



Crown Paints Kenya Ltd

Procurement Policy on Competitive Sourcing

It is the policy of the company to maximize value for money in all Procurement related activities.

The Purchasing Manager will put in place procedures to ensure all purchases are competitively sourced.

Upon receipt of an authorized purchase requisitions, the Purchasing Manager will assign a Purchasing Officer/s to procure the material/service under his supervision adhering to the following;

- a) The Purchasing Officer/s will source at least **THREE** quotations from potential suppliers in the company's prequalified Suppliers List.
- b) In the event the requested item or service is not available within the company's pre-qualified suppliers list then the purchasing officer/s will source for a new supplier in accordance with the Company's supplier selection procedures.
- c) In circumstances where a department request to directly source for quotation/s due to the technical specifications required, the said department will have to source for at least **TWO** quotations from the company's prequalified suppliers list. In the event of single sourcing, approval Shall be made by the Finance Director.
- d) Best evaluated bid will be selected by applying prudent principles of Purchasing guided by company purchase policy. The aim will be long term value for money and quality.
- e) Purchase Orders will be awarded to the best evaluated supplier (BES) after final approval by Purchase Manager and Finance Director.
- f) All sourced quotations for a purchase shall be filed in the Quotation File and a copy of the approved purchase order attached as EVIDENCE of having followed the prescribed process.
- g) Sourcing and quotation for EACH material/service will be reviewed EVERY SIX MONTHS to ensure the company at all times maintains competitive buying rates. This means every six months Purchasing Department will institute quotations from at Least 3 Suppliers per Material/Service. **EVIDENCE OF SIX MONTHLY REVIEW** will be **MAINTAINED** in Each Supplier file and Updated in Each Material Master File in SAP.

Signed;


..... Date 12.6.2019
G. Okwach – Group Audit Manager


..... Date 13-06-2019
V. Chittur – Group Procurement Manager


..... Date
P. Mwafi – Group Finance Director


..... Date
R. Rao – Group CEO