitive quotations and procuring the materials from the lowest bidder.
- However, if the quality is not acceptable, then the next higher bidder can be considered after recording the reasons in writing.

Local Purchases at Chennai:

The following procedure shall be followed.

- There shall be a three member purchase committee consisting of Centre Manager, Documentation officer cum Store Keeper and one technical trainer.
- For local purchases at Chennai specifically for consumables, the above said purchase committee will identify a local vendor based on the three competitive biddings and choose the appropriate vendor. The recommendations of the purchase committee should be forwarded to Head Quarters for necessary approval.
- Thereafter, the centre shall purchase the items which are required on a regular and monthly basis.
- For purchase of an item under INR 5,000, a price survey by telephone of two suppliers will be sufficient for determining the supplier. For purchase of an item above INR 5,000, a quotation/invoice shall be obtained from three local suppliers.
- As per the requirement of the sponsor, only GST bill will be accepted for all the purchases above Rs.1000/-.

The purchase file shall contain all the documents pertaining to each transaction, i.e. the purchase requisition, quotations, contact information of suppliers, purchase contracts or orders, invoices, delivery slips and any other pertinent documents.

Procedure for Purchase:

- a. For purchases to be made as part of the project activity or organizational requirements the concerned person shall initiate a purchase request to the Centre manager and he/she shall recommend to the Head Office for approval and payment. For petty purchases below Rs.1000/-, the Centre Manager is empowered to buy provided this is reported every week to the CED Head Office.
- b. The Head office approves and releases the payment to the centre manager. The concerned person shall purchase with the approval of the purchase committee.
- c. After the purchase has been made, the bills / delivery slip issued by the vendor to the Centre manager shall be forwarded to the CED Head Office Madurai finance division for auditing purposes.



Date : November 01, 2020

(R. JAYARAMAN)
Member Secretary,
CED (Tamil Nadu), Madurai