

JINDAL ALUMINIUM LIMITED
(Rolling Division)

4th Amendment to General Procedure dated 20.4.2020

1. Under Part I "PROCEDURE FOR PREPARATION OF REQUISITION/INDENT, APPROVAL OF OFS etc." on Page 13, under point no. "xv" of "Note" shall be substituted as follows:

"xv. Bills related to services and goods provided by AMC/CMC will be physically verified by the Stores Manager+ Accounts Officer/Accounts Manager."

2. Under Part III "GUIDELINES FOR PURCHASES" on page 28, after point no. "c" "Purchase of items exceeding Rs.25,000/- each item" followings new point to be added as point no. "d" "Procedure for Annual Maintenance Contract (AMC) & Comprehensive Maintenance Contract (CMC)" as follows :

"(d) Procedure for Annual Maintenance Contract (AMC) & Comprehensive Maintenance Contract (CMC):

1. Prior to raising an indent for AMC/CMC of any equipment, User & Stores dept should check the equipment, its condition, location and its availability for processing further. In case there is plan to replace the equipment within one year the AMC should be renewed after consultation with the user department.
2. Stores and User department to find out and ensure whether the equipment/machine is covered under warrantee / Guarantee, if any and also find out whether, at the time of negotiation, we have obtained extended service support after completion of warranty Period or not?
3. Considering the importance, Usage and life of the equipments, AMC/CMC indent should be raised and awarded.
4. At the time of Quotation, enquiry / OFS circulation, purchase dept should clearly obtain the list of critical spare parts and also obtain technical scope of work to be carried out, at the time Preventive Maintenance (PM) etc. The OFS of breakdown service should clearly mention whether use of any spares is in the scope of the vendor or to be provided by us.
5. Break Down (BD) call service and PM Service should not be combined by Service Provider for the same equipment in a single visit in most of the cases. However, wherever, it is not possible for us to provide the machine again for PM due to its criticality, the Break Down and PM Service may be agreed with the approval of the Technical Manager/ Factory Manger. PM visits should be finalized for regular intervals like Monthly, Quarterly etc. Uneven periodical PM Service will not be agreed. Generally, advance payment of PM, CMC to be avoided, however, if it is absolutely unavoidable it may be agreed with the approval of HOD Purchase and GM(C).
6. Certain machines like Computer Servers, UPS, Printers or even software of many imported machines are serviced on line, in those cases physical visits of engineers of service providers will not be there. Proper records should be kept by user department for online services provided by AMC/CMC service provider.
7. If any PM Service missed out by party within the specified tenure of quarterly/half yearly, we should extend the PM period on Free of Charge (FOC) basis or deduct the payment of the vendor proportionately. However, one week grace period may be considered for PM Service after completion of particular quarter / half year.
8. In case of AMC, when new spares are used, the old spares to be taken back and deposited in to Store. These conditions must be clearly specified in the PO and where the company pays for the cost of spares.
9. Technical, Purchase and Stores departments should maintain the list of equipments which are covered under AMC. Technical Department will raise an indent for renewal of AMC well in time. Purchase dept should intimate to Technical and Stores dept on time after renewal, immediately with PO reference, if any. In case there is addition and deletion of any equipment Technical Department shall inform all concerned so that the same could be incorporated in the list of AMC
10. IT Dept. will incorporate all the AMC Indents in the AMC Module and will provide alert to the Concerned Dept., Purchase Department and also to the Service Provider wherever Preventive Maintenance is due to attend and also at the time of renewal. When the Preventive Maintenance is due the alert will be raised 15 days before every alternative day,

after the expiry of the date alert every day till the completion of the PM and upload the report.

11. IT department will generate Stamping /Calibration alert in the System one month before following weekly once for the first two weeks and twice for the 3rd week and every day for 4th week.
12. Technical head will ensure timely attending of PM services and smooth running of Equipments / performance condition etc. In case of, non response from AMC/CMC service providers, purchase head will involve himself and will ensure the timely completion of PM Service, Break Down call response, spares replacement and also to resolve dispute etc. arises if any.
13. Whenever Engineer visits to attend the break down / preventive maintenance the Concerned Department Engineer / Supervisor will sign the Call Report/ Service Report and handover to Purchase Dept. to maintain the records, after being verified by technical head.
14. Some Service Providers are submitting their PM report through email in the form of digital soft copy after attending/completion of service by them. Either soft copy of mail or hard copy of PM report must be acknowledged & confirmed by supervisor and later on certified by Technical head, so that Purchase and accounts will have an authentic document to ensure that the Service Provider has provided satisfactory service, before passing of the bills.
15. It has been observed that some of the AMC party service engineers are obtaining service endorsement from supervisors of other division for example Extrusion division related machine being certified by RMD supervisor and vice versa. User department head to ensure that such kind of practices must not be allowed. Extrusion and RMD divisions must obtain separate PM Service report and only respective supervisor and technical heads must certify their respective reports.
16. BD call records and other service reports are important document to analyze the equipment performance, repeated replacement of spares if any and its warranty period etc. Purchase and user department must monitor all service reports very keenly, so that there is a control on AMC provider.
17. All AMC/CMC bills will be approved by the authorities as specified in the corporate procedure of the respective units as per the terms of the PO.
18. Clearance of Technical and Purchase departments are very much mandatory to release AMC/CMC payment. At the time of bill passing, Account department should ensure that all relevant PM reports have been attached and services have been completed , where payment is to be made after rendering of services.
19. At the time of AMC/ CMC bill passing by Purchase dept, if any delay or omission of PM & call for the particular tenure is observed; then purchase department should lodge a complaint mail to Service Provider as a record for extension of PM tenure instead of approaching at the time of renewal with available unmaintained records. Accordingly suitable decision to be taken by Purchase department, whether payment to be deducted proportionately or AMC period to be extended proportionately.
20. Security dept should maintain complete log details of IN and OUT entry record pertaining to Service Provider, whosoever, visiting to attend PM / BD Services.
21. AS far as possible, AMC/CMC should be entered into in such a way that it matches with the accounting financial year i.e. From April to March. Initially, AMC can be entered into for a broken period for bringing the AMC period at par with the accounting year and thereafter all subsequent renewals can be done based on financial year.
22. AMC/CMC bills should be cleared through DMS system as being done for other supplier bills so that the same can be easily tracked through ERP for the status and also misplacing of the bills can be avoided. I T department should provide necessary solution for the same."

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