FINANCE & PROCUREMENT POLICY

Shrushti Seva Samiti

22, Sarvottam Complex, Behind Vaishali Apartment,
Road No. 5, Sector-4, Hiran Magari, Udaipur

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Legal Identity

Shrushti Seva Samiti is registered under the following Acts:

Rajasthan Society Registration Act 1958	
Registration Number	**Reg. No 142/Udaipur/1998-99**
Registration Date	**26/03/1999**
Income Tax Act, 1961 (Registration U/S 12A)	
Provisional Registration Number Date	**AAETS6279DE20214** **28/05/2021**
Income Tax Act, 1961 (Registration U/S 80G)	
Provisional Approval Number Date	**AAETS6279DF20214** **28/05/2021**
Permanent Account Number (PAN)	**AAETS6279D**
GST Number	**08AAETS6279D1Z6**
Tax Deduction Account Number (TAN)	**JDHS09560F**
Foreign Contribution (Regulation) Act, 1976	
Registration No.	**125690085**
Date	**07/05/2007**
Renewal of FCRA Registration	**Renewed on 31/10/2016 for 5 years**
EPFO & ESIC	
EPFO Registration No. Letter No. Date	**RJUDR1660186000** **10000055486UDR** **07/11/2017**
ESIC Code Date	**16000544660000999** **13/10/2017**

Banking Details

1) For Foreign Grants and Contributions under FCRA:

a) FCRA Main Account

Name of Bank : State Bank of India
Bank Account No. : 40090703190
IFSC Code : SBIN0000691
MICR : 110002087
Swift Code : SBININBB104
Branch Address : FCRA Cell, 4th Floor, State Bank of India, New Delhi Main Branch, 11-Sansad Marg, New Delhi-110001
Phone No. : 011-23374390
E Mail Id : fcra.00691@sbi.co.in
Date of Account Opening: 22.03.2021

b) FCRA Another Account

Name of Bank : Punjab National Bank
Bank Account No. : 0707000100146866 (Foreign Contribution)
IFSC Code : PUNB0874300
MICR : 313024008
Swift Code : PUNBINBBUDP
Branch Address : Sector-4, Hiran Magri, Udaipur (Raj.) 313002
Phone No. : 0294-2461078
E-Mail Id : bo8743@pnb.co.in
Date of Account opening: 17.03.2006

2) For Contributions and Grants in India:

a) JJM, SIP and General Fund

Name of Bank : Punjab National Bank
Bank Account No. : 0707000100097205
IFSC Code : PUNB0874300
MICR : 313024008
Swift Code : PUNBINBBUDP
Branch Address : Sector-4, Hiran Magri, Udaipur (Raj.) 313002
Phone No. : 0294-2461078
E Mail Id : bo8743@pnb.co.in
Date of Account Opening: 11.10.1999

b) Signify, HZL and General Fund

Name of Bank : Punjab National Bank
Bank Account No. : 8743000100003233
IFSC Code : PUNB0874300
MICR : 313024008
Swift Code : PUNBINBBUDP
Branch Address : Sector-4, Hiran Magri, Udaipur (Raj.) 313002
Phone No. : 0294-2461078
E Mail Id : bo8743@pnb.co.in
Date of Account Opening: 30.05.2016

c) UNDP

Name of Bank : Punjab National Bank
Bank Account No. : 8743000100010709
IFSC Code : PUNB0874300
MICR : 313024008
Swift Code : PUNBINBBUDP
Branch Address : Sector-4, Hiran Magri, Udaipur (Raj.) 313002
Phone No. : 0294-2461078
E Mail Id : bo8743@pnb.co.in
Date of Account Opening: 22.05.2017

d) Reliance Foundation

Name of Bank : Yes Bank
Bank Account No. : 004994600000652
IFSC Code : YESB0000049
MICR : 313532002
Swift Code : YESBINBB
Branch Address : Goverdhan Plaza, 29, N N Acharya Marg, Udaipur (Raj.) 313004
Phone No. : 0294-2427966
E Mail Id : dlteambsdudaipur@yesbank.in
Date of Account Opening: 21.04.2018

