

JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

GENERAL PROCEDURE

PART-I

A. PROCEDURE FOR PREPARATION OF REQUISITION/INDENT, APPROVAL OF OFS etc.

1. Indent / Requisition Preparations:

While preparing the indents, the stores department will classify the same into three categories:

- (i) Local purchases (P1)
- (ii) Outstation purchases (P2)
- (iii) Imported items (P3).

a. Regular Store Items (are those items which are used frequently with regular interval):

For regular items, indents will be raised automatic in ERP which are governed by inventory levels, which will be verified and approved by Stores-in-Charge and shall be given to the following persons after proper verification and necessary approvals:

First copy purchase	SKM for local purchase (P1) and PM (Purchase Manager) for outstation purchase (P2) and for import Mr. PKK (P3). Level item copy through ERP only.
Second Copy to SM	For Level items, no second copy (print) is required. Stores Asst. /Assistant Storekeeper will keep follow-up and check through soft copy in ERP.

b. Non-Regular Store Items (are those items which are not used frequently and regularly):

The stores requisition/indent will be prepared for non-regular items by the respective "HOD" (as defined below) in the prescribed format through ERP.

2. Head of Departments:

For the purpose of this procedure, the following shall be the respective departmental head:

A. Rolling Departments:

Sl. No.	Department Name	HOD Name	Name of person who will prepare indent
01	Foundry & Caster	Mahesh Subandh	Chetan Selokar / Sunil Purohit
02	Cold Rolling Mill	Nand Lal Singh	Rahul Mallik / Harish GR

03	Foil Mill	Sunil Panicker	Sushil Kumar
04	Production -Finishing	R.N. Sahu/ Nand Lal Singh	Vinay Kumar Samdarshi/ Meshram
05	Slug and Circle	S.K. Jain	Harish Sharma
06	Safe wrap	S. K. Jain	Vipin Goyal
07	Electrical Maintenance	Ashish Lal Gaur	Arokya Raj / Ashutosh / Navrathan
08	Mechanical Maintenance	Kulwinder Singh	Prabhjot Singh / Amaranth / Jaydeb Kutty / Satyendra
09	Non-Plant Maintenance	Ashish Lal Gaur	Somashekar H.B.
10	Production Planning and Control	Surjit Kumar Singh	Mr. K. Chauhan
11	Quality Assurance & Lab	R.Krishna Prasad/O.N. Upadhyay	Varun Dhiman/Balaram D.K.
12	Rolling Packing	J.S. Chauhan	Sandeep Agarwal/ Mukesh Modi

B. Extrusion Departments:

Sl. No.	Department Name	HOD Name	Name of person who will prepare indent
01	Quality Assurance & Lab	Rabi Patnaik	Arvind Kumar
02	Extrusion Packing	G. S. Sharma	Sanjay Bansal/ Ashish
03	Toolshop	Kumar Sanjay	Mohit Garg / Om Datt Sharma
04	Production	Lakshman Singh	Venkataramana B / S.K. Tripathi
05	Electrical Maintenance	Ranjeet Kumar	Suresh Gupta / Pavitra Dev Sawan
06	Mechanical Maintenance	Sanjeev Sharma	Vikas Sethi / Gaurav Pandey
07	Foundry	Atul Srivastava	DNN Prasad / Khurshid Ahmad

C. General:

Sl. No.	Department Name	HOD Name	Name of person who will prepare indent
01	Stores	Ratish Kumar Chaubey	M. V. Satyanarayana
02	Civil C onstruction	S.K. Jain	SS Jarali / Praveen Agarwal
03	Development	Ashok Bhatia/ Sathesh	Pushparaja / Rohit / Venkatesh
04	Information Technology	Binit Kumar	Rabindra Behera / Naveen Mittal
05	Administration	Pradeep Singhal	Rajendar Singh/Sandeep Lamba

All indents shall be prepared and approved by Department Head/other authorized persons as per matrix given in this procedure. Approval will be taken from first named person. In case he is not available, approval will be taken from second person.

No separate hard copy of indents shall be taken Up to Rs.1 lakh which shall be verified and controlled through ERP (Soft copy) and for the item values above Rs.1 lakh, one hard copy (Print) shall also be taken for taking the approvals as per limits for approval of indents and shall be given to the following persons after proper verification and necessary approvals:

First copy purchase	Asst. Manager Purchase (SKM) for local purchase (P1) and PM (Purchase Manager) for outstation purchase (P2) and for import P. K. Kalra (P3)
Second Copy to SM	Stores Asst. /Assistant Storekeeper for preparation of rate analysis for record after getting acknowledgement from purchaser.

3. Job Work:

For all the machining components/fabricated items and all job work, indent cost analysis shall be given by the indenter. The format for cost analysis sheet shall be as follows:

Item Code	Indent No.	Drawing No.	Brief description of the items	Basic raw material

Approx. material required	Rate per unit	Fabrication charges	Approx. machining charges	Approx. price per unit	Wastage

Note:

- i. Regular items will be included/ **added** in items governed by minimum/maximum levels after approved by HOD.
- ii. Non-regular items are items other than those which are under minimum/maximum levels.
- iii. In respect of spares and parts for presses and other machines belonging to press godown, the indenter shall, before preparation of the purchase indent, ascertain from stores whether such items or equivalent items are already available. The indent in such cases shall be prepared only if the items required/ equivalent items are not available in stores. Manager(Maint)/AGM(Maint)/DGM(Maint)/VP(O) shall approve the indent only after ensuring that items indented for/equivalent items are not available in stores. SM should certify on the indent that the item is not available in Stores or anywhere in the factory after thorough checking everywhere. **He should mention about working of the item, if required.**
- iv. In respect of Construction Dept., indenting etc. shall be followed as specified in the Construction Procedure.
- v. In case it is found later that item was ordered while the same was lying anywhere in the factory, responsibility should be fixed after enquiry is conducted by a senior person

or Manager-IAD, to be ordered by any of the GM(C)/VP/SME and **strict** action be taken on the person or persons found responsible for such lapses **and loss caused to company should be recovered from him/her.**

4. Limits for Approval Of Indents

a. Revenue items:

Sl. No	Limit	Approving authority
(i)	Up to Rs.20,000/-	Stores-in-Charge + User department Head (two persons)
(ii)	Above Rs.20,000 and up to Rs.50,000/-	As in (i) above + VP(O)+SKP/AG (4 persons)
(iii)	Above Rs.50,000 and up to Rs.1,00,000/-	As in (i) above + VP(O)+AG/SKP (4 persons)
(iv)	Above Rs.1,00,000 and up to Rs.2,00,000/-	As in (i) above + VP(O)+AG/SKP+ DS (5 persons)
(v)	Above Rs. 2,00,000/-	As in (iv) above + NM (6 persons)

b. Capital items & Spares:

Sl. No.	Limit	Approving Authority
(i)	Upto Rs.25,000/-	Stores in charge + Head of respective Dept. (2 persons)
(ii)	Above Rs.25,000/- and up to Rs.2,00,000/-	As in (i) above + VP(O)/RNS + AG/SKP + AB (5 persons)
(iii)	Above Rs.2,00,000/- and upto Rs.5,00,000/-	As in (ii) above + DS/NM (6 persons)
(iv)	Above Rs.5,00,000/-	As in (iii) above + MD (7 persons)

c. Job Work:

Job work excludes cases where items are sent out for repair/reconditioning. Items sent for repair of vehicles, refrigerators, air-conditioners etc. or for rewinding of motors, testing etc. will not be covered under job work. Job work includes cases where items are sent out for machining, turning, milling, slotting, shaping, boring, drilling, honing, fabrication etc. For the purpose of value, it shall include cost of material, if any used by job work contractors.

Sl. No.	Limit	Approving Authority
(i)	Upto Rs.20,000/-	Stores in charge + Head of respective Dept. (2 persons)
(ii)	Above Rs.20,000/- and upto Rs.2,00,000/-	As mentioned in (i) above + VP(O)/RNS + AG/SKP + AB (5 persons)
(iii)	Above Rs.2,00,000/-	As mentioned in (ii) above + DS/NM (6 persons)

- NOTE:(a) Functional (user/indenting) Departmental Head to approve all OFS above Rs.10,000/-.
- (b) All the above job works will be checked and verified by IAD frequently and constantly without fail to ensure that there is no manipulation, dishonesty, lapses etc. **It should also be checked that unnecessary job work is not done & higher rates are not paid.** In case such things are found, he must bring the same to the notice of GM,VP(O)&DM or MD without fail. GM/VP(O)/DM will ensure proper scrutiny and checking of all job work and take action on the concerned including Head IAD for his not checking properly.
- (c) Clarification regarding GST tax rate etc. to be obtained from DGM(F&T) / CS/CFO where required.

Separate record/report is to be maintained for capital items & spares by SM in the following manner:

- i. Items covered upto **Rs.25,000/-** should be entered separately.
- ii. Items covered above **Rs.25,000/-** and up to Rs.2.00 lakhs must be entered in chronological order on separate pages as per date of indent.
- iii. Items over Rs.2.00 lakhs and up to Rs.5.00 lakhs must be entered chronologically on separate pages.
- iv. Items over Rs.5.00 lakhs each must be entered separately.
- v. Items entered under one category should not be entered in another. The categories mentioned above must be separately maintained. They should not be clubbed.
- vi. Whenever limits are exceeded, it must be ensured that necessary approvals as mentioned in the procedure are taken.
- vii. Items approved by MD/CMD Saheb separately must also be entered in the category under which they fall. But no separate approval is required as per limits given in SI.No.2 above. It is sufficient if any of SME gives remarks on indent that Purchase has been approved by MD/CMD Saheb. His written approval is not necessary.
- viii. IAD to check from time to time whether all indents for capital items/spares have been entered in the report maintained and proper procedure is followed.
- ix. This report should be checked by Accounts Manager / DGM(C) once a month.
- x. If any item/s is approved by MD/CMD Saheb directly, no separate approval is required.
- xi. OFS for job works need not be prepared but approval note should contain all the necessary particulars that an OFS ought to have.
- xii. In case of job works related to machining work and for which drawing number is available, then in such cases, rate analysis will be attached, which will be provided by stores department.

However, rate analysis will not be required to be attached in case of items which are **received without payment** under guarantee/warranty period and job works related to repairing, fabrication, modification and rectification works.

- xiii. Purchase Manager should prepare the approval note in order to take approval and all such approvals should be serially numbered.
- xiv. In case of job works for anodising, approval shall be taken from SKP/DGM(Marketing).
- xv. In case of fabrication work, for steel used (plates, angles, flats, columns, MS wire/pipes etc.) a separate fabrication register should be maintained by /M Sathesh Kumar (Development) in the following format which should be regularly checked by GM – Maintenance & VP(O) and **action should be taken by them for any loss caused**. IAD should also check this register periodically.

Item	Receipts			Issues			Balance quantity	Remarks
	Date	Qty.	Indent Ref.	Job work Ref.	Date	Qty.		

NOTE:

- (a) Wastage with reference to each indent must be ascertained by satyendra Kumar (Mamager Maintenance –RMD)/Sanjeev Sharma(AGM- Maintenance Extrusion)/ /M Sathesh Kumar (Development)and stated in the job work order. It must be ensured that in the job work order, percentage of wastage is mentioned and that it does not exceed 3% **or as approved**.
- (b) Related issue notes should be kept separately job wise.
- (c) M Sathesh Kumar (Development) should ascertain from the contractor the quantity required for fabrication in case of each job separately before the work commences. Subsequently, during the course of fabrication and erection, they should ascertain whether the quantity issued is in accordance with the requirement originally planned for as per drawing.
- (d) **Concerned HOD** should ensure that there is minimum wastage with regard to cutting of steel sheets etc.
- (e) Any bend or warped steel members must be straightened thoroughly and there should not be any rusting. If the material is found to be defective, the same should be returned to the supplier.
- (f) M Sathesh Kumar (Development) should monitor fabrication work while it is in progress and should record all measurements in respect of completed fabrication work. They should ensure that fabricated/welded members are examined thoroughly before shop coat painting is done by the contractor. After shop coat painting and erection are completed, measurements must be taken once again by M Sathesh Kumar (Development) / GM – Maintenance and reconciled with reference to quantities stated in the contractor’s bill as well as with estimates given. Differences arising there from shall be debited to the contractor’s account accordingly.
- (g) In case of job work for steel fabrication done at our premises by contractors, the scrap generated should not exceed such percentage as fixed in the job work order. In case the scrap generated exceeds the percentage fixed in the job work order, the value of the quantity scrapped in excess should be

recovered from the contractor.

