

PROCUREMENT POLICY

(w.e.f. 01/04/2022)



ASSOCIATION FOR DEVELOPMENT INITIATIVE (ADI)

GA-94, GA Colony, Bharatpur, Bhubaneswar, Pin - 751029

Procurement Policy

Association for Development Initiative (ADI)

GA-94, GA Colony, Bharatpur, Bhubaneswar, Pin - 751029

1. Introduction

The Association for Development Initiative (ADI) is committed to ensuring that all goods, works, and services are procured in a transparent, cost-effective, and accountable manner. This policy provides a structured framework for procurement processes to ensure fairness, quality, and value for money while complying with statutory requirements, donor guidelines, and organizational standards.

The aim of this policy is to:

- Maintain integrity, fairness, and transparency in procurement.
- Achieve best value for money while ensuring quality.
- Promote accountability and documentation in every procurement activity.
- Encourage the use of local resources and suppliers, wherever feasible.

2. Scope

This policy applies to all procurement activities undertaken by ADI for:

- Office administration and operational requirements.
- Project-related goods, services, and works.
- Consultancy and technical services.

3. Procurement Principles

- Transparency – Clear procedures and open competition.
- Accountability – Proper documentation and approval at each stage.
- Value for Money – Optimal balance between cost, quality, and timeliness.
- Fair Competition – Equal opportunity for eligible suppliers/vendors.
- Ethical Conduct – Avoidance of conflict of interest and corruption.

4. Procurement Thresholds

- Direct Purchasing: For purchases up to ₹15,000, procurement can be done directly by the authorized personnel.
- Quotation Calls: For purchases above ₹15,000, a minimum of three quotations must be obtained from different suppliers.

5. Procurement Committee

Procurement Committee will oversee procurement planning, bid evaluation, and vendor selection. The procurement process at project level will be overseen by a committee consisting of:

- Team Leader
- Project Accountant
- Project In-charge/State Coordinator

The procurement process at Head Office level will be overseen by a committee consisting of:

- Chief Functionary
- Finance Officer
- Program Coordinator

6. Purchasing Procedure

A. Direct Purchasing Procedure (up to ₹15,000)

- Identification of Need: The requirement for goods or services is identified.
- Authorization: Obtain approval from the Project In-charge.
- Purchase: The authorized person can directly purchase the required items, ensuring the best value for money.
- Documentation: Maintain records of the purchase, including receipts and any related correspondence.

B. Quotation Calls Procedure (Above ₹15,000)

- Identification of Need: The requirement for goods or services is identified.
- Request for Quotations (RFQ): Issue an RFQ to at least three potential suppliers.
- Receipt of Quotations: Collect the quotations, ensuring they are sealed and submitted by the specified deadline.
- Evaluation: The procurement committee will evaluate the quotations based on price, quality, delivery time, and other relevant criteria.
- Selection: Select the supplier that offers the best value for money.
- Approval: Obtain final approval from the Team Leader before proceeding with the purchase.
- Contract/Order: Issue a purchase order or contract to the selected supplier.
- Documentation: Maintain records of all quotations received, the evaluation process, the selected supplier, and the purchase order or contract.
- Encourage procurement from local producers, women entrepreneurs, and socially responsible suppliers.

7. Record Keeping

- Direct Purchases: Keep all receipts, approval documents, and related correspondence.
- Quotation Calls: Keep all RFQs, received quotations, evaluation documents, and contracts.
- Files to be retained for a minimum of five years for audit purposes.

8. Conflict of Interest

No staff, or committee member involved in procurement should have any direct or indirect personal interest in the procurement process.

9. Ethical Standards

- Maintain integrity and fairness throughout the procurement process.
- Avoid any form of bribery or corruption.
- Ensure that all procurement activities are conducted in accordance with relevant laws and regulations.

10. Policy Review

This policy shall be reviewed every five years or earlier as needed, based on operational experience, donor requirements, and statutory changes.

