

Internal and Confidential

Netradyne Purchase and Procurement Procedure

v1.1

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# Purpose

The purpose of this document is to establish a clear and consistent process for the procurement of goods and services within Netradyne. This document aims to ensure that all purchases are conducted in a fair, transparent, and efficient manner, while maintaining compliance with company policies and legal requirements.

# Scope

This document applies to all departments and employees involved in the procurement process, limited to IT equipment, software, services, and other related items. The document covers the complete procurement lifecycle, from requisition to payment.

# Roles and Responsibilities

Roles and responsibilities specific to this document are included below:

|  |  |
| --- | --- |
| **Role** | **Responsibilities** |
| Owner | * Team or SME responsible for the process area needs to ensure this document is up to date and compliant with governing requirements. * Is the point of contact for the document. * Responsible for initiating and managing document review and the approval process from start to finish including gathering or delegating the collection of content including diagrams, formatting etc. as well as identifying stakeholders to participate in the peer review process. |
| Reviewers/Stakeholders | Representations from teams that can affect or be affected by the document under review (e.g., Operation, Security, Compliance, Quality) |
| Approvers | The Person(s) of authority to validate the document and sign-off on the latest version. Such Person include Document owner, Functional Team Lead, Security Lead, Product Delivery Lead. |
| Document Release | Document Owner/team to work with repository administrator to make release version available. |

# Procedure

# 4.1 Definitions

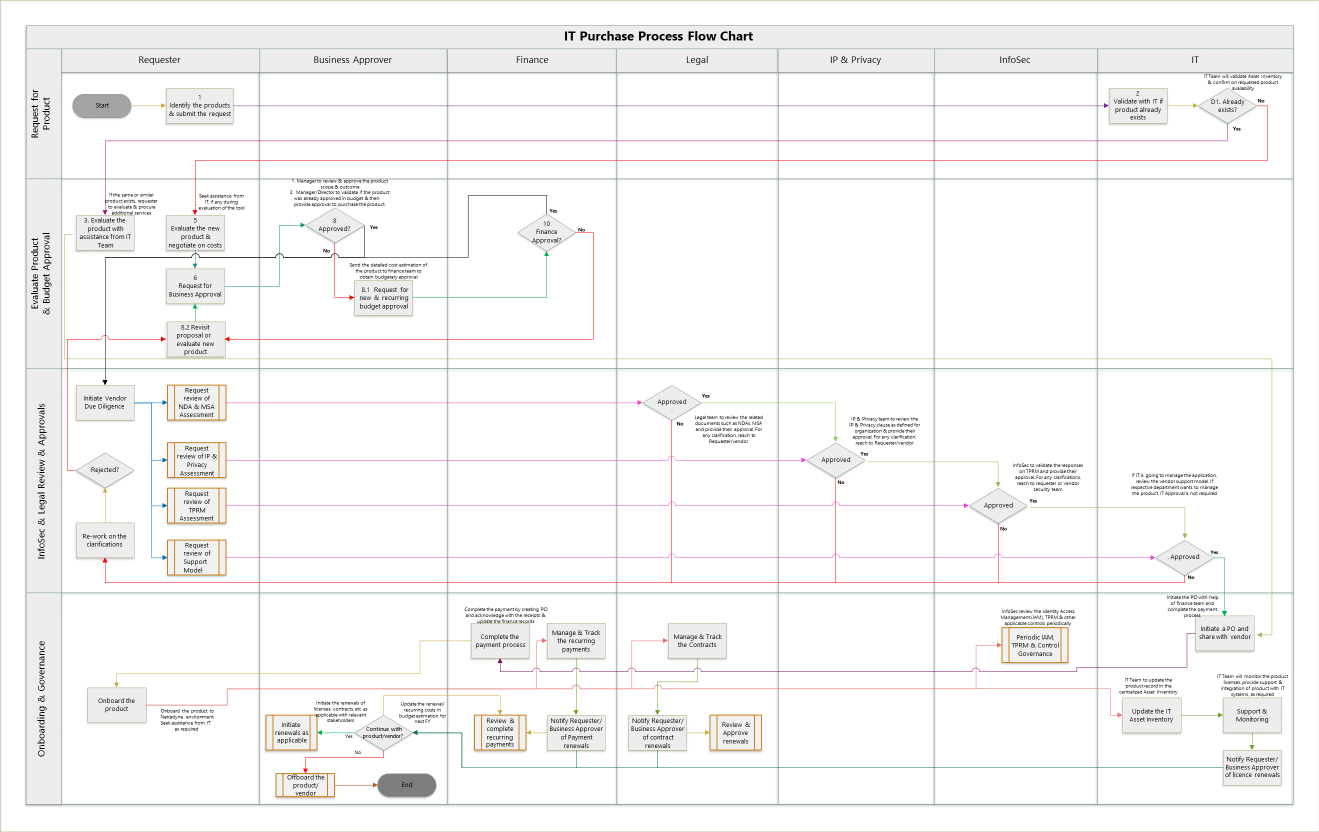
* **Procurement:** The process of acquiring IT assets, software’s and services from the external vendors or OEMs for organizational usage.
* **Purchase Requisition:** Pre-requisite generated by a requestor or relevant department to notify the IT procurement team of the need to purchase IT assets, software’s, and services.
* **Purchase Order (PO):** A formal document issued by Netradyne to any external vendor, authorizing a purchase through an ERP tool (NetSuite)
* **Vendors or OEM’s:** A person or business that provides/supplies IT assets, software’s, and services to Netradyne.

# 4.2 Roles and Responsibilities

* **Requestors/Department Heads:** Identify needs, prepare requisitions, and provide business and technical requirements.
* **IT Technical Team:** Provides or evaluates the technical specifications and ensures compatibility of hardware and software and align with IT policies.
* **BSG Team:** The proposed solution (tool or implementation) will be thoroughly evaluated to ensure alignment with Netradyne’s business process landscape and system architecture. This includes ruling out duplicity, assessing overall fitment, and, upon satisfactory review, providing approval to proceed.
* **InfoSec Team:** Conducts a Third-Party Risk Management (TPRM) assessment for IT assets, software, and services being requested to ensure that all security and third-party risks are identified, addressed, and governed throughout the engagement.  
  Upon successful evaluation, provides approval to proceed.
* **Legal Team:** Reviews all user agreements, contracts, renewal terms and conditions, Master Service Agreements (MSAs), Non-Disclosure Agreements (NDAs), and related documents for all vendors or OEMs involved. Provides approval to proceed upon satisfactory legal and compliance evaluation.
* **IP & Privacy:** Provides inputs on the privacy aspects of IT assets, software, and services to ensure alignment with organizational privacy policies and regulatory expectations. Ensures that privacy requirements are met and governed throughout the engagement and provides approval to proceed.
* **IT Procurement Team:** Manages vendors and OEM’s selection, solicits quotes, prepares POs, and tracks orders.
* **IT Head:** Oversees and governs the procurement process, ensures compliance with policies, negotiates contracts, and approves final purchases.
* **Finance Department:** Negotiates contracts, reviews, PO approvals and processes invoices, manages payments, and monitors budget compliance.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **RACI** | **Request for Product** | **Evaluate Product & Budget Approval** | **InfoSec & Legal Review/Approvals** | **Payment of invoice** | **Onboarding & Governance** |
| **Requester** | R,A | R,A | I |  | I |
| **Department Head** | I | R,A | I | I | R |
| **Finance Department** | I | I | I | R,A | R |
| **Legal Team** | I | I | R,A |  |  |
| **IP & Privacy Team** | I | I | R,A |  |  |
| **InfoSec Team** | I | I | R,A |  | R |
| **IT Head** | C | C | I | I | I |
| **IT Procurement Team** | C | C | I | R | R,A |
| **IT Technical Team** | C | R,A | I |  | R |
| **BSG Team** | I | R,A | I |  | R |