- (h) The procedure specified in para (vi) (a) to (f) above shall be applicable for outside job work also. However, in case of job work for steel fabrication done at our premises by contractors, it will be sufficient if GM – Maintenance certify in the final bill that scrap generated does not exceed 3%”.

xvi. **CAPEX COMMITTEE:**

All new requirements of machinery costing Rs.2,00,000/- and above shall be scrutinised and analysed from all angles from cost aspect/savings etc. by Capex Committee. The members of the Capex Committee will be the Cost Accountant, Sathesh, Kulwinder Singh, Naveen Hebbar. The Capex Committee will discuss in details (a) why the project is needed (b) Total estimated cost of the project (c) Advantages and disadvantages (d) Payback period (e) Cost savings (f) Quality improvement (g) Life of the equipment (h) Availability of service support. After detailed discussions, the Capex Committee shall put forth its report to the management for approval. However, projects approved by MD need not be referred to the Capex Committee but will be approved by **any one** of the SMEs. Records of such indents as approved should be kept by SM in respect of local purchases, PM in respect of outstation purchases and PKK in respect of Imports, who will also ensure that no purchase of capital items or spares is made exceeding the above limits.

The Capex Committee shall be responsible to check usefulness of all capital items in excess of Rs.2,00,000/-, six months after it's commissioning. For all such capital items, Cost Accountant must prepare a statement, giving the cost and benefit of the equipments, along with actual pay back, within 6 months. This must be submitted to Capex Committee and circulated to AG/VP(O)/MD.

d. **Canteen, vehicles, spares and other consumables, stationery & welfare:**

SI. No.	Limit	Approving authority
(i)	Upto Rs.5,000/-	Deputy Mgr (Admn) (one person)
(ii)	Above Rs.5,000/- and Up to 1,00,000/-	As above + AD/SNM+ AG (3 persons)
(iii)	Above Rs.1,00,000/- and above	As in (ii) above + NM (4 persons)

DM (admin) will obtain such approvals before forwarding the copies to the concerned persons for purchase.

e. **Approval of Contracts of Civil Works**

SI.No.	Limit	Approving authority
1	Up to Rs.10,000/- each (up to a maximum of Rs.1 lakh per month)	SKJ/AG
2	Above Rs.10,000/- up to 50,000/-	AD+DS in addition to (1) above
3	Above Rs.50,000/- up to 2,00,000/-	NM in addition to (2) above
4	Above Rs.2,00,000/- up to 10,00,000/-	ED in addition to (3) above
5	Above Rs.10,00,000/-	MD in addition to (4)

Contract for job work will be approved as per purchase limits.

5. Preparation And Approval Of OFS

- a. OFS will be prepared by the Purchase Department for all purchases valuing more than Rs.25,000/-. For purchases up to Rs.25,000/-, PO could be raised on L1 **with the approval of Purchase Manager.**
- b. Limits for approval of OFS (revenue, capital items, spares and canteen, vehicle repairs, job work, maintenance contracts etc.)

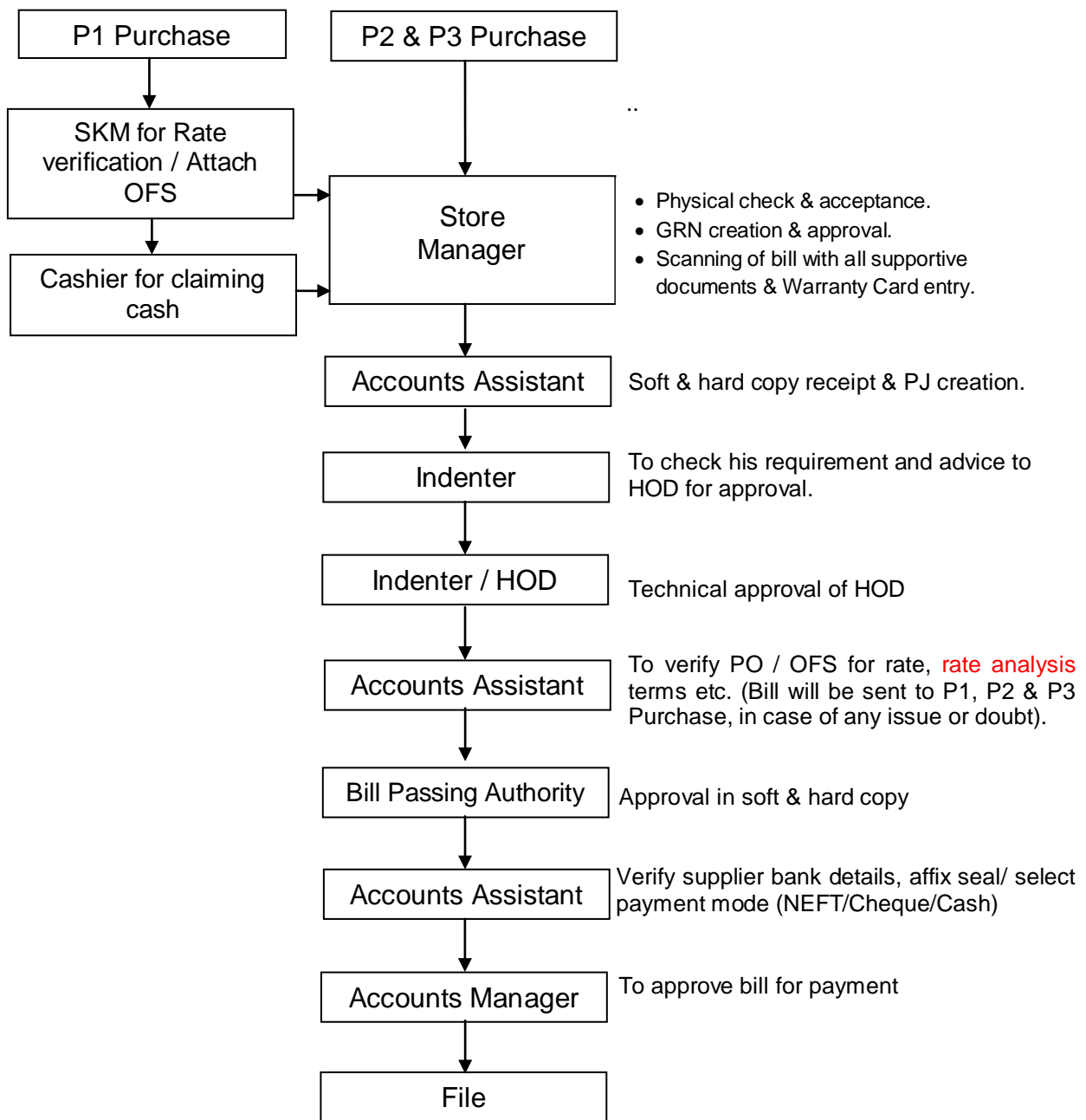
Sl. No.	Limit	Approving Authority
(i)	Up to Rs.25,000/-	Asst. PM + User dept HOD + PM (3 persons)
(ii)	Above Rs.25,000/- & up to Rs.1,00,000/-	As above(i) + SKP + AG (for outstation purchases) (5 persons) As per JAL B.F Procedure (for local purchases)
(iii)	Above Rs.1,00,000/- & up to Rs.2,00,000/-	As per (ii) above + DS (6 persons)
(iv)	Above Rs.2,00,000/-	As per (iii) above + NM (7 persons)

Note:

- i. For Local Purchases, for all slab as per B/F Procedure.
- ii. Functional (user/indenting) Department Head to approve all OFS above Rs.25,000/-.
- iii. All the above purchases will be checked and verified by IAD frequently and constantly without fail to ensure that there is no manipulation, dishonesty, lapses etc. In case such things are found, he must bring the same to the notice of MD or CMD without fail. MD will ensure proper scrutiny and checking of all purchases and takes action on the concerned including IAD for his not checking properly.
- iv. Clarification regarding GST/E Way Bill to be obtained from Manager (Finance) / Accounts Manager / CS / DGM (Finance & Tax) / CFO where required.
- v. Purchase Dept. should send comparative statement/OFS for signature of the person who has approved the indent as Functional (user/indenting) departmental head.
- vi. OFS should be prepared by Dy. Manager (Purchase) / Purchase Asst. in case of outstation purchases and purchaser in case of local purchases. Approval has to be obtained in the same order, i.e. first signature must be of DM (Purchase); if he is not available, Purchase Asst. etc. If two persons are mentioned and one person has already signed, approval must be obtained from the other person who had not approved earlier.
- vii. OFS should be prepared if a single item costs more than Rs.25,000/- each. Even if a single item costs less than Rs.25,000/- each, but the total value of purchase of that item exceeds Rs.25,000/-, OFS should be prepared. e.g., if the value of a single item is Rs.1000/- but 26 Nos. of the same item are purchased, value having exceeded Rs.25,000/-, OFS must be prepared. For this purpose, different sizes/specifications of same item will be treated as separate items. e.g. bearings of each size will be a separate item.

- viii. In case of difficulty in preparing OFS before purchase in respect of Local Purchase upto a value of Rs.50,000/- OFS should be made within 24 hours of purchase. However, if the amount involved is more than Rs.50,000/-, OFS must be prepared and approved in advance. However, for canteen items, approval of OFS may be taken within 24 hours of the purchase even if the value exceeds Rs.25,000/-. In exceptional cases only this should be done with prior approval of GM(C)/VP.

6. Flow Chart For Movement Of Purchase Bills



7. Physical Checking & Passing Of Bills (all bills including canteen and vehicles):

i. Physical verification:

Sl.No.	Limit	Checked & Passed by
(a)	Up to Rs.50,000/-	SM + Asst. Manager/Deputy Manager(Accounts) (2 persons)
(b)	Above Rs.50,000/- up to 5,00,000/-	As in (a) above + SKJ / SKP (3 persons)
(c)	Above Rs.5,00,000/-	As in (b) above + S.K. Purohit/AG (4 persons)

Note: “Physical checking in respect of material transferred from JAL – BF and received At JAL- DF will be done by AM/DM/ Manager (A/C) (any one person) , irrespective of value”

ii. Bill passing (cash/credit bills/JVs/bank vouchers/debit/credit notes involving revenue expenditure):

Sl.No	Amount	Passed by
(a)	Upto Rs.25,000/-	Ashutosh Mishra/Satpal Sharma + HNC + Vishnu Pandey (3 persons)
(b)	Above Rs.25,000/- to 50,000/-	As in (a) above + DGM(C) (4 persons)
(c)	Above Rs.50,000/- to 1,00,000/-	As in (b) above + AG/SKJ (5 persons)
(d)	Above Rs.1,00,000/- and up to 2,00,000/-	As in (c)above +R.K.Soni/Ashok Agrawal (6 persons)
(e)	Above Rs.2,00,000/-	As in (d) above + DS/NM (7 persons)

Note: Bill passing of SI No. (a) & (b) shall be done online and SI No. (c) to (e) shall be done on hard copy. And also cash/ JVs/ debit/ credit notes shall be passed manually by hard copy.

iii. Cash vouchers:

Sl. No.	Amount	Approved by
(a)	Up to Rs.2,500/-	HNC + Vishnu Pandey/SKP (2 persons)
(b)	Above Rs.2,500/-	As in (a) above + SKP+ AG/SKJ (4 persons)
(c)	Passing of vouchers of all Executives & for person of Accounts Deptt.	As per above limit + SKP+AG
(d)	Passing of vouchers of Sr Executives + passing of vouchers of all SMEs	As per above limit + CFO+MD

Note:

- i. (a) All e-payment – will be done by account team at BF as per BF procedure.
- (b) Signing of cheques above Rs 2.00 lacs will be done by account team at BF as per BF procedure.