e) Salary Account

Name of Bank : Yes Bank
Bank Account No. : 004994600000690
IFSC Code : YESB0000049
MICR : 313532002
Swift Code : YESBINBB
Branch Address : Goverdhan Plaza, 29, N N Acharya Marg, Udaipur (Raj.) 313004
Phone No. : 0294-2427966
E Mail ID : dlteambsdudaipur@yesbank.in
Date of Account Opening: 20.04.2018

f) Hindustan Zinc Limited

Name of Bank : Yes Bank
Bank Account No. : 004994600000465
IFSC Code : YESB0000049
MICR : 313532002
Swift Code : YESBINBB
Branch Address : Goverdhan Plaza, 29, N N Acharya Marg, Udaipur (Raj.) 313004
Phone No. : 0294-2427966
E Mail ID : dlteambsdudaipur@yesbank.in
Date of Account Opening: 02.12.2018

g) IPE and General Fund

Name of Bank : Yes Bank
Bank Account No. : 004994600000593
IFSC Code : YESB0000049
MICR : 313532002
Swift Code : YESBINBB
Branch Address : Goverdhan Plaza, 29, N N Acharya Marg, Udaipur (Raj.) 313004
Phone No.- : 0294-2427966
E Mail I : dlteambsdudaipur@yesbank.in

Date of Account Opening: 23.01.2018

h) IIFL and Maa Baari

Name of Bank : Yes Bank
Bank Account No. : 004994600000735
IFSC Code : YESB0000049
MICR : 313532002
Swift Cod : YESBINBB
Branch Address : Goverdhan Plaza, 29, N N Acharya Marg, Udaipur (Raj.) 313004
Phone No. : 0294-2427966
E Mail ID : dlteambsdudaipur@yesbank.in
Date of Account Opening: 27.01.2018

i) General Fund and UPS, Chittorgarh

Name of Bank : Union Bank of India
Bank Account No. : 687802010005152
IFSC Code : UBIN0568783
MICR : 313026005
Swift Code : UBININBBUDP
Branch Address : Sector-4, Hiran Magri, Udaipur (Raj.) 313002
Phone No. : 0294-2461044
E Mail ID : hiranmagri@unionbankofindia.com
Date of Account Opening: 29.12.2017

j) IIMPACT, Gurugram

Name of Bank : State Bank of India
Bank Account No. : 34849239372
IFSC Code : SBIN0011406
MICR : 313002007
Swift Code : SBININBBJ12
Branch Address : Sector-4, Hiran Magri, Udaipur (Raj.) 313002
Phone No. : 0294-2462494
E Mail ID : sbi.11406@sbi.co.in
Date of Account Opening: 06.04.2015

k) IPE Global and General Fund

Name of Bank : State Bank of India
Bank Account No. : 61333393362
IFSC Code : SBIN0011406
MICR : 313002007
Swift Code : SBININBBJ12
Branch Address : Sector-4, Hiran Magri, Udaipur (Raj.) 313002
Phone No. : 0294-2462494
E Mail ID : sbi.11406@sbi.co.in
Date of Account Opening: 18.10.2016

l) DST, New Delhi

Name of Bank : Union Bank of India
Bank Account No. : 687802010009102
IFSC Code : UBIN0568783
MICR : 313026005
Swift Code : UBININBBUDP
Branch Address : Sector-4, Hiran Magri, Udaipur (Raj.) 313002

Phone No. : 0294-2461044
E Mail : hiranmagri@unionbankofindia.com
Date of Account Opening: 20.01.2023

Name and Address of Statutory Auditors:

FCA HARISH PORWAL,
Membership No.: 403770
FRN: 012511C

Address & Contact details:
14, Lakhara Chowk,
Udaipur 313001 (Rajasthan)
Email Id: tcporwal@rediffmail.com
Contact No.: 9610411199

CURRENT FINANCIAL POLICY FRAMEWORK

General Financial System:

- 'Accounting' is a subject that deals with facts and figures of financial matters. It is nothing but a systematic record of daily events of business leading to presentation of a complete financial picture known as 'accounting' or in its elementary stages, 'book-keeping'.
- Presence of planning and budgeting systems.
- Maintenance of Relevant Cash Books, Ledgers, Journal books etc.
- Vouchers adequately approved by the respective authorities.
- Maintenance of Subsidiary Records such as Fixed Assets Register, Stock Register, Vehicle Log Book, Payroll/Salary Register etc.
- Presence of clear policy and rules regarding cash, cheque and NEFT payments.
- Clear policy exists related to authorized signatories for cheque payments. Minimum of two persons are designated as authorized signatories and out of two signatories, Director sign is compulsory.
- Systematic updating of accounts exists through preparation of Trial balance, Receipts and Payments Accounts, Income and Expenditure Account and Balance Sheet.
- Presence of adequate delegation of authority to the finance staff to adhere to the laid down policy and procedures.
- Involvement of field staff in the preparation of program budget.
- Timely availability of the approved budget with the field staff for necessary reference.

Audit:

Audits are procedures for independently verifying the accuracy and fairness of the accounting and reporting systems. An audit is an ex-post review of the implementing organization's financial statements, financial systems, records, transactions and operations performed by the accountants for the purpose of providing assurance of accountability, giving credibility to the financial statements and other management reports, identifying weaknesses in internal controls and financial systems, and making appropriate recommendations for improvements.

Internal Audit: -

Internal audit will be done under supervision of Organization treasurer, President and Director quarterly and the whole process is coordinated by Accountant.

External Audit: -

An external audit will be conducted to examine account of an organization/project by an Independent External Auditor, the objective being to express their opinion on the truth and fairness of the financial statements of the Institution/Project.

An 'Independent Auditor' must be a recognized Chartered Accountant who is not employed by or affiliated with the Institution/project whose accounts is being audited.

FCRA Norms: -

Since organization is registered under FCRA act. So, the purview of the above said Act and therefore required to maintain the necessary Books of Accounts and other records and file the Returns to the Ministry of Home Affairs, GOI periodically as specified in the above Act.

Travel:

Objectives: - Objective of this policy is to explain rules regarding reimbursement of expenses incurred while on official duty on out station travel.

Policy Definition: -

a. **Local Travel: -** Travel within the municipal limits or in radius of 100 km (one way) from the official whichever is greater.
b. **Outstation Travel: -** Travel beyond 100 Km (One way) or outside district limits whichever is greater.
c. **Same Day Return: -** Return on the same calendar date, with distance traveled more than 100 km (one way), and at least 4 hours spent at destination for work. In absence of meeting any of these, travel will be treated as local travel/extended local travel as applicable.
d. **Travel / Tour Duration: -** Following will be considered for calculating outstation travel / tour duration for arriving at eligibility of reimbursement.

   - 24 hours from start of journey will construe as one full day.
   - In case of tours beyond one full day's tour, duration beyond the start time on the day of return, if more than 4 hours would be treated as half day for eligibility / allowance calculations, and for less than 4 hours it would be treated as nil.

e. **Short Journey Route: -** Routes wherein train travel time is less than or up to 8 hours; ex. Overnight train/bus journey will also be covered under short journey.
a. **Travel Reimbursement: -** As per project norms, employee can claim for reimbursement amount against lodging and boarding expenses made. As per the recently passed board resolution and looking at the expansion organization made beyond Rajasthan, there was a need to make changes in travel and Daily allowances. Here are recently passed maximum rates of daily allowance in case people don't have bills for food & related expenses.

a. The above daily allowance during traveling will be applicable from 1st April 2022 and here below are the other terms & conditions:

#	Tour Details	Duration	Amount
1	Village/Block level tour	8 Hours/Same Day Return	150/- Per Day Per Person
2	Village/Block level tour	Full Day Stay/ Night Stay	300/- Per Day Per Person
3	District level tour	8 Hours/Same Day Return	200/- Per Day Per Person
4	District level tour	Full Day / Night Stay	400/- Per Day Per Person
5	State Capital City tour (Any State)	Full Day	500/-Per Day Per Person
6	Out of State - (Village/Block/District Level tour)	Full Day	500/- Per Day Per Person
7	Metro City - Delhi/Mumbai/Chennai/ Kolkata	Full Day	750/- Per Day Per Person

b. The above rate list applies to all Board members, CEO, Finance Head, and Project Leaders/Managers/Incharges only.

c. Expenses related to local or outstation travel via Four-wheeler can be utilized or requested for reimbursement by individuals holding the position of Program Managers and above. However, this privilege is applicable only to those individuals who have received approval from the CEO, Secretary, or Director.

c. If invited by any other organization/institution and traveling expenses have been paid by the said organization/institution, then the said allowance will not be paid.

d. If an expenditure is made for a guest, the bill will be paid separately.

e. The travel bill must be submitted within week or during the same month of the journey / 3 days before the presentation of the financial report of the project in the same month, otherwise, the travel bill will be invalid and not payable. In case bills got delayed then special approval must be attained from chief functionary of the organization.

f. All valid documents related to travel like travel ticket if traveling using public transport, in case of traveling by own 4-wheeler than a toll tax receipt, If traveling by two-wheeler then Logbook, and in case of outstation stay then lodging bill is mandatory to produce.

g. City-wise daily allowance of travel expenses will be as per the above rates, which will include food-related expenses, breakfast, a meal of the day, dinner, and water only.

i. Reasonable actual expenses will be reimbursed for official travel and in case of use of own vehicle Rs. 8 per km for four-wheeler and Rs. 3 for two-wheeler will be payable.

j. Employee can book for local traveling allowance as mentioned above. He needs to submit a copy of the driver log book that records daily km travel detail with the claim form. But his/her claim will be passed as per project norms.

k. Project leader & Assistant to project leader can hire cab/taxi for Local/outstation travel for project-related tasks but the travel cost must not exceed the project monthly or yearly budget.

l. Duly approved expenses statement in respect of travelling and daily reimbursement should be submitted to accounts department within 7 days from the date of return from the travel. Bills submitted between 15-30 days of return from travel will need approval of Organization Director/CEO/Secretary. Any Bill submitted after 30 days of return will not be accepted for reimbursement.

Advance: -

Amount paid to any staff member for meeting official expenses should be treated as general advances keeping an account of them against their employee account.

Staff can obtain advances mainly for the following expenses:

- Travel and Subsistence
- Purchase of goods from the market
- Conference, meetings, workshops, training and any project activities or events
- Day-to-day expenses.

All such request should be made in the prescribed format or e-mail and duly approved by the competent authority as per the delegated authority limits, after the finance department has duly noted any previous outstanding in the person's name.

Controls to be exercised:

1. Requests submitted should be complete in all respects and the purpose clearly mentioned. In case of staff traveling the period and dates and purpose shouldbe specified.
2. An advance request should be made five days before the purpose.
3. The amount outstanding against a staff member should be settled within the month the advance is taken unless the staff is travelling on the last days of themonth.
4. It is compulsory that there are no advances outstanding as on 31st March of the financial year.
5. All advances must be entered in the bank book and when the expense is booked, they shall be adjusted through the journal entry.

Purchase

A procurement of any material worth Rs. 25,000 or more will be come under this policy. For any purchase under this policy following norms need to be met:

1. Application for material purchase would be provided to CEO/Director/Secretary for approval. After approval it will be put to procurement committee for procurement process.
2. Procurement committee will have team of 5 members where presence of any 3 are mandatory to approve any vendor to award purchase order. Procurement Committee can have following members mentioned below in the team

   1. Director 2. Chief Executive Office 3. Finance Head
   4. Secretary 5. Treasurer

3. Financial Supervision committee will invite tender or collect quotation

to get the market price of the material from different vendors/supplier.

4. The vendor/supplier who quotes the best price of best quality product will beprovided the purchase order.
5. If partner agencies have communicated specific conditions or accounting principles mandated by their own financial policies, Shrushti may consider adopting the requested practices, provided they are not in conflict with Shrushti's own policies and regulations.

Authorization and Payment

a) All purchase orders must be recorded in project files and must include the dispatch number on it.

b) The purchase order number must be given to the supplier and quoted on their invoice.

c) The Purchase Committee must approve the purchase of any item over Rs. 25,000.

d) No Governing Board, General Body or staff member may authorize payment to themselves, their partner, or relatives.

e) Invoices (or other receipts) should be matched and checked against the Purchase Order before payment is authorized. All goods received must be signed for;if unchecked they must be checked for completeness before payment.

f) Before cash, cheque or NEFT payment is made, it must be authorized in writing.

g) For NEFT payment the two signatories must sign in and the Authorized the payment.

h) Once payment has been made the invoice (or other receipt) should be marked "Paid", together with the cheque number and date.

i) Reasonable actual expenses will be reimbursed for official travel and in case of use of own vehicle Rs. 8 per km for four-wheeler and Rs. 3 for two-wheeler will be payable.

j) Advance should be made only for the purpose to meet programmes expenses of the Samiti; advance request should be made within 10 days from the date of startof the programme.

k) All payments must be entered in the computerized accounting system only after being authorized.

Payroll

- All employees (including seasonal and part time employees) must be recommended by reporting manager and must ensure submission of all mandatory to concerned authority.
- All staff changes and changes to terms and conditions of employment must be authorized and minutes by the Governing Board.
- Payroll and all calculations will be made by Accounts Officer and checked by Finance Head.

Record or Book Keeping System:

The following records shall be maintained by all Projects:

Accounting and other financial records

The organization maintains a computerized accounting system which records:

- Cheques and cash received and banked.
- Cheque payments, NEFT transfers and other amounts paid from the bank accounts.
- Proper set of bind of books for future reference i.e. Audited Statement of Accounts, Trial balance, Bank book, Journal, Ledger, Sanctioned letters, Utilization certificates, Bank statement, Bank reconciliation, Fixed assets register and Record keeping index.
- Bags of record for voucher files of projects properly numbered and kept in proper safe custody in vigilance of Director.

a) Every transaction will be entered into the appropriate book and will include:

- The date of the transaction
- The name of the person money was received from or paid to and the amount.
- A brief description of why the money was received or paid.
- An analysis of each amount under its relevant budget heading, where applicable.

b) All documents relating to receipts and payments will be filed in the month they are input into the system

c) A regular backup copy will be taken, saved to Hard drive and a copy transferred electronically to the Director.

Stock Register

This Register needs to be maintained in respect of 'Stock' on hand having considerable value. A stock register should be maintained for major stationery items. Proper stock registers should be kept for valuable items or items, which are consumed in large value during the year. If the materials are issued from the main store to the site or sub store, separate Stock Registers are to be maintained at each such location.

Standard stock registers are available in the market, Organization will maintain the same

Fixed Assets Register: -

This Register is a list of immovable and movable Assets created from funds for Project Administration and/or Program Implementation. The Income Tax Act stipulates to capitalize any item valued at Rs 5000 and above with a usable life of more than one year.

All assets have to be depreciated at the year-end, as per the rates prescribed by the Income Tax Rules.

Depreciation is a notional cost which is accounted in the Financial Statements to provide for depletion to the value of an asset due to wear and tear and there by represent the asset at fair value.

Please note that:

- No item valued at Rs. 25,000 or more will be created without prior approval from procurement committee.
- All Assets are to be incorporated into the above register. Under 'Remarks'column.
- The Register should contain a 'separate' folio for each type of asset such as Desk, Chair, Fan, Almira, Laptop, camera, projector etc.

- This Register would be reviewed during Project Monitoring and Evaluation exercises.
- Physical inventory of the Assets shall be taken annually. The Finance Committee shall verify that the assets exist, are owned by the project, the value is appropriate.

Vouchers:-

The following are the standard types of vouchers to be used by the Organizations:

- Payment vouchers (Blue Coloured)
- Receipt vouchers (Yellow Coloured)
- Journal vouchers. (Pink Coloured)
- Contra Voucher (White Coloured)

Proper documentation such as Invoices with receipts needs to be obtained in case of expenses incurred. The voucher accompanying such bills should contain the following information:

- Project name - in order to identify that the voucher belongs to a particular project, the project name should be printed on the voucher.
- Voucher number – the voucher book should be serially numbered.
- The voucher must have the date on it
- Classification – the line item and account head should be clearly specified inthe voucher.
- Narration – there should be a detailed narration in support of theclassification showing the description of transactions.
- Amount –the amount on the voucher should be equal to the amount reflectedby the supporting documents.
- Supporting documents – these are in the form of original bills, which are theproof of the transaction based on which payment is affected.
- Signature of the person preparing the voucher
- Signature of the person authorizing the payment
- Defacing the vouchers and supporting documents by a ‘PAID’ stamp, subsequent to payment to avoid duplication of payments and providing reference numbers of

vouchers and check number if relevant. Such stamp should mention the Project name.

- Vouchers should not be overwritten
- For any payment of expenses exceeding Rs. 5000/- must have the receiver's signature on a revenue stamp affixed to the voucher
- All major payment should be made by cheque. Payment by cash should be restricted to minor purchases only
- There should be an original bill accompanying the voucher. No photocopies are acceptable.
- The name of the purchaser must be clearly mentioned
- On conveyance and tour vouchers, there should be all the details like name ofthe employee, designation, date and purpose of travel, details of expenditure incurred, mode of travel, travel approval etc
- The bills must be carefully scrutinized for the eligibility of the employee, if any, for the expenditure incurred or the amount allowable in case of own transport.

Check List of Managing Finance

a) All accounting registers, journals, and ledgers should be maintained up to date.

b) All financial reports are prepared and submitted in a timely manner.

c) All expenses other than cash are paid by cheque.

d) Financial activities are separated in such a way that one person alone never records, reviews, and authorizes any transaction.

e) Procedures for authorizing purchases are being followed.

f) Security measures are in place to protect the assets, books, and registers from tampering or theft.

g) A physical inventory of fixed assets and supplies is conducted at least once a year.

h) The bank statement is reconciled monthly.

i) There is a financial plan and/or a financial strategy leading to improved cost recovery.

j) Financial and Program Planning should be done in a synchronized manner.

k) A realistic budget for the year is developed from the work plan.

l) The organization has a unified budget, as well as sub-budgets for different programs and/or donors. The accounting system adequately allocates expenses to different programs and/or donors.

m) The line items in the budget and the management financial reports correspond with each other.

n) Cash flow is adequately monitored and cash flow is projected for the year, so that there are no periods of cash shortage.
o) Actual expenditure is compared quarterly with the budget. Corrective action is taken as a result of these comparisons.

Equipment:

From July 1, 2023 onwards the following rates will be applicable for rendering different types of services as given below till further notification: The rate will be revised as and when necessary. The same will be informed to concerned parties.

Sr. No	Particulars	Rate (Rs.) Per day
1.	Projector (Including screen)	1500/-
2.	Sound System (Including Speaker + 2 Cordless Microphones)	1000/-
3.	Conference Pad/Organization Diary	15/-
4.	Pen	10/-

-: Statutory Note: -

The General body of the organization reserves the right to modify/cancel or amend all or any of these rules, and issue supplementary rules or amendments thereto. Matters not covered by these rules would be decided by the General Body at their discretion.