# 4.3 Purchase/Procurement Workflow



# 4.4 Service Level Agreements

Below mentioned SLA should be followed by all the stakeholders to ensure the fulfilment of the requirements.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Timeline (Days)** | **Task** | **Department/Team** | **Approval Required** | **Dependency** | **SLA (Days)** |
| T1-T5 | OEM selection, soliciting quotes, preparing POs | IT Procurement Team | No | Sequential | 5 |
| T6-T8 | Technical evaluation of specifications | IT Technical Team | No | Parallel | 3 |
| T9-T11 | Solution evaluation, duplicity check, and fitment | BSG Team | No | Parallel | 3 |
| T12-T14 | TPRM and security assessment | InfoSec Team | Yes | Parallel | 5 |
| T15-T19 | MSA and NDA review and approval | Legal Team | Yes | Parallel | 5 |
| T20-T24 | Privacy assessment and approval | IP & Privacy Team | Yes | Parallel | 3 |
| T25-T27 | Final purchase approval | IT Head | Yes | Sequential | 3 |
| T28-T32 | Contract negotiation and payment initiation | Finance Department | Yes | Sequential | 5 |
| T32 | Request closure | Request Fulfilment Team | No | Sequential | 32 |

# Note – All SLAs and timelines will be initiated simultaneously once the request is raised. We request all teams to begin working on their respective tasks promptly to avoid any blockers or dependencies. If there is a dependency on any other team, please highlight it clearly in the request.

# 4.5 Procurement/Purchasing Procedure Life Cycle

**A diagram of a process

Description automatically generated**

**4.5.1 Need recognitions (Assessment and Requisition)**

1. **Identify Need:** Requesters/Departments identify a need for IT assets, software’s, or services.
2. **Prepare Purchase Requisition:** The requesting department/requesters creates an IT ServiceDesk+ ticket ([SD+ Request Template](https://itservicedesk.netradyne.com/app/itdesk/ui/requests/add?reqTemplate=155142000001536721)) with detailed specifications, estimated costs, and business justification.
3. **Approval:** The purchase request is reviewed and approved by the Department Head. Requester needs to get the budgetary approval from Finance team, IT Head or by leadership if any to proceed further.

**4.5.2 Selection of supplier (Vendor Selection and Quotation)**

1. **Vendor List:** The IT procurement team maintains an approved vendor list. Any new vendors or OEM’s must follow TPRM process.

**TPRM process**: [Netradyne\_TPRM\_AssessmentWorkflow.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/Netradyne_TPRM_AssessmentWorkflow.pdf?csf=1&web=1&e=gcGc6f)

1. **Request for Quotation (RFQ):** The IT procurement team solicits quotes from at least two or three vendors, ensuring competitive pricing and quality.
2. **Evaluation:** Quotes are evaluated based on price, quality, delivery time, post-sales support, and vendor reliability.
3. **Vendor Selection:** The best vendor is selected, and the decision is documented in the SD+ ticket raised for the given requirement.

**4.5.3 Placing Order (Purchase Order Issuance)**

1. **PO Preparation:** A Purchase Order is prepared in Netradyne ERP system (NetSuite), detailing the agreed terms and conditions, item descriptions, quantities, prices, delivery dates and others if any.
2. **PO Approval:** The PO is reviewed and approved in Netradyne ERP system (NetSuite) by Finance Department, Requesters Business Head, IT Head and, if required, by leadership team.

Vendor PO Process: [ND India and USA - PO Process.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/ITTEAM259/Shared%20Documents/General/IT%20Process%20and%20Policy%20Documents/IT%20Process/IT%20Purchase%20SOP/ND%20India%20and%20USA%20-%20PO%20Process.pdf?csf=1&web=1&e=eOIOWi)

1. **PO Issuance:** The approved PO is sent to the vendor or OEM’s.

**4.5.4 Follow up, Receiving & inspection (Order Fulfilment and Receipt)**

1. **Delivery:** The vendors or OEM’s delivers the IT assets, software’s, or services as per the PO released earlier to them.
2. **Inspection:** The received IT assets, software’s or services should be inspected by IT team for compliance with specifications and quality standards.
3. **Acceptance:** If the goods/services meet the requirements, the IT Procurement team/IT Team signs the delivery note. Any discrepancies should be reported immediately.

**4.5.5 Payment of invoice (Invoice Processing and Payment)**

1. **Invoice Verification:** The IT Procurement team validates the invoices generated/received and later submits the invoices to finance team. The Finance Department will cross validates/verifies the invoice against the PO and delivery note.
2. **Approval for Payment:** The invoice is approved by the Finance Manager and, if necessary, by leadership team.
3. **Payment Processing:** Payment is made according to the agreed terms and conditions, and the transaction is recorded in the financial system.

