



**GMR VISAKHAPATNAM INTERNATIONAL
AIRPORT LIMITED**

PROCUREMENT POLICY

**Approved by the Board of Directors of the
Company on October 30, 2020**

POLICY FOR PROCUREMENT OF GOODS AND SERVICES

1.0 Objective

GVIAL undertakes that it will procure goods & services for construction & operation of its airport via entering into contracts in a fair, transparent & efficient manner and without any undue favour or discrimination in this behalf.

In order to achieve this objective, GVIAL has framed this policy specifying the principles/procedures/processes that it will follow in awarding the contracts for procurement of such goods, works & services. The word "services" used in the context includes sub-leasing, sub-licensing, grant or allocation of any space, building, rights or privileges to private entities.

2.0 Principles

Following principles will be followed while entering into any contract for procurement of goods & services:

- (a) Will specify requirements in terms of technical, commercial and financial qualification requirements, including quantity, type, quality & standards of goods and/or services, as appropriate;
- (b) Proposals will be invited from relevant parties in a fair and transparent manner;
- (c) Selected proposal will meet the requirements as specified in the specifications/requirements;
- (d) Selection will be based on an appropriate techno-commercial evaluation.

3.0 Guidelines for Procurement of Goods & Services

3.1 Procurement of Goods & Services from Third Parties or Non-related Parties:

Tendering procedures for goods and services for shall be as under:

No	Contract Value up to	Procurement Method	Typical Goods & Services	Evaluation & Authorization will be carried out as per the approved DOP
01	Rs. 10 Lakhs	Direct Purchase	Goods & services necessary for day-to-day business requirements	
02	Rs. 2 Cr.	Single/Limited Tender	IT eqpt./ proprietary items/Advisory services etc.	
03	Rs. 25 Cr.	Limited / Pre-qualified Tender	Construction /Equipment/ Services	
04	Beyond Rs. 25 Cr. (In an accounting year)	Open Competitive Bidding by means of e-tendering	Construction /Equipment/ Services	

3.2 Procurement of Goods & Services for Related Party Transactions:

GVIAL will enter into any Related Party Transaction or contract on arm's length basis:

- (a) In compliance with the provisions of the Companies Act, 2013;
- (b) Under the overall monitoring of Audit Committee of Board and or Board of Directors, as applicable

4.0 Accountability & Responsibility

Head (Procurement & Contracts) will be responsible for implementing this policy.