(c) Signing of cheques upto Rs 2.00 lacs will be done by account team at DF and following staff will be permitted to sign cheques:

1. Mr. H. N. Chhapparwal
2. Mr. Ashish Goyal
3. Mr. SK Jain
4. Mr. SK Purohit

Any two of the above four persons can sign cheques with a maximum value of Rs.2 lakhs. These cheques will be for settlement of the employee's dues at the time of leaving their job and payment to small suppliers within Rs.2 lakhs. If value of the cheque is more than Rs.2 lakhs, the same should be sent to B/F for signature.

No efforts should be made to issue two cheques for one party by reducing the amount of the cheque. For instance, if someone has to be paid Rs.2.5 lakhs, D/F should not prepare two cheques of Rs.1.5 lakhs and Rs.1 lakh. This will be a violation of the instructions and strict action will be taken against the concerned.

- ii. Checking and passing of bills in respect of freight, main raw materials, HSD, RLNG, LPG, FO, charcoal and other fuels, salary and wages register, KPTCL/BESCOM, Govt. Company bills, foreign bills, aluminium bills of NALCO, BALCO, HINDALCO, VAL, direct import of aluminium ingots (all without limit) will be done by Assistant Manager + Deputy Manager (accounts)/ Accounts Manager (any 2 person).
- iii. Checking and passing of bills in respect of aluminium ingots/sheets/scrap/coils of property rods and imported aluminium scrap of all types/aluminium extrusion scrap when received from other than those covered under (ii) above will be done by Accounts Manager / Manager (Fin)+DGM (C)+GM (3 persons). Bills for scrap in any form will be approved by **VP(O)**.
- iv. DGM(C) and GM + IAD will keep track/check on all transactions and anybody committing mistakes/evading responsibility will be punished.
- v. All bills for import of aluminium scrap will be passed by DGM (C) and technically by **GM(O)/VP(O) in addition to Foundry Incharge.**
- vi. Cash vouchers for expenses incurred by Accounts persons will be passed by DGM(C) upto Rs.10,000/- and above Rs.10,000/- by CFO.
- vii. Where material for a value below limit specified has been verified physically by authorised persons on different dates but subsequently such material is reflected in a single bill with value above limits for which physical verification has been completed, a remark to that effect must be given at the back of the bill. Bill passing persons to satisfy themselves about physical receipt before passing the bill.
- viii. In case of canteen items like vegetables or groceries and other admin department items with value upto Rs.5,000/-, physical checking by Dy Mgr/ Mgr (Admin) alone shall be sufficient.
- ix. Only persons authorised as above will pass all bills for final payment. However, in the mean time, part payments may be made as per terms of contract/purchase order and other requirement whenever necessary.

- x. Person(s) found guilty of not checking properly or committing mistakes, lapses, dishonesty etc. will have to compensate the company for all losses suffered besides taking other action for not doing his/her duties sincerely and carefully.
- xi. Contractor's material (where direct payment is not involved against material) shall be physically checked by any one of **Asst. Manager/ Dy. Manager Accounts** irrespective of value. Purchaser will authenticate the delivery challans/invoice.
- xii. In respect of construction materials such as cement, sand, steel, wood, bricks, boulders, stones etc. Senior Construction Supervisor shall receive the same at the site which shall be physically checked by Construction Supervisor + SSJ + Stores +HNC/**Vishnu Pandey**. SSJ shall check and sign for quality and chemical composition. Further, physical verification by Accounts personnel is not required.
- xiii. Aluminium ingots/dross received after conversion from dross is to be physically checked and weighed by any two persons from stores/shipping/accounts/packing+ Security
- xiv. **All materials must be recorded at the gate at the time of entry into our premises, including items where no payment is involved (like materials received against replacement/advance replacement/returnable samples/under warranty/material belonging to other parties). Hence, in such cases, when party wants to take back these rejected/old/replaced material, then the same can be sent as per our Gate Pass Procedure.**
- xv. All Annual Maintenance Contracts (AMC) bills related to service and goods provided by AMC will be physically verified by the Stores Manager + Accounts Officer / Deputy Accounts Manager.

JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART- II

Guidelines for Procurement of Stores Items

a. Stores Requisition/Indent

- i. The persons preparing indents will pass on their requirement well in advance to SM by giving stores requisition/indent, mentioning full technical description and indicating the date by which material is required, in ERP system.
- ii. Any bulk requirement or non-urgent requirement should be purchased from outstation through PM and as far as possible, purchases should be economised.
- iii. All the order placing authorities may make changes in the indents, if any, before purchases. They should also take care that small quantities of common items are not ordered frequently, resulting in forfeiture of bulk purchase discount. They should also ensure that materials which are sparingly used are not procured in bulk, as it will result in blocking of capital unnecessarily.
- iv. Amendment to indent can be given if there is a change in part number but there should not be any change in value, quantity or nature of the item. In such cases, fresh financial approval is not required. But in case of change in financial value, fresh financial approval should be taken depending on the value of the item.
- v. For regular items required for stores, SM should ensure that purchases are made based on ordering quantity fixed for each item, unless there are special reasons such as scarcity, imported items etc.
- vi. Specific Brand requirement, its approval and its limits will be as follows:

i.	Up to Rs.25,000/-	AG
ii.	Above Rs.25,000/-to1,00,000/-	as in {i} above + VP(O)
iii.	Above Rs.1,00,000/-	as in {II} above + AB

- vii. Urgent requirement, its approval and its limits will be as follows:

i.	Up to Rs.25,000/-	AG
ii.	Above Rs.25,000/-to,200,000/-	as in {i} above + VP(O)
iii.	Above Rs.2,00,000/-	as in {ii} above + AB

- viii. SM should ensure that capital is not blocked unnecessarily and at the same time should take care to avoid stoppage of work for want of material. **SM should bring to the notice of AG/ED , if any item is purchased but not used within 30 days from the date of receipt , except spares.**
- ix. All should ensure that excess/unwanted items are not ordered and in case such orders are noticed, responsibility will be fixed and action will be taken on the concerned persons. SM should bring such instances to the notice of AG/ **DM** /MD for his taking action.
- x. No order should be placed directly on parties without indent from stores or without the approval of SM. SM must clearly indicate clearance by stores on all the indents/stores requisitions. SM will fill up the relevant columns in the stores requisition, after checking the same with the physical stock and in pipeline and then forward it to the purchaser without any delay.

- xi. As regards silicon, magnesium, imported stores and spares, the same should be arranged well in advance by Pardeep Kumar Kalra- AGM (Import) (in consultation with ED/MD) who shall obtain quotations and place order in time. Arrangement for aluminium metal should be made by VP (C) in consultation with ED/MD. VP (C) is fully responsible for arranging sufficient raw materials and all requirements timely and maintaining balance, failing which action will be taken by ED/MD.
- xii. All should ascertain their requirement and plan procurement so as to avoid frequent purchases before giving the indent. Each indenting person should not mark 'urgent' on more than 3-4 indents per month. Marking everything as 'urgent' should be avoided and as far as possible all procurements should be pre-planned. For urgent items, the indent should be countersigned by VP(O)/GM. In case of wrong marking or in cases where it could have been avoided by proper planning, they will punish the concerned person.
- xiii. SM will be solely responsible for maintenance of all records, checking all the receipts in respect of quantity, quality, blocked capital etc. and to ensure proper use of materials. DGM(C)/GM/VP will keep thorough check in all respects while MD will surprise check and keep watch.
- xiv. SM will ensure stock of all items as per minimum and maximum levels fixed and he will also give a detailed list of all such items lying in stores or anywhere for long and may not be required or used to GM(C)/VP/MD who after further checking, will take action for wrong purchase.
- xv. SM will also be responsible for any misuse, theft, pilferage, damage, expiry, giving proper reports, extending full co-operation etc.
- xvi. Proper record should be maintained for tools, equipment, small machines etc. In case of tools and other items issued to staff and workers from stores on permanent basis, acknowledgment with date is to be obtained in the respective books/registers or in ERP from the person to whom the item is issued.
- xvii. SM will ensure that goods are issued on "first-in, first-out" basis. In respect of major and costly items, he should personally verify whether the items issued are put to use or not.
- xviii. Quality of the materials received back after job work should be checked properly by technical person in charge. If any manipulations are noticed, such parties should be black-listed apart from taking other action.

b. **ABC Analysis**

- i. For the purpose of exercising proper control, stores items are classified into ABC as detailed below. The persons whose names are indicated against each item will exercise full control over the procurement, consumption, over-stocking and under-stocking of the material and will be fully responsible for the same. DGM(C) will keep overall watch on all Store items.

'A' items representing 80% of value of annual consumption	VP(O)/GM/DGM(C)
'B' items representing 15% of value of annual consumption	DGM(C)/GM/VP(O)
'C' items representing 5% of value of annual consumption	Accounts Manager / DGM (C)

- ii. DGM(C) / Accounts Manager and Purchase Manager and Store Manager will fix the following levels every year in the month of April, in respect of items falling under A & B based on the data available for previous completed year:

Levels	Basis
Minimum level (ML)	Half lead time consumption.
Reordering quantity (ROQ)	Consumption during lead time
Reordering level (ROL)	125% (or 1.25 times) of consumption during lead time
Maximum level (MXL)	Reordering level(ROL)+Reordering quantity (ROQ)

Note:

- i. Min 15 days stock is required in max cases where lead time is more than 1 month for Critical item, single source, etc.
- ii. Deviation from the above formula (basis) can be made where the item is of special nature with the approval of SM + DGM(C) with regard to its requirement, minimum ordering quantity, variation in lead time etc.
- iii. In respect of category A & B (except bulk items like LPG, HSD, HDPE bags, HNP, Rolling Oil, where the lead time is less than one month, indent can be placed for one month's consumption at a time.
- iv. If consumption of any item which is more than 6 transactions in 6 months, then only such items shall be added in system generated inventory. Otherwise, indent can be placed by user department.
- v. The minimum/maximum levels list shall be reviewed by stores once in a year and such items which are consumed less than 6 transactions during the last 6 months shall be deleted from the level list.
- vi. For category 'C' items, Purchase Manager+ Accounts Manager +Store Manager will fix the following levels every year in the month of June in consultation with Purchaser based on the data available for the previous 6 months.

Levels	Basis
Minimum level (ML)	10 days consumption
Reordering quantity (ROQ): (a) for items of small value not exceeding monthly consumption Rs.500/-. (b) for items of value exceeding monthly consumption of Rs. 500/- but not exceeding Rs. 1,000/-. (c) for items with value exceeding monthly consumption of Rs.1,000/-	(a) 3 months consumption but not exceeding Rs.1,500/-. (b) 2 months consumption but not exceeding Rs.2,000/- (c) 1 month consumption
Reordering level (ROL)	20 days consumption
Maximum level (MXL)	ROQ + ROL

- vii. However, in case of stationery items, the re-ordering quantity shall be 6 months consumption irrespective of value.
- viii. Lead time for procurement in case of local purchases shall not exceed 10 days.

- ix. In respect of all items of category 'C' coming under P2 (Purchase), indent can be placed for 3 months consumption but delivery should be based on monthly requirement only.
- x. For category 'A' items - weekly statement of consumption and stock level and for category 'B' items - fortnightly statement of consumption and stock level will be submitted by Stores Assistant and SM. After writing indented quantity, the same will be circulated to DGM (C) +AG+VP(O) every week in case of category 'A' statement and every fortnight in case of category 'B' statement.
- xi. In respect of canteens and vehicle dept., monthly report should be prepared by DM(A)/WO giving details of purchase, stock, consumption etc. and given to SKJ + AG who will check and take action to control stock/consumption.
- xii. SM will ensure that absolutely essential items are stocked adequately irrespective of the value of consumption.
- xiii. Age Analysis statement of stock will be made monthly on the basis of value of items. Stores dept will circulate age analysis on quarterly basis to all the concerned departments. For this purpose, slabs and basis of circulation is as follows:

1.	List of Dept indented items (i) Valued Rs. 1/- to Rs.1,000/- (ii) Above Rs 1000/- to Rs 5000/-	Quarterly through Soft copy in mail / ERP to concerned dept. +DGM(C)+AG+VP(O)
	(iii) Valued Above Rs. 5,000/- to up to Rs. 10,000/- (iv) Valued Rs 10,000/- and above.	Quarterly by Hard copy to concerned dept. + DGM(C) +AG+VP(O)
2	Miscellaneous and system generated indent items	

If excess quantity is procured and remains in stock, action shall be taken on the concerned person.

- xiv. The old stock should be reviewed and action should be taken to discard the same after approval of AG. Accounts Manager / DGM (C) will check and see that Stores Manager should perform accordingly in this respect.
- xv. SM Should circulate a list of items purchased on urgent basis but not used immediately. The list should be circulated to DGM(C)+ GM once a month, **who should take action for unnecessary purchase of items.**
- xvi. SM should monitor stock of all items. If any item is not issued in last six months, list of such items should be circulated to DGM(C)+GM for their taking action.
- xvii. If any item is not likely to be used due to change in design or change in requirement, such items should be discarded with the approval of concerned HOD + DGM (C) + GM + VP(O).

c. Issues

- i. No item should be issued from stores unless the issue slip for the same is signed as below. The issue slips will be authorized as below:

Issue slip value upto Rs. 25,000/-	Concerned Supervisors (through ERP)
Issue slip value Above Rs. 25,000/- to Rs.1 lakh	As above + HOD (2 Persons)
Issue slip value Above Rs.1 lakh	As in Sl. No (b) + VP(O)/GM

- ii. The advice for preparation of (NRGP) gate pass's for sending material as samples for purchase or NRGP to send back party's material shall be taken approval from SKJ / DGM(C) / AG.
- iii. After the items are issued from stores, Store Keeper /Supervisor/HOD will physically verify as per matrix given below and ensure that the items issued are properly used. If there is any deviation, misappropriation or theft, the same should be brought to the notice of higher authorities for immediate action.
- iv. Regarding used old items, the requisition should state whether the item is being returned with requisition or will be handed over to Stores afterwards. **Store keeper to ensure that proper remark is given about old items on issue slip without which new items should not be issued.** In case there is delay in obtaining counter-signature, SM should contact the concerned person and ensure that counter-signature is obtained.
- v. Wherever items are issued from stores based on issue slips received from respective departments (for internal use), the same shall be physically verified thereafter to ascertain that the **item has been used for the purpose for which it was issued.** For this purpose, the following financial limits shall be observed:

For all items (both capital & revenue)

SI.No.	Limit	Approving authority
(i)	Value up to Rs.1,000/-	Verification not required
(ii)	Value above Rs.1,000/- and up to Rs.10,000/-	Stores Assistant / Asst. Manager(Stores) (other than the issuing person)
(iii)	Value above Rs10,000/- and up to Rs.1,00,000/-	Stores Manager / Dy. Manager(Stores)
(iv)	Above Rs.1,00,000/-	As in (iii) above + KS/SKJ/DGM (Development) / Concerned HOD.

Note:

- a) (i) Any item where checking of end use is not possible, remark should be given with reason why checking of end use is not possible by SM and to be counter signed by concerned HOD. But wherever checking of end use is possible, it must be checked, failing which action will be taken for avoiding this important duty. IAD must keep watch.
- (ii) All HODs should check end use of the consumables/items received in their department. They themselves should check end use of the consumables and should ensure that proper record is maintained in the department for use of the consumables which is checked by the HOD personally or by any other person in his department to be made responsible by him.”
- b) In case any tools or other items are issued to staff, workers or workers of contractors, acknowledgement with date has to be obtained in respective books / registers/ERP from the person to whom the item is issued.
- c) A Stock ledger will be maintained for all items so that the balance can be known at any point of time immediately. Dy.SM / SM should ensure that the stock ledger is updated on daily basis in ERP.
- d) Duplicate keys of stores will be kept with cashier.

- e) Storekeeper shall maintain full details of items issued to contractors and forward to Accounts Manager/SKJ/SSJ to ensure that amount is deducted from contractor's bill.
- f) Items received under warranty having value of Rs.5,000/- and above like motors, gear motors, cylinders, gearbox, machinery, electrical items must be used immediately during preventive maintenance. If any item not possible to use / replace and purchased as spare, can be transferred in spare godown with proper checking and approval of GM (Maint.) / GM (O) / AG.
- g) All Incoming Raw material should be weighed outside on weighbridge, **in addition to weighment on our weigh bridge**, by stores supervisor 3-4 times in a month to check the weight accuracy (and same book to be circulated to DGM(C) on monthly basis) of our weigh bridge.
- h) Stores Assistant / Stores in charge should maintain a separate record of (Spare Godown) the replacement of spares and should also mention the reason for replacement, whether the spares replaced was for normal wear and tear or accidental. The report should be circulated to **VP(O)/GM(O)/GM(Maint)/DGM(C) +GM** for taking action if found any discrepancy.
- i) Shortage in weight up to 0.5% on the receipt of silicon, magnesium, manganese, copper, aluminium, M.S., FO, Rolling Oil, 2 PLY, PP Fabric and other such items coming on weight basis is acceptable and bills with such shortages may be passed. But where variation is more, claim should be lodged with the supplier.
- j) In respect of items issued from Stores based on issue slips received from respective departments (for internal use), the limits/approvals as stipulated under SI.No.2 in Part I "Limits for approval of indents" will be applicable. Regarding used old items, the requisition should state whether the item is being returned with requisition or will be handed over to Stores afterwards. In case there is delay in obtaining counter-signature, SM should contact the concerned person **over phone** and ensure that counter-signature is obtained.
- k) However, in case of line materials used directly in production (HSD, furnace oil, silicon, magnesium, electro-manganese, degasser-cum-grain refiner, CR2 & CR4 salts, cover flux, caustic soda, holekote, colloidal graphite in alcohol, fibre glass cloth), cotton waste, titanium alloy, EDM wire, MS sections like angles, channels, rods, plates, beams, lubricating oil, packing materials (water proof paper, HDPE cloth, wooden planks, polythene tube, GI wire, corrugated paper, wire nail, PVC strip, HDPE twine, gum tape, HDPE fabric, stretch film) (irrespective of value), chromium metal, copper scrap, titanium metal, rayon cord, all types of A/C sheets and A/C fittings, all types of machinery, asbestos cloth, dycote, paper sticker, fire clay for use in foundry, ramming cement for use in foundry, wonder board boxes and all types of gases issued by stores to foundry/packing departments countersignature of concerned departmental head/overall in-charge need not be taken.

d. Discarding Of Spares & Stores Items

- i. In respect of discarding of spares & stores items, below matrix to be followed:

SI. No.	Limits for approval	Approving authority
(a)	Value of spares or stores to be discarded - value upto Rs.5,000/- each case	SM + Dept. Head
(b)	Value above Rs.5,000/- upto Rs.25,000/- each case	SM + Concerned Dept. Head + KS/RNS +VP(O)

(c)	Value above Rs.25,000/- each	As in (b) above + AG/AB/KRR
(d)	Vehicle spares upto Rs.3,000/-	K. Sudhakaran + Dy Mgr/Mgr (Admin) + SKJ
(e)	Vehicle spares above Rs.3,000/-	As in (d) above + AG

- ii. Before discarding any spares, tooling, dies components etc., it should be thoroughly checked by technical people.
- iii. The Departmental Heads will send slips to the SM clearly mentioning the defect and reason for discarding the material. The SM will keep the discarded **material** separately. At the end of the month the SM will sort out the materials according to the approvals to be obtained and get the approval after inspection of the material. The details of such approvals will be entered in a note book and will be signed by the approving persons. Apart from the above, Manager (Accounts)/ SKJ will also verify the discarded items with the individual approval and signed slips and sign the report. Report will be maintained only for items the value of which exceeds Rs.2000/- each. In respect of items the value of which is Rs.2000/- each or less, AL will discard the same and keep in scrap godown by him.
- iv. All breakages in store, the value of which is Rs. 500 or less for each item must be shown to DGM(c) or in his absence Accounts Manager for suitable action and then adjustment should be made in the respective item's stock, in case the breakages are more than Rs. 500/- in value in respect of each item approval of AG should be taken, who will take suitable action on concern persons. List of such breakages/ loss should be circulated by SM to DGM(C)/AG on monthly basis.
- v. A note book should be maintained by SM with all particulars of furnace oil, HSD, LDO, LPG, rolling oil and which will be signed by the SM or any Assistant in stores deputed by SM, foundry person and security person (all three) after physically checking the tanker with the measuring scale provided. Discrepancy if any found, should be recorded and informed to PM before emptying the tanker so that clearance of supplier/transporter is obtained to compensate for the shortage. This record will be kept by the SM, which should be shown to DGM(c)/AG monthly.
- vi. Following report are to be circulated by store as per the chart give below:

Name of Report	Frequency	To be circulated to
Rejected material lying in stores	Weekly	Purchaser + SKJ + SKP + AG
Pending indent list	Monthly	Purchaser + SKP + AG
Pending indent list - imports	Monthly	Purchaser + SKP + AG
Dead stock list – items purchased but not used in last one year	Quarterly: April, July, October, January	M. Sathesh + ALG + KS + SKP + AG + VP(O) – For Rolling. M. Sathesh + SS + RKS + SKP + AG + VP(O) – For Extrusion.

e. **Standards for acceptance of material:**

- i. **Argon and Oxygen gas:** Argon gas and oxygen gas are supplied in cylinders of 7.15/7.20 cu mtr which is filled at 140 kg/cm² at 27⁰ C. The pressure varies with change in temperature. Hence, for all practical purposes, the pressure varying between 130-140 kg/cm² at room temperature is acceptable for 7.15 cu mtr quantum of gas. Small variation in pressure is possible and acceptable because while filling, testing and re-testing, certain amount of gas escapes. In case the pressure is less than minimum 130 kg/cm², the cylinder should be rejected.

- ii. **PP Strap:** This is sold in rolls, each roll measuring 2000 mtrs. Our requirement is of PP strap of 12 mm width x 0.6 mm thickness. Average net weight of 2000 mtrs roll is 9 kg. We may accept variation in width $\pm 3\%$, length $\pm 3\%$. Our purchase order should mention thickness, length and weight. Stores should check length, thickness and weight.
 - iii. **Furnace Oil:** Weight of FO varies from 0.925 gm/litre to 0.980 gm/litre depending on atmospheric temperature. Hence, one tanker of 12,000 litres should weigh 11125 kg minimum. Both weight and volume of FO received should be checked. The weight as shown by the weighment slip of IOL /HP/BPCL should be cross checked with the weight as ascertained by us. (No change in previous standards. No BIS standards).
 - iv. **PP fabric Laminated:** The strength of the fabric depends on the mesh and denier of PP tape used. For packing application, fabric 10 x 10 mesh made from 850-900 denier tape should be used. The theoretical weight of the above laminated fabric would be 90 gsm with $\pm 7\%$ tolerance with minimum tensile strength of 70 kg/sq.cm. Fabric with tensile strength less than 70 kg/sq.cm. shall be rejected. Tensile strength will be checked in our Laboratory. Stores Manager shall be responsible to check quality based on the above criteria for 2-3 samples in each lot. Stores Manager should also check the mesh size, weight and denier as above and shall write his remarks on the bill. While passing the bill, Accounts Department shall ensure that the above conditions of quality have been satisfied in all respects. Purchase Manager will ensure that specification is clearly mentioned in the Purchase Orders.
 - v. **Printed Stretch films:** This is sold in rolls, each measuring 7 kg in weight. Our requirement of stretch film in thickness is 40 microns ± 3 Micron and width should be 260 mm -5 MM $+0.0$ MM with 3" bore. The ideal weight of rolls with 40 microns thickness is 7 kg $\pm 5\%$. We should mention in our purchase order that surface inside the bore should be uniform and in each roll, film should be centrally placed in the cardboard bobbin with a maximum width of 275 mm including the width of the film of 260 mm or 250 mm is acceptable.
 - vi. **Green Pet Strap:** This is sold in rolls, each roll measuring 2500 mtrs. Our requirement is of Green Pet strap of 13 MM width x 0.56 mm thickness on 8" ID Paper Core. Average net weight of 2500 mtrs roll is 22 kg. We may accept variation in weight $\pm 5\%$. Our purchase order should mention thickness, length and weight. Stores should check length, thickness and weight.
 - vii. **Polythene Sheet:** 60 % HMHD and 40% LLDPE we are receiving in Roll Form in multiple width of 3 ½, 4 ½, 5 ½ and thickness will be 22 Micron we may accept variation in ± 3 Micron, roll weight may accept 45 to 60 kg.
- f. Guidelines for Procurement of Wooden Planks:
- 01. JAL is procuring following two types of wooden planks for making wooden box for packing of Aluminum Extrusions :
 - (a) JUNGLE WOOD PLANKS (for use in domestic supply)
 - (b) PINE WOOD / SILVER OAK WOOD PLANKS (for use in export supply), which should be seasoned and free from fungus and termite at the time of receipt of planks at Stores.
 - 02. Normally in case of Jungle Wood Planks , the thickness required is 25 mm , with (-)3 mm tolerance as cutting allowance, and the width is 5" and above up to 12" and length is 6 feet and above .

However on specific requirement shorter length is also procured, where thickness is same and width should be 4" to 5" and length from 4 feet to 5 feet.

03. In case of Pine Wood/ Silver Oak Wood Planks , for making the wooden boxes, the thickness required is 25 mm with (-) 3 mm tolerance as cutting allowance, and the width is 5" and above up to 12" and length is 6 feet and above up to 2.6 meter.

For making wooden crates for export, grooved reapers/solid blocks of Pine Wood/Silver Oak Woods of thickness 1" and 2" are procured, with width of 6" and length of 6 feet. Normally groove will be of 25 mm width and depth of 5 mm, in size and groove will be in centre.

04. Wooden Planks are procured in CFT (i.e, Cubic feet Unit). Grooved Pine Wood/ Silver Oak Wood Planks are purchased in piece basis of specific size.
05. After receipt of Wooden Planks (both Jungle Wood and Pine Wood/ Silver Oak Wood), store should check thickness , width and length. Store Manager will ensure that material received is strictly as per specification given in indent. Quantity received to be calculated in CFT. In case of any shortage with respect to Invoice/ Challan, should be clearly mentioned on the Bill by store within two days of receipt of material, and account should debit the corresponding shortage amount. In case of any variation in size or quality , material should be rejected and returned to supplier in same vehicle
06. Before technically approving the bill, Packing department should check for the quality of the Wooden Planks. Specially in the case of Pine Wood/ Silver Oak Wood Planks, packing department should ensure that same is seasoned and free from any fungus & termite .
07. In case of Jungle Wood Planks, **Sandeep Agarwal** should give a tentative monthly procurement plan through stores to Purchase Department by third week of previous month, which will be based on last 3 months average consumption and considering any specific future requirements. In case of excess requirement , packing department should inform store and purchase at least 15 days in advance , so that Purchase department can arrange the materials.
08. Requirement of Pine Wood/ Silver Oak Wood Planks, is to projected by Packing Department minimum four weeks ahead of requirement, since seasoning is involved. June to September being rainy season, extra quantity should be purchased during April & May , so that there is no shortage of wooden planks during rainy season.
09. Cutting tolerance of (-) 3 mm is allowed in thickness of wooden planks of all types.
10. Moisture content acceptability level will be not exceeding 22%.
11. **Store** shall give advance information, well in time for any extra production month requirement .

g. Imported Scrap Material

Decision for import of aluminium scrap i.e. how much quantity, to be imported, when to be imported will be taken by top management month wise. Management will ascertain the quantity to be imported in advance, thereafter schedule of import of scrap will be finalised. Enquiries will be floated for import of scrap with different parties being finalised as per JAL B/F. We are receiving mainly TT clean scrap, Wire scrap, Taste/Talon & Extrusion scrap.

h. Steps for storage and checking of imported scrap:

- i. Clean TT scrap and wire scrap (Not to import TT scrap with any attachment) should be unloaded in the foundry shed of **Rolling division**.
- ii. Whenever scrap is received, Stores Manager will inform Foundry Manager (FM) about receipt of the scrap from any party. FM will take 4 samples from each container and the same will be opened in the Bale opening machine in the dross shed. FM will ensure that 4 bales/briquettes from each container are opened and contents are checked with regard to MS, steel scrap, radiator scrap, aluminium powder, dust and other impurities. He will make a consolidated statement of all the 4 bales of each container. In case the impurities are more than tolerance in any container, the same will be intimated to Mr. Pardeep Kumar Kalra (PKK) by mail who will lodge claim with the supplier immediately. PKK should ask the supplier to come within one week for inspection if party so desires otherwise the claim will be settled based on the report of 4 bales sent by FM. Suppliers who supply poor quality scrap continuously or frequently should be blacklisted and legal notice be sent.
- iii. Even clean TT scrap and wire scrap bales will also be opened and checked in the same manner as mentioned above. Big bales of 400 – 500 kg which are called HBR bales will also be opened and checked in the same manner. However, instead of 4 bales, he can open and check only 2 big bales. In clean TT & Taste/Talon, if impurities are more than 1%, claim should be lodged with supplier for the loss suffered by us. PKK will be fully responsible for getting the claim settled/blacklisting the supplier. FM will immediately check and send full statement to PKK with copy to ED and MD for taking suitable action.
- iv. As mentioned above, in case party wants to come for inspection, material should be kept separately for one week and should not be used till it is cleared by PKK. However, PKK will ensure that the party comes for inspection within one week or party should give clearance to use the material maximum within one week's time, settling the claim.
- v. **Caster Head** will technically approve all the scrap bills after checking as per procedure given herein. No bill for scrap shall be passed without checking by **Caster Head** in addition to DGM/GM. **Caster Head** is mainly and solely responsible for the quality.
- vi. One register will be maintained in foundry which will be signed by **Caster Head** as well as AG. DGM/GM will ensure that all the claims are lodged with the supplier wherever there is a quality and quantity problem. He will remain in constant contact with PKK.
- vii. PKK will also visit D/F to see the quality of the scrap as and when necessary.

i. Other imports

Imports as per JAL B/F for all import activities Pardeep Kumar Kalra (AGM-Imports) will be fully responsible assisted by Sampat Kunder at B/F.

j. Registers to be maintained in Imports Department:

- i. Import order register
- ii. Advance licence register
- iii. DEPB registers
- iv. Statement of imports (monthly).
- v. Statement of claims on suppliers-Data maintained in soft copy at B.F.

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JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART- III

Guidelines for Purchases

- i. Outstation purchases will be handled by PM assisted by Dy. Manager-Purchase whereas local purchases will be handled by SKM assisted by local purchasers. PM and Purchase executive will report to DGM(C)/GM(C) as per details given in organisation chart.
 - ii. In case of all purchases wherever applicable:
 - a) To avail GST credit, purchases to be made from registered dealers.
 - b) GST Credit is available for all the items except few items. In case of doubts, clarification should be taken from DGM (T) / CS / CFO.
 - c) To purchase Natural Gas (RLNG) against "C" Form (CST @2%).
 - iii. For all local purchase materials, purchaser shall mention about warranty of the materials in the bill. Duly filled-in and signed guarantee card shall be handed over to stores by purchaser after taking acknowledgement from stores person. If there is no warranty for any item, purchaser should specifically mention in the bill to that effect. Stores Manager and Accounts Officer will check this before bills are passed.
 - iv. Purchase Department should give instructions to the party to mention complete details such as serial number of the item, warranty period, invoice number etc. in the warranty card as well as in the bill. In cases where party has not mentioned full details in the warranty card, purchaser should ask the party to mention the same without which bill will not be passed.
 - v. Stores should not accept incomplete warranty cards from Local Purchase Dept or from Out station Purchase Dept or from any other sources. In case of outstation purchases, the information about warranty shall be mentioned in the purchase order.
 - vi. Warranty details shall be recorded in a separate report under ERP Purchase module by stores.
- a. **Local Purchases:**
- i. All the order placing authorities should ensure that the requirement comes through proper channel and then only they will arrange for procurement from local suppliers. The Purchase Department should take prompt action in procuring the items. Stores and the indenting departments should give their requisition well in advance and clear in all respects, so that the purchases can be made after thorough verification and scrutiny.
 - ii. Local Purchases should be kept at a minimum and should be avoided as far as possible.
 - iii. The purchaser should bargain, cross verify the rates and prepare the OFS and get the approval of the concerned persons. OFS approving authorities should verify whether the rates are bargained by the purchaser properly and the rates negotiated are economical to the company and whether the items are OK in respect of quality, quantity, prices etc., and the requirement is genuine. They should double check all the items/rates and then only sign the OFS.
 - iv. The purchasers should first bring samples for major canteen items to be purchased in bulk quantity like wheat, rice, sugar, tea, dal, gram, rajma or any other such item and the same shall be approved as per JAL B/F guidelines.

- v. Requirements marked 'urgent' should not be kept pending. Purchasers should try to purchase on the same visit and if not possible due to some unavoidable circumstances, they should be procured during next visit. But the requirement marked 'very very urgent' and underlined by the ordering authority must be purchased on the same day on top priority.
- vi. The Purchasers will make all efforts in bargaining to get the items at the lowest possible price and material should be of best possible quality. They should also avail all sorts of discount which are given through persuasion.
- vii. SM as well as SKM/Purchasers will ensure that the defective materials are returned to the suppliers and credit or replacement received without delay.
- viii. AM/DM (Admin) will give detailed list of items required for canteen; vehicle parts etc. well in advance to the purchaser.
- ix. No material should be brought inside the factory without proper bill, cash memo or challan mentioning the value even for approval. If by chance any item is received without challan, purchaser should submit challan for receipt of material in stores with full details and value. Whenever materials are brought to the factory by vendors or by outside transporters, security person shall check and confirm that the consignments are accompanied by necessary documents. After checking the documents, security person shall put stamp on the documents certifying as "Documents shown" and forward the materials to stores along with the challans.
- x. No material should be taken either for return or for replacement without gate pass from stores, even if the material is for approval.
- xi. All material should be returned to party with due acknowledgment either on challan copy or party's letterhead. Some kind of acknowledgment is a must. Otherwise the purchaser will be held personally responsible. The challan should be kept pending until the matter is settled.
- xii. All conditions must be finalised before the goods are purchased. The system of first purchasing the goods and then bargaining and disputing with the party is not desirable. If party agrees for a special discount on a later date that must be availed and brought on record.
- xiii. No payment to any party should be delayed unnecessarily except in cases of credit and where goods are rejected / returned. If Accounts Department does not release the payment within reasonable period, it should be reported to DGM(C)/AG by the Purchaser.
- xiv. No bill/cash memo should be given to Accounts Dept. without OFS. Cashier/ Accountant will not accept any bill/cash memo without being accompanied by OFS wherever applicable.
- xv. Whenever truck load of material is purchased, it should be ensured that the truck reaches the factory latest by 6.00 pm so that it can be easily unloaded by our workers.
- xvi. Purchaser should sign with date all the bills, cash memos etc. of local purchases, before giving to Accounts/Cashier.
- xvii. All purchasers will show all the bills/cash memos to SKM the next morning, who will verify the rates of all purchases, sign with date all the bills and then the purchaser will pass on the bills to Cashier for accounting purposes before 10.00 hrs positively. In case of cash purchases, SKM shall cross verify with party over phone or shall check at random with party whenever he is going to the market and ascertain whether payment was made in full or less than the bill amount by the purchaser.

- xviii. No technical person should be involved in settling the prices. They should give the indents clear in all respects. In case any technical person is sticking to a particular brand, the matter should be got cleared from MD. The departmental heads, while submitting indents for clearance of a particular brand item must mention on the indent reason in brief, for requirement of a particular brand.
- xix. It should be ensured that purchases are made directly from manufacturers as far as possible. If there are no local manufacturers or it is costly to procure from manufacturers outside Bangalore, major requirement should be procured from **wholesale** distributors. Technical staff and stores people should see the quality/brand and reject the material if the quality/brand is not as mentioned in the indent/invoice.
- xx. All construction materials received should be checked and verified by responsible construction staff as per separate instructions and the same should be strictly followed by all concerned.
- xxi. No purchases should be made from unregistered local dealers (local dealers who are not registered under GST). This does not apply to items of small value like old cloth, vegetables etc. or not available with registered dealer, where bills cannot be procured. Purchases can be made from unregistered dealers outside the State wherever the rates are competitive.
- xxii. In case of local purchases, if particular item is purchased from a single party, SKM will obtain **Quotation** from branches and maintain a register giving details of efforts made to develop alternate source.

b. Outstation Purchases:

- i. As soon as indents are received for outstation purchases by the Purchase Department from Stores, Purchase Dept. will take print out of enquiries on the pre-printed stationery for sending to parties and getting quotations. In case enquiries are to be sent to some more parties in addition to the existing suppliers, the Purchase Dept. will update the master by adding the details of suppliers and send enquiries to these new suppliers also. In addition, enquiries will be sent to JAL branches.
- ii. If quotation is not received within 7 days time, a reminder also should be sent to the party/branches for expediting the quotation. If it is urgent indent, then purchaser can send a reminder within 3 days **or remind over phone**.
- iii. If no reply is received from branches regarding above enquiries, then DM / Manager (Purchase) should send a reminder to concerned branches, under intimation to concerned branch in-charge like FCG for D.O. and **GM(C)** for other branches.
- iv. After it is decided to place order on a particular party, after the approval of OFS, Purchase Department will print the Purchase Order on that party on pre-printed stationery.
- v. Quotations must be obtained by PM from not less than 3 parties. In case of any urgency/single source/brand approved items for purchase from established/reputed suppliers, order may be placed immediately without complying with such formalities but with prior approval of DGM (C)/AG/**GM(C)**. Such deviations must be recorded in OFS and ratification should be obtained.
- vi. In case the minimum numbers of three quotations are not received for any genuine difficulties, the fact should be mentioned in the OFS while finalising the order and approved by the concerned approving authorities.

- vii. OFS must be used for all items above Rs.25,000/-.
 - a) Original copy must be attached with duplicate copy of the purchase order which will be given to Accounts Department through ERP.
 - b) Duplicate copy may be attached to the triplicate copy of purchase order which will be finally filed in purchase department file. - viii. Purchase Orders must be used in case of job works as well as for all outstation purchases. While orders may be placed over phone in case of emergency, it should be regularised immediately thereafter. Purchase Order must be prepared in triplicate using three different colours as well as give one copy to store through ERP:
 - a) Original - For sending to supplier.
 - b) Duplicate - Accounts Department.
 - c) Triplicate - To be filed in PO file with the Purchase Dept.
 - ix. When goods are received as per order, the duplicate copy of the PO must be attached to supplier's invoice by account department. This will be the responsibility of Accounts Clerk. D.O/M.O. and other branches should also follow this procedure other than in case of local purchases. In case of spot/local purchases, only P3 should be attached with the bill.
 - x. In case of part supply, details of all bills should be given in the duplicate copy of PO. This duplicate copy of PO should be filed in a separate file by Accounts Department.
 - xi. The minimum value of the item in respect of outstation purchases where enquiry should be sent to various parties is Rs.10,000/-. PM shall finalise the order within the above limit calling for rates from 2/3 parties over phone or based on past purchases.
 - xii. The suppliers should be advised that copy of the invoice should accompany the materials at the time of supply.
- c. **For purchase of items which exceed Rs.25,000/- each item p.m. and source of supply is only one**
- i. PM must obtain quotation in third party's name. The quotations should be taken from different places also. There may be one distributor in one State of one particular company. In that case the quotations should be obtained from various distributors and also from the manufacturer directly. Such quotations should be enclosed with OFS wherever applicable.
 - ii. IAD must check with concerned purchase file and ensure that all quotations received are included in comparative statement.
 - iii. To make strenuous efforts to find out the alternate source of supply for a particular item other than OE spares, products or consumables.
 - iv. PM will keep records for the efforts made by them to find out the alternative supplier of the items which will be checked by DGM (C).
 - v. Also to make efforts for developing import substitutes for such items to break monopoly of certain suppliers. PM / Dy. Manager (Pur) will be responsible for developing the substitutes under the guidance of DGM(C) and will maintain a complete record of efforts made for developing such import substitutes, the results achieved and circulate AG/VP showing progress in the matter. This record should be shown to MD periodically.

- vi. In case orders for any item are to be placed in Delhi, Mumbai, Chennai & Ahmadabad, quotations obtained from these places by branches, then negotiate the price and forward to B/F for further negotiation and placing orders.
- vii. In case of items where there are many suppliers, but still the item is being purchased from a single source since long, PM/ SKM should negotiate extensively with the other parties who have quoted higher rates and they should try to find out the reasons for their quoting higher rates.
- viii. The Capex Committee will verify and check the record of replacement of spare parts costing more than Rs.10,000/- and investigate the reasons for replacement (whether it is due to normal wear and tear or accidental) and inform MD if replacement, in their opinion is caused due to somebody's negligence or lack of preventive maintenance for taking action on concerned person. Records should be maintained by SM.
- ix. It is a general practice to negotiate the rates from the party who has quoted lowest, which is not correct. PM/Purchasers should negotiate the rates with all the parties from whom the quotation has been received and a note to this effect should be given by the negotiator in quotation/OFS.
- x. When a particular item is purchased continuously from a single source, proper justification for the same should be given in OFS which should be approved by the approving authorities.
- xi. While negotiating the rate with the party, the rate must be negotiated with the second lowest party. Specifically, seniors while approving the OFS must take care of it so that the correctness of the rate can be ensured as well as any favour to any of the suppliers can also be cross checked.
- xii. While going through the quotations received, it should be checked that all the three quotations received are not of the sister concerns of the same party and there is no manipulation by the party and quotations are not collected just for the sake of formality.

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JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART- IV

Guidelines for Accounting

A. Verification Of Purchase Bills

- i. Accounts Officer/Accounts Manager while arithmetically checking, verifying and passing the bills should also verify the correctness of the rates by different tactics:
 - a. by comparing with the price-lists.
 - b. by enquiring over phone with other parties.
 - c. by comparing the last purchase rates given by IT Dept.
 - d. by also checking brand(i.e. whether same brand brought and same price or not?)
- ii. DGM (C) will ensure that such checks are carried out by Accounts Officer/Accounts Manager **while passing the bill.**
- iii. Each person should pass on the bills to the next person within a day. All bills should be cleared within 7 working days by all the bill passing persons. All bill passing persons should sign the bill with date. This should be followed strictly.
- iv. Accounts Officer will also ascertain the reasons why specific brand has not been purchased. Whenever he finds any sort of discrepancy, he should refer to Accounts Manager/ Manager (Fin)/DGM(C)/MD for probing into the matter and taking suitable action.
- v. The rates of items, the amount of which exceed Rs.10,000/- will be verified by Accounts Manager also whenever he suspects and deems necessary.
- vi. MD will assign someone for special checking responsibility of all bills above **Rs.25,000/-** in respect of price, quality, correctness etc. but will do so after final passing i.e. last and final signature, which must be done within a month from the time of final passing. In respect of any discrepancy, they should take severe action. They will return the bills to Accounts Department within 2-3 days.
- vii. If technical verification of the items received in stores is not completed or item requires repair or takes more time for testing, the technical persons should return the bills to Accounts Dept. with a note to that effect, asking them to send the bills again for checking by.....(date).

B. Physical Checking Of Purchased Items

- i. In case the material received is consumed by Stores, the physical checking persons should see/enquire from other staff as to where it is used. However, in any case, use of the material should not be stopped and work should not get hampered.
- ii. SKJ/DGM(C) will make frequent surprise checks all round in Accounts Department intermittently with special interest for all purchase bills (large and small) and with regard to the receipts in the factory either himself or through his assistants.
- iii. Whenever SM informs about the receipt of material which is likely to be consumed or despatched immediately, the checking person should verify it immediately within an hour.
- iv. In respect of canteen and vehicle items, Accounts Manager will surprise check the quality of all materials purchased from time to time.

C. Bill Passing

- i. In case of payments to contractors/labour charges/transporters/advertising/others for carrying out any works, if the contract amount exceeds Rs.30,000/- per contract, tax must be deducted at 2% in case of payment to contractors and 1% in case of advertising and sub-contractors at the time of making each payment or crediting the person's account whichever is earlier.
- ii. TDS is also deductible when aggregate of the amount of contract credited/paid is likely to exceed Rs.100,000/- in a year. PF and ESI shall be deducted from contractors' bills wherever it is mutually agreed by company and contractor. To be decided while issuing P.O. itself and to be mentioned clearly in the P.O.
- iii. Income tax at source has to be deducted @ 10% on payments made to individuals/HUF and @ 20% to a company on payment of rent beyond Rs.1,80,000/- in a financial year by the company. The expression rent includes payments by way of lease, sub-lease, tenancy or any agreement or arrangements for use of land, building including factory buildings, together with furniture, fittings and land appurtenant thereto whether or not such building is owned by person to whom payment is made. TDS @ 2% is to be deducted for rent payment for use of plant, machinery or equipment.
- iv. In respect of payment of fees for professional/technical services, tax is to be deducted at source @ 10%, if the aggregate sums credited or paid or likely to be credited or paid during the financial year are likely to exceed Rs.30,000/-.
- v. Payment of commission or brokerage exceeding Rs.15,000/- in a financial year will be subject to deduction of tax at source @ 5%. Payments made (other than on behalf of non-resident shipping companies) towards octroi, commission, customs agents will be covered for this purpose. For this purpose, commission/ brokerage will include reimbursement of actual expenses paid to specified persons but excludes expenses like container charges, port charges etc. paid on behalf of the principal by the agent.
- vi. Payment of interest in excess of Rs.10,000/- p.a. shall be subject to deduction of tax at source @ 10% or rate as applicable by the recipients i.e. Individuals/Domestic company/HUF /Firm .
- vii. Payments for cost of advertisements issued in souvenirs brought out by various organisations is subject to TDS @1% where the payee furnishes a certificate for non-deduction/at lesser rate, the same will have to be taken note of and tax need not be deducted or deducted at lesser rate accordingly.
- viii. Surcharge as applicable on TDS and the rate of surcharge/cess will be as per note issued by TM/DGM (F&T) from time to time. Accounts Dept. to ensure that TDS certificates received bear the seal of the party and that they are valid for the current assessment year. For any doubt/clarification, TM/DGM (F&T) may be consulted.
- ix. GST from time to time to be paid to some specified persons rendering services such as advertising agency, clearing and forwarding agents, consignment agents, courier service, customs clearing service, steamer agent service, engineering consultants, general insurance, interior decorator, management consultant, paging service, telephones/fax, security agency, motor car/two wheeler service by authorised service centre, photography service, chartered accountant, cost accountant, company secretary, banking and other financial services etc. It is important that the prescribed GST should be paid only when the agency claims in their bill. Moreover, the prescribed GST is to be paid only on the value of the service charges in the bill. Accounts dept. should seek clarification from CS/DGM(F&T) in case of any discrepancy before passing the bill. If any party has claimed GST in their bill, passing

authorities should ensure that GST has been claimed legally. While passing bill, Accounts Manager will ensure input tax credit is availed whenever GST is paid.

- x. No inward bills of metal (aluminium, copper, silicon and magnesium) and other items where GST credit is availed should be passed for payment without the signature of the SM in respect of quantity, while in respect of quality, Foundry Manager or Caster Incharge/GM(O) should sign. In addition, inward bills of domestic aluminium ingots and scrap should not be passed without the signature of **J.S.Chauhan and in his absence GSS**. It should be ensured by Shipping Dept. that GST details for availing GST credit are available in the bill. If there is any discrepancy, the same should be brought to the notice of **PM/ DGM(C)/VP(C)**.
- xi. For technical items of special nature/items made to order, which will be intimated by the SM on the invoice, payment should be made after getting signature from **DGM(C)/GM/VP(O)** and also from concerned department in-charge. No payment should be made till the particular item/equipment supplied/installed gives the required performance and approved by **DGM(C)/GM/VP(O)**.
- xii. Accounts Officer/Accounts Manager will ensure that GST credit is availed except purchase of canteen and other non eligible purchases.
- xiii. Shortage in weight up to 0.5% on the receipt of silicon, magnesium, manganese, copper, aluminium, M.S., FO and other such items coming on weight basis is acceptable and bills with such shortages may be passed. But where variation is more, claim should be lodged with the supplier.
- xiv. All bills must be original ones. The duplicate copy of **Bills for Import** / foreign bills (since original is retained by customs) will be treated as original. In case any bill is not available in original then the Accounts Officer should certify in the available copy of the bill that no entry has been made in respect of the said bill earlier in the Accounts Books and the signing person should also certify that they have not signed any bill earlier in respect of the same material.
- xv. DGM (C) will ensure that no double payments are made while approving the duplicate bills.
- xvi. Wherever payment against duplicate bills is made, Accounts Officer should get a 'non-payment' certificate from the party before releasing payment in such cases.
- xvii. SKJ, DGM(C) and IAD will also sign all duplicate bills after checking all the records and after verifying whether payment has already been made or not.
- xviii. IAD will see that all duplicate bills passed for payment bear the signature of SKJ and DGM (C).
- xix. Whenever GST levied items are returned, GST should be paid on such items in coordination with shipping department.
- xx. (a) All concerned who are responsible for signing the receipt of material on vouchers, challans, bills and passing them for payment must ensure that they sign only once for one consignment and not twice or on duplicate papers for material received once. Even if the original papers where signature was put earlier have been lost/misplaced/torn by anyone, no second signature should be put under any circumstances. No one is authorised to put two signatures for one consignment or signing the duplicate papers, which is strictly prohibited.

(b) Under any circumstances, if the second signature is required to be put, the details of such cases should be handed over to MD by the concerned person without fail,

giving complete details of the transaction, item, amount and under what circumstances the second signature has been put.

- (c) These instructions must be strictly complied with by all who are made in charge under various procedures for signing the receipt of material and passing of bills in various departments, especially Stores Dept., Accounts Dept., Admn. /Welfare, Construction and Technical Dept. It is repeated that no one will sign twice on Bills etc. pertaining to materials received only once.
- xxi. MD/ED/DGM(C)/GM can intervene and disallow any bill or voucher after passing, if they are so satisfied, during random check or on any occasion.
- xxii. In case of any adverse remarks by any of the signing authorities and/or difference between two, MD will be the final deciding authority and can issue any directive to approve/disapprove any payment or order etc. in connection with the company's work.
- xxiii. All the signatories to bills should check thoroughly with the rate analysis printed by the computer before passing the bill. The verification of the rate analysis should be done in all cases including those bills which relate to vehicle parts, printing & stationery etc. Rate analysis should be comprehensive and accurate, specifying brand/quality etc.
- xxiv. Accounts Officer will ascertain the reasons for major variation in rates and write his remarks on the printed rate analysis sheet, as to why there is variation, so that other persons signing the bill can know the reasons for variation and pass the bill accordingly if satisfied, otherwise not.
- xxv. DGM(C) / Naresh Garg will also check, enquire and verify at random bills for advertisement, vouchers relating to tours and other expenses of staff, bills/cash memos for vehicle repairs, parts, fuel etc. and bills for purchase of canteen materials. Besides, they will also check thoroughly the entire record of perks being given to employees as per sanctioned list/policy.
- xxvi. Accounts Officer/Accounts Manager, while checking and passing bills/vouchers and other documents shall thoroughly verify the signature of all concerned pertaining to receipt of goods, physical verification, technical clearance etc. in the same manner as is being done in the banks. If forged signature is found or suspected, the same should be reported to DM/MD immediately. This shall be scrupulously followed by all bill passing authorities.
- xxvii. All senior bill passing authorities while going through each and every document shall ensure that the signatures affixed by various subordinate staff/officials are genuine signatures. However, Manager (Account)/DGM (C) will take special care.
- xxviii. IAD will keep a strict vigil and check on purchases while conducting audit.
- xxix. Where material is purchased by BF/DF but sent directly to the job worker for processing without being received at the factory, the purchaser and the job worker shall certify on the bill for material that the material has been physically received by the job worker. Accounts Dept. shall account such bills in the books but bill passing shall be made only after receipt of material to our satisfaction from the job worker.
- xxx. Daily food expenses per day will be paid to purchaser or other staff, Liaison staff, drivers if he takes meals in the city or Otherwise, as per rate fixed. In case of Sr.Executives /SMEs, actual meals expenses will be reimbursed (first class meals). Daily Food allowance shall be paid to employees is as follows, if food is taken by them in the city on official duty.

Rate For the Staff as per work nature are as:		Rate For the company Drivers/ Workers	
Purchasers	Rs 150/- per day if take meals in the city or otherwise Rs 75/- per day for snacks etc	1.Breakfast	Rs 50
Liaison Staffs	Rs 100/- per day for the days they are outside on official duty.	2.One Meal (Lunch or Dinner)	Rs 110
Sr. Asst. / Asst. Executives	Actual meals expenses subject to the ceiling of Rs 175/- per day with or without supporting bills. For Snacks subject to the ceiling of Rs 75/- per day.	3.Lunch or Dinner (Both)	Rs 200
Executives	Actual meals expenses subject to the ceiling of Rs 200/- per day with or without supporting bills. For Snacks subject to the ceiling of Rs 100/- per day.	4.Breakfast and Lunch or Dinner	Rs 160
		5.Breakfast, Lunch and Dinner	Rs 250

Note: Staff taking both Lunch and Dinner outside shall get reimbursement of 1.5 times of their eligible meal expenses.

- xxxi. Before passing the bills for all purchases of durable/capital items, it must be recorded in the stock registers maintained by stores/Admn. Department. They should give the reference of the folio number of the stock register on the reverse of the bill. The Accounts Dept. will make sure of the entry in the stock register before sending the bill to the higher authorities for passing.
- xxxii. Bills in cases where quantity received is more than ordered quantity, i.e. variation up to 5% may be passed without approval but approval of indenting department is a must. However, if variation is more than 5%, approval of DGM(C)+GM is must.
- xxxiii. Penalty of any type and any amount can be passed for payment only after getting approval of MD.
- xxxiv. Passing of bills for transportation charges for the material lifted from Nalco

Nalco is despatching material sometimes through union trucks and sometimes through trucks directly arranged from the market by the transporter. There is very high variation in the rates when the trucks are arranged directly from the market. It is always considerably on the lower side. Hence, persons passing the bill for transportation charges must make sure how the material has been despatched by Nalco. If it is through union trucks, the rates are more but if it is through the trucks directly arranged from the market, the rate should be lower.

The following procedure should be followed to know whether the trucks have been arranged through transport union or directly from the market:

01. R.K.Jain will request Nalco Marketing Department to provide truck wise Details from their despatch department with a clear indication whether the truck is through truck union or directly from the market.
02. When the trucks are arranged through union, there will always be a union slip. Hence, all the bill passing authorities particularly Ajay Lodha at D/F should check whether union slip is enclosed or not. If union slip is enclosed, rate applicable to the union should be paid otherwise rate as per market should be paid.

03. Stores In charge D/F will instruct the person who supervises unloading to check from the driver whether the truck is arranged from the market. Stores Incharge will make one more column in their raw material register wherein they will clearly write whether the truck is arranged from the market or through the union.

Based on the above, bills should be passed Ajay Lodha at D/F. Even other bill passing authorities like HNC, Vishnu Pandey will also check the above aspects at D/F. In case of any doubt, Dhiraj Singh can be approached for any clarification, but under no circumstances we should pay union rate for the truck where it is not clear that the truck has been arranged through the union.

Any loss caused **due** to carelessness of any person shall be recovered from him.

D. Guidelines For Checking Transactions With Banks

- i. Interest charged by the bank must be checked thoroughly with reference to funds availed, rate applicable, number of days for which the same is charged.
- ii. Date of deposit/date of clearance of cheques/DD must be thoroughly checked.
- iii. Exchange rate applicable for conversion of dollar into rupee etc. must be checked with reference to date, TT buying rate/selling rate, as the case may be.
- iv. Details of charges levied by the banks must be clearly ascertained and verified thoroughly for correctness.

E. Other Guidelines for Accounts Department:

- i) Statement of monthly telephone bills should be circulated amongst SKJ/AG for their information and action. If the bill amount is found to be on the higher side, necessary action should be taken by AG immediately to reduce the telephone expenses.
- ii) Accounts department shall prepare a list of pending vouchers/**bills** on the monthly basis to keep close track on missing vouchers also they shall prepare details of pending matters related to bank and circulate to Accounts Manager + DGM (Commercial). List of pending bills should be circulated to AG+DS+**DM** once a month.
- iii) Debtors outstanding/credit balance statements age wise with complete details like credit periods, sanctioned limit etc. shall be put up by accounts department to Vikram Sharma → SKP → AG → DS → **DM** → MD for review once a month.
- iv) Creditors outstanding / advances balance statements with clarifications on delay payment or advance payment shall be put up by accounts department to Accounts Manager for review once a month and should be circulated to DGM(C) + PM + DGM(Maint.).
- v) Waiver of interest and bank charges/claims/penalty/extra charges/demurrage/other charges:

Sl. No.	Authority	Govt. including Govt. under-takings (up to Rs. each case)	Private (up to Rs. each case)
(a)	Accounts Manager	500	250
(b)	As in (a) above + DGM(C) / CFO	2,000	1,000
(c)	As in (b) above + CFO/ DM	10,000	5,000
(d)	As in (c) above + DM+NM	50,000	25,000
(e)	Managing Director	In excess of above limits	

F. Guidelines for National Electronic Fund Transfer (NEFT) / Real Time Gross Settlement (RTGS):

a. For Incoming NEFT / RTGS:

- i. Marketing & Shipping dept to inform all the customers and dealers to make payment by NEFT/RTGS compulsorily.
- ii. In case of customers furnishing LC of “Documents Through Bank”, marketing dept must instruct the customer to request their bank to remit the proceeds by NEFT / RTGS only.
- iii. Marketing & Shipping dept should inform all the customers that if payment is not remitted by their banks to us by NEFT/RTGS, we shall claim the interest loss at 15% p.a. from customer.
- iv. For cross checking of incoming NEFT/RTGS, accounts department will send previous day's bank statements to marketing & shipping dept. They will check the sufficiency or insufficiency of payments received from the customers/dealers/payers. If there is any discrepancy, Marketing department/Shipping Department will take up with the customers and inform to Accounts Department also.
- v. In case of redemption of investments, accounts dept will request the investee organization to remit the redemption proceeds by NEFT/RTGS only. If the same is not done, interest loss be claimed from investee organizations at the rate of return on that particular investment.

b. For Outgoing NEFT / RTGS:

- i. Purchase dept (or all the other departments who want to get the payment made to the supplier/service provider connected to them) will request all the suppliers / service providers to inform their bank account details mentioning Bank account no., Bank name, Name of branch, IFS code of branch, Type of account etc. at the time of sending their offers. The bank a/c details will be forwarded to accounts dept for making payment through NEFT / RTGS.
- ii. All the departments (who want to get the payment made by us to the suppliers / service providers connected to them) should request those persons to accept the payment by NEFT / RTGS only as this mode of payment is economical for our company. It saves the physical efforts of significant number of persons, stationery cost (eg. cost of envelopes), courier/postage charges etc.
- iii. When purchase bill becomes due, accounts dept will release the payment as per the procedure existing as on date. For initiating the procedure, one person of assistant level will punch the entries of payments. Those entries will be checked by Accounts Manager who will authorize the payments being released. Then, Account Manager will re-check, re-authorise and send the e-instructions to IDBI Bank / Standard Chartered Bank or Canara Bank, as the case may be.
- iv. In absence of Accounts Manager, his duties will be discharged by Finance Manager and the person who is re-authorising the payments will re-check by himself or get it re-checked by some other person.

c. **Exceptions:**

In the following cases or in exceptional cases, NEFT /RTGS payments may not be done:

- i. Advance payments for P1, P2 purchases & other miscellaneous purposes (for example: washer men, contractors etc.). Small parties who do not have proper bank accounts.
- ii. Payment to be made after cut off time (time applicable for the time being in force) of RTGS/NEFT.
- iii. If the payee is operating his bank account with a co-operative bank.
- iv. Where the payee is specifically requesting for cheque /DD/Pay Order instead of e-payment.
- v. The dept which is requesting for the above type of payment will arrange the approval of DGM (F&T) /CFO/DM, for releasing the payment by cheque.

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JINDAL ALUMINIUM LIMITED

(ROLLING DIVISION)

PART-V

Guidelines for Packing, Despatch & Billing, Arrangement of Trucks for outgoing materials and checking of Weighing Scale Accuracy & Bundle Checking.

I. Guidelines for Packing, Despatch & Billing (Rolling Products Dept)

- a. Rolled products packing dept is under the charge of Sandeep Agarwal assisted by Mukesh Modi/Dinesh. They will supervise packing, stock of packed goods and loading of materials. Local consignments loading should be supervised by packing in-charge / assistants only.
- b. This Packing dept is having four divisions, i.e. weighment and packing of (a) sheets, (b) coils, (c) foils and (d) circular slugs, under the supervision of concerned supervisors.
- c. Shipping in-charge for Rolled Products under J.S.Chauhan will maintain all records required as per procedure and Packing in-charge will assist him in all his works. Shipping department will be responsible for raising Bills for materials despatched.
- d. Shipping in-charge is fully responsible for entire packing, loading, bills, GST records and all other records connected therewith.
- e. All outgoing bills will be signed after thorough checking as :

For Rolled Products

Prepared by : Shipping Assistant
Checked and approved by : J.S. Chauhan/G. S. Sharma
Loaded by : Sandeep Agarwal or Mukesh Modi.

- f. SKP/AG will keep check on packing, bills, despatch, stock, sales etc. in a perfect way. He should take action against the concerned for lapses etc.
- g. After finishing of sheets, coils & foils rolling and approval from quality assurance supervisors, all Rolled products shall be handed over to the packing dept with below details under the format 'JAL/R&E/QA/F/06-Intimation Report (QA->Packing). This format contains the following details:

Product Name	Product Code No	Customer Name
Specifications	Coil No	AO No: date
Alloy/ Temper	Prepared by QC Executive	Received by Packing Supervisor

- h. Based on this intimation, packing supervisor shall update weight of products, take stickers to paste over the packed bundles and update the coil history in the ERP module.
- i. Similarly, in respect for Sheet and PP cap, after cutting by finishing dept and annealing, cut sheets will be transferred to packing dept along with master coil details by finishing dept.
- j. The entire work up to transfer as per PPC planning to packing department will be done by finishing Supervisor /PPC/Nand Lal Singh and till such times packing dept. supervisor will not be involved.

- k. After receipt from the above dept, the weighment and **packing** in bundles in HDPE Packing or in Pallets as per party requirement or as per the standard packing.
- l. Type of packing and rate for the same mentioned in Rolled Products pricing guidelines in the price list is as follows:

PACKING CHARGES ADDITIONAL AS APPLICABLE WILL BE AS UNDER FOR ALL				
Sl. No.	Packing Type	Thick ness	Bundle Weight	Packing Charges
1	<u>Standard packing</u> HDPE with polyester strap and corrugated paper on both sides. (no interleaving)	All sizes	250 -350 kg	Re.1.00/kg
2	HDPE + pallet	All sizes	750-1000 kg	Rs. 1.50/kg
3	HDPE with poly interleaving, edge board, corrugated sheet on both side	1mm & above	250-350 kg	Rs.2.00/kg
	- do -	- do -	500 kg	Rs.2.00/kg
	All as above + wooden pallets.		1000 kg	Rs.2.00/kg
4	HDPE with poly interleaving, edge board, corrugated sheet on both side	Below 1mm	350 kg	Rs.3.00/kg
5	Sheets with masking film	Below 2 mm	250 – 350 kg	Rs. 4.00/kg
6	Sheets with masking film	Above 2 mm	250 – 350 kg	Rs. 3.00/kg

In case any customer is taking jumbo coils in above 1500 kg rolls, cost of cardboard core will be inclusive in basic price however, if coil weight is below 1500 kg, Rs.1.50 extra will be charged.

Packing shall be done as per the instructions given in A.O. issued by marketing department.

- m. Weighment will be done and entered in a note book and after considering the packing material weights, net and gross weight will be entered in the ERP system and take prints of the stickers to paste on bundles. Manual marking is also to be done over the HDPE packing.
- n. Contractor will arrange the wooden boxes / pallets according to our requirement on day to day basis and as per the sizes required by packing department and will check the quality and sizes.
- o. After manual markings on bundles, same will be shifted to the location allotted in the Rolled Products packing warehouse. Details printed on Sticker contains the following details:

Name of our company & division	i.e. Jindal Aluminium Ltd Rolling Division, Bangalore
WH Batch no: YYYY followed by bundle nos. i.e., 20180343232	Product Code: Eg: SHCHX110019
Product name: 1.2 mm thickness aluminium chequered sheet	Product Form : Sheet or Coil or Foil
Alloy:	Length:
Temper:	Width:
Design : Diamond	

Nett Wt: (Eg:277 Kg)	Charge No : (Eg- B3744)
No of Reels /Pcs: (Eg-27)	Batch No/ Reel No: CCTL11384
BAR CODE Seal (with print of bundle no & weight	To pick bundles for load from scanner during loading time and for billing purposes.

- p. Marking on bundles will be done by a senior worker having experience in this more than **3 years** and then checked by Asst. Supervisor/ Senior Supervisor of packing department for correct weighment. Both of them will ensure correct weighment, packing, despatch and ensure that there is no deviation of any type, favoritism; negligence, pilferage, loss etc. Supervisor will be fully responsible for correct weighment and answerable for the same. Packing in-charge should be very careful while doing weighment and marking.
- q. All will be individually responsible for this and will ensure that there is no deviation or favoritism and if any mistake is noticed, the same should be brought to the notice of DGM/GM/DM/MD immediately.
- r. While packing the material either in Pallet or in wooden cases or any other forms, counter checking by Security is not required. Packing in-charge/assistant in whose presence the material is packed in wooden cases/cardboard boxes will be fully responsible for the correctness of weight as well as number of pieces. However, Security Dept will check one bundles/ Packets at random as per their checking instructions.
- s. Packing in-charge/assistant will put their remarks on the packing copy of Gate Pass and the person responsible for checking the packing copy of Gate Pass should not only check the invoice but also these documents where packing department personnel have signed while supervising the packing.
- t. Quality assurance dept. should finish their checking before material goes for weighment and final Packing immediately after ageing. Otherwise, there are chances of mix-up and other mistakes.
- u. In case party's representatives come for inspection, they should not be taken to the shop floor but taken to the spot where materials are lying and finish the inspection tactfully. No dealer/party should be allowed to go to packing department to meet/talk to packing in-charge or any other person.
- v. Packing of export consignments should be done as per specification agreed with the buyers and it must comply with LC and proforma invoice conditions if any, regarding packing.
- w. For all consignments booked through transporters, Asst. Manager (Shipping) will ensure that our invoice No. and challan No. are mentioned on all copies of LR and initialed by our person. In case of small consignments booked by our drivers, Asst. Manager (Shipping) should give suitable instructions to our driver to write challan/invoice No. on LR copies.
- x. For rolled products, packing supervisors will ensure that stickers, of "Do's and Dont's", as per prescribed format, are **pasted** on each pallet/coil on top of HDPE.
- y. Packing in-charge should take stock of packed materials lying in their GST warehouse godown quarterly and check the same with GST records. Any variation should be checked thoroughly and report should be circulated to **J.S.Chauhan/SKP/AG**, **who** should take action accordingly.

- z. Packing department in-charge shall keep checking on list of materials produced and lying for more than 60 days without despatching to customers. The list of such material should be circulated to AG→ DM→MD on monthly basis.
- aa. Packing in-charge should ensure that all loaded vehicles must be covered with proper tarpaulin to avoid water entering in material during transit. He should not load any vehicle which is not having proper tarpaulin. **Full loss will be recovered from Packing In-charge if any material gets wet during transit & any claim is received from customer.**
- bb. Personal visits and telephone calls to the factory by the dealers and their representatives should be discouraged as far as possible. Telephone calls from dealers should be attended to by Mahesh Garg/GSS.
- cc. Shipping department should check and ensure that material is being despatched as per the specification given in the order by customer/dealer.

II. GUIDELINES FOR PUNCHING, PACKING OF CIRCLE / SLUGS

- a. RMD Circle production and packing dept is under the in-charge of Mr. S.K. Jain, assisted by Mr. Harish Sharma, and are responsible for entire punching, annealing and packing of circles & slug as per the order punched in the departments and all other records connected therewith.
- b. Mr. Harish Sharma will keep checking on punching, annealing and packing in a perfect way. He should take action against the concerned for lapses etc.
- c. PPC dept while making production planning should check and ensure feeding of material & control for the timely productions, maintain quality and delivery schedules and no rejections. **PPC incharge should plan width of coils in such a way that we are able to achieve maximum recovery.**
- d. PPC will give slitting plan to finishing line after checking with Circle dept.
- e. PPC will give intimation for the products, size & qty. to Circle dept. with details of parent coil number, alloy and temper, patta size, quantity and circle dia.
- f. Based on the party orders / AO, planning will be made by Mr. Harish Sharma and instruct supervisors as under:
 - i. Before planning for punching, supervisor in circle punching area will check the die status and pending for die polish position then release die for punching.
 - ii. Circle punching Die should be kept ready after proper cleaning and polishing in time.
 - iii. Whenever bur problem cropped up during the productions, he should make immediate arrangement to remove such die and to send it for cleaning and polishing.
 - iv. He **is** also responsible for making alternate arrangement of dies / material for uninterrupted production in the department.
 - v. Punching supervisor is also responsible for timely punching, arrange for annealing wherever required in 'O' Temper for annealing and H14 (half Hard) to send material to circle packing without annealing immediately for rechecking / sorting, and packing for timely despatch of material.

- vi. Circle punching department will maintain daily production details on ERP under the following formats. Simultaneously to update coil card in system. As soon as updating the ERP, QA will verify the same online and approve.

Date	Process Unit	Parent Batch	Input Batch	input Wt (In kg)	input Size (In mm)
01-Aug-19	S1-CIRCLE	190730103	CCTL083671	1209	2.4 X 1300 X 281
input Alloy / Temper	Output Batch	output Wt (In Kg)	output thick (in mm)	output dia (In mm)	output Alloy / Temper
1060 X H18	CIR108001	850	2.4 X	266	1060 X 'O'

INITIATED BY:

AUTHORISED BY:

- g. Before approving online, Quality assurance department should check the quality continuously and maintain register separately in Circle punching area and Circle packing area in the below format:

Circle punching area: Register contains the following details:

Date / Coil no / Dia / Party / Quantity required / Thickness / Base Thickness / Bur thickness / Die running time / AO no. / Remarks

Circle packing area: Register contains the following details:

Date of packing /Coil no / dia / party name / Order quantity required / Thickness / UTS Elongation/ Remarks

- h. Based on the punching and QA clearance, circle packing supervisors will give requisition for pallet size to be made ready in writing (Pallet size in Inch) as per the party orders, (Export/ Domestic as per customer requirement) and accordingly packing Contractor will arrange pallets on daily basis.
- i. Packing supervisor will also arrange other packing materials. After receiving pallets from carpenter, they will arrange for placing interleaving paper in each circle as per the party order, weigh empty pallets and write weight of wooden pallets on the pallets.
- j. They will also mark over the bundle / pallet, the circle size (Dia) Thickness, Alloy & Temper, Party name along with the tare weight of wooden pallet manually before forwarding to Packing & dispatch area.
- k. After the QA approval as per the intimation in the below format, and packed material sent by circle packing department in their custody, Packing & dispatch will weