

Sutara Learning Foundation

Procurement Policy



Table of Contents

Procurement Policy	1
1. Purpose.....	3
2. Scope.....	3
3. Procurement Principles.....	3
4. Procurement Procedures.....	3
4.1 Vendor Selection & Contracting.....	3
4.2 Purchasing and Payments.....	4
5. Fraud Prevention and Conflict of Interest.....	4
5.1 Fraud Prevention Measures.....	5
5.2 Conflict of Interest Policy.....	5
6. Compliance and Monitoring.....	5
7. Risk Management.....	5
8. Conclusion.....	6



1. Purpose

This procurement policy establishes guidelines to ensure transparent, accountable, and ethical procurement practices within Sutara. The policy aims to safeguard against fraud, corruption, and conflicts of interest in payments, purchasing, and awarding contracts. It also ensures that all procurement activities align with the mission and objectives of Sutara while maintaining compliance with legal and regulatory requirements.

2. Scope

This policy applies to all employees, board members, vendors, consultants, and stakeholders involved in the procurement process. It covers procurement of goods, services, equipment, and contracts at all levels. This policy extends to:

- **Goods Procurement:** Includes office supplies, IT equipment, educational materials, and other physical goods.
- **Service Procurement:** Includes consultancy, software development, training, and professional services.
- **Contracting:** Covers third-party agreements, lease contracts, and outsourcing arrangements.
- **Grant and Donation Management:** Ensures that donations and grants are utilized effectively for the intended purpose.

3. Procurement Principles

- **Transparency:** All procurement activities shall be conducted openly and fairly.
- **Accountability:** Clear roles and responsibilities shall be established in the procurement process.
- **Value for Money:** Goods and services shall be procured at the best price without compromising quality.
- **Integrity and Ethics:** All procurement activities shall adhere to ethical standards to prevent fraud and corruption.
- **Non-Discrimination:** Procurement opportunities shall be provided without bias based on personal relationships, gender, caste, or region.
- **Sustainability:** Environmental and social impacts shall be considered in procurement decisions.

4. Procurement Procedures

4.1 Vendor Selection & Contracting

1. **Vendor Registration & Approval**
 - All vendors must be pre-registered and evaluated based on credibility, financial stability, and past performance.



- A Vendor Evaluation Committee (VEC) shall approve vendors before procurement transactions.
 - Vendors must provide tax compliance documents, references, and proof of prior experience.
2. **Request for Proposal (RFP) & Tendering**
 - Purchases above ₹ 50,000 shall require a competitive bidding process.
 - An RFP or Request for Quotation (RFQ) shall be issued to at least three qualified vendors.
 - Evaluation criteria, including cost, quality, and vendor track record, shall be clearly defined in the RFP document.
 3. **Bid Evaluation & Selection**
 - A minimum of three committee members shall evaluate bids based on quality, price, and delivery timelines.
 - The procurement decision must be documented and signed by authorized personnel.
 - Bids shall be kept confidential to prevent favoritism or manipulation.
 4. **Contract Signing & Compliance**
 - All awarded contracts shall be reviewed by the legal team to ensure compliance with Sutara's policies and Indian laws.
 - Contracts shall include anti-corruption clauses and conflict of interest disclosures.
 - Contracts exceeding ₹ 5,00,000 shall require Board approval.

4.2 Purchasing and Payments

1. **Approval Authority**
 - Purchases below ₹ 10,000 can be approved by department heads.
 - Purchases between ₹ 10,000 and ₹ 50,000 require Finance Department approval.
 - Purchases above ₹ 50,000 require Board approval and competitive bidding.
2. **Purchase Orders & Invoicing**
 - Every purchase must be accompanied by a purchase order (PO) with vendor details and pricing.
 - Payments shall only be processed against valid invoices and delivery confirmations.
 - Invoices must match purchase orders before payment approval.
3. **Payment Processing**
 - All payments shall be made through bank transfers or digital payment channels; cash transactions are discouraged.
 - Payments above ₹ 25,000 shall require dual authorization from the Finance Department and a Director.
 - Payment timelines shall be clearly communicated to vendors to avoid disputes.

5. Fraud Prevention and Conflict of Interest



5.1 Fraud Prevention Measures

1. **Segregation of Duties:** No single individual shall be responsible for the full procurement cycle (selection, approval, payment).
2. **Regular Audits:** Independent audits shall be conducted biannually to review procurement transactions.
3. **Whistleblower Policy:** Employees can report procurement fraud or corruption anonymously.
4. **Document Retention:** All procurement records must be maintained for at least five years.
5. **Fraud Investigation Committee:** A dedicated committee shall investigate suspected fraud cases and recommend appropriate actions.
6. **Reporting Mechanism:** Any suspicious transactions must be reported to senior management immediately.

5.2 Conflict of Interest Policy

1. **Disclosure Requirement:** Employees must disclose personal or financial relationships with vendors before procurement decisions.
2. **Prohibited Activities:** Employees shall not accept gifts, commissions, or favors from vendors.
3. **Independent Review:** Any procurement transaction involving potential conflicts of interest shall require review by an independent committee.
4. **Annual Declaration:** Employees involved in procurement must sign an annual declaration of conflict of interest.

6. Compliance and Monitoring

- Sutara's Procurement Committee shall monitor adherence to this policy.
- Any violation of procurement policies shall lead to disciplinary action, including termination or legal consequences.
- Internal compliance checks shall be conducted quarterly to ensure adherence to procurement regulations.
- Training sessions shall be conducted annually to educate employees about procurement integrity.
- This policy shall be reviewed and updated annually based on regulatory changes and organizational needs.

7. Risk Management

1. **Risk Identification:** Regular assessments shall be conducted to identify potential procurement risks.
2. **Mitigation Strategies:** Preventive measures, such as diversifying suppliers and maintaining contingency plans, shall be adopted.
3. **Incident Handling:** Any procurement-related incident shall be reported, investigated, and documented.

4. **Business Continuity Planning:** Procurement activities shall align with Sutara's broader risk management framework to ensure uninterrupted operations.

8. Conclusion

This procurement policy ensures that all purchasing and contracting decisions are made with integrity, efficiency, and accountability, aligning with the mission of Sutara while safeguarding against fraud and conflicts of interest. By adhering to this policy, Sutara aims to build trust with stakeholders, optimize resources, and ensure effective utilization of funds.