**Below are the details required for payment processing:**

1. Bank details if new vendor.
2. PI from Vendor (in case of advance payment)
3. Tax invoices.

**INDIA Payment Schedule:**

|  |  |  |
| --- | --- | --- |
| **Schedule** | **Vendor's payment date** | **Deadline for sharing the required data for payment processing** |
| 1st Schedule | 7th of every month | 3rd of every month |
| 2nd Schedule | 15th of every month | 11th of every month |
| 3rd & Final Schedule | 30th of every month | 24th of every month |

**US Payment Schedules:**

|  |  |  |
| --- | --- | --- |
| **Schedule** | **Vendor's payment date** | **Deadline for sharing the required data for payment processing** |
| 1st Schedule | Every week Wednesday | Every week Wednesday |

# 4.6 Procurement Policy Compliance

* **Ethical Standards:** All procurement activities must adhere to ethical standards, ensuring fairness, integrity, and transparency.
* **Conflict of Interest:** IT Procurement team/members involved in procurement must disclose any conflicts of interest.
* **Confidentiality:** Information related to procurement or budgetary details must be kept confidential and not shared outside the organization or to any vendors.

Procurement shall adhere to organizational purchasing policies and procedures.

# 4.7 Vendor Management

* Vendor engagement should be managed in a professional, ethical, and transparent manner.
* Vendors should be regularly evaluated based on their performance, quality of service, and adherence to contract terms and conditions.
* A centralized governance function should be established to oversee vendor management and ensure compliance with the enterprise’s policies and procedures.

# 4.8 Record Keeping and Documentation

* All procurement-related documents, including negotiated quotes, Final quotes, POs, and contracts, must be maintained for audit purposes in SD+ or in Netradyne SharePoint.
* Records should be stored securely and be easily accessible for authorized personnel only.

# 4.9 Review and Continuous Improvement

* This SOP should be reviewed annually to ensure its effectiveness and relevance.
* Feedback from stakeholders will be incorporated to improve the procurement process.

# 4.10 Key Contacts

|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Email ID** | **Designation** | **Department** |
| Kothai Rajkumar | kothai.rajkumar@netradyne.com | Sr. IT Procurement Analyst | IT |
| Sreenivasan N | Sreenivasan.Narayanaswamy@netradyne.com | IT Procurement Manager | IT |
| Chethan Gangaraju | chethan.gangaraju@netradyne.com | Staff Manager - IT Infrastructure | IT |
| Sudhansu Kumar | sudhansu.kumar@netradyne.com | Principal Engineer | Infosec |
| Kavitha Shetty | kavitha.shetty@netradyne.com | Senior Staff Manager | Infosec |
| Shripad Bhat | [shripad.bhat@netradyne.com](mailto:shripad.bhat@netradyne.com) | Senior Manager - Controllership & Reporting | G&A |
| Mihir Parekh | mihir.parekh@netradyne.com | Associate Director | Financial Planning & Analysis |
| Sayani Mitra | [sayani.mitra@netradyne.com](mailto:sayani.mitra@netradyne.com) | Associate Manager | Legal G&A |
| Subhendu Mukherjee | [subhendu.mukherjee@netradyne.com](mailto:subhendu.mukherjee@netradyne.com) | Vice President | Business System |

# 4.11 Escalation Matrix

|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Email ID** | **Designation** | **Department** |
| Sreenivasan N | Sreenivasan.Narayanaswamy@netradyne.com | IT Procurement Manager | IT |
| Saravanan Sankaran | [saravanan.sankaran@netradyne.com](mailto:saravanan.sankaran@netradyne.com) | Vice President | IT & InfoSec |
| Shripad Bhat | [shripad.bhat@netradyne.com](mailto:shripad.bhat@netradyne.com) | Senior Manager - Controllership & Reporting | G&A |
| Priyesh Tripathi | [priyesh.tripathi@netradyne.com](mailto:priyesh.tripathi@netradyne.com) | Director | Finance |
| Ashwin Kumar | [ashwin.kumar@netradyne.com](mailto:ashwin.kumar@netradyne.com) | Vice President | Finance |
| Sashi Singrodia | sashi.singrodia@netradyne.com | Director | Finance |
| AJ McCutcheon | aj.mccutcheon@netradyne.com | Senior Director | Finance |
| Subhendu Mukherjee | [subhendu.mukherjee@netradyne.com](mailto:subhendu.mukherjee@netradyne.com) | Vice President | Business System |
| Michael Campos | [michael.campos@netradyne.com](mailto:michael.campos@netradyne.com) | Vice President | Privacy |
| Tom Schmit | tom.schmitt@netradyne.com | Chief Financial Officer | Finance |
| Dev Zaveri | dev.zaveri@netradyne.com | Senior Vice President | Legal |

# Conduct

Compliance Checks to this process to be performed through various methods, including but not limited to reports, internal/external audits, Awareness training/assessments and feedback to the process owner. Non-compliance will be escalated to the Netradyne leadership team.

# Exception

Exception to this procedure must be approved through the Netradyne Exception Process.

# Terms/Acronyms

|  |  |
| --- | --- |
| **Term/Acronym** | **Definition** |
| PO | Purchase Order |
| TPRM | Third Party Risk Management |
| SD+ | ServiceDesk Plus |
| OEM | Original Equipment Manufacturer |
|  |  |
|  |  |
|  |  |

# References

## Policies

[Netradyne Information Security Policy & Procedure.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/ISMS%20Published%20Documents/ISMS%202023/Netradyne%20Information%20Security%20Policy%20%26%20Procedure.pdf?csf=1&web=1&e=mRSIq4)

[Netradyne Information Security Exception Process.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/ISMS%20Published%20Documents/ISMS%202023/Netradyne%20Information%20Security%20Exception%20Process.pdf?csf=1&web=1&e=RbfEhO)

[Acceptable Usage Policy.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/ISMS%20Published%20Documents/ISMS%202023/Acceptable%20Usage%20Policy.pdf?csf=1&web=1&e=2jMnrk)

## Process/Procedures

[NETRADYNE DISASTER RECOVERY PROCESS.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/ISMS%20Published%20Documents/ISMS%202023/NETRADYNE%20DISASTER%20RECOVERY%20PROCESS.pdf?csf=1&web=1&e=xTyHtp)

[NETRADYNE BUSINESS CONTINUITY PLAN.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/ISMS%20Published%20Documents/ISMS%202023/NETRADYNE%20BUSINESS%20CONTINUITY%20PLAN.pdf?csf=1&web=1&e=eCZUy6)

[Netradyne Vulnerability & Patch Management Process.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/ISMS%20Published%20Documents/ISMS%202023/Netradyne%20Vulnerability%20%26%20Patch%20Management%20Process.pdf?csf=1&web=1&e=N697w0)

[NetradyneSecurityIncidentResponsePlan.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/ISMS%20Published%20Documents/ISMS%202023/NetradyneSecurityIncidentResponsePlan.pdf?csf=1&web=1&e=Nzo34K)

[Netradyne\_TPRM\_AssessmentWorkflow.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/NETRADYNEDOCUMENTMANAGEMENTPORTAL/Shared%20Documents/General/Netradyne_TPRM_AssessmentWorkflow.pdf?csf=1&web=1&e=gcGc6f)

[IT Guidelines for Software Purchases.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/netradynenet/IT%20Policies/IT%20Guidelines%20for%20Software%20Purchases.pdf?csf=1&web=1&e=bEU23s)

[IT Purchase Process Flow.pdf](https://netorg726775.sharepoint.com/:b:/r/sites/netradynenet/IT%20Policies/IT%20Purchase%20Process%20Flow.pdf?csf=1&web=1&e=sdVdXg)

# Appendix A: Document RACI Matrix

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Role/Activity | Document Owner/Functional Area Lead | Document Contributor | ND Leadership | Functional Area Team | InfoSec | All ND Member(s) |
| Ensure document is kept current | A | R | I, C | R, C | C | I |
| Ensure stakeholders are kept informed | A | R | - | R | C | - |
| Ensure document contains all relevant information | A | R | I, C | R, C | C | I |
| Ensure document adheres to document governance policy | A, R | R | I | R, C | R, C | I |
| Provide SME advice | I, R | A, R | I | R, C | I, C | I |
| Gathering and adding document contents | I | A, R | I, C | R, C | C | I |
| Document Approval | A | R | I, R | I | I, R | I |

|  |  |
| --- | --- |
| Key |  |
| R | Responsible |
| A | Accountable |
| C | Consulted |
| I | Informed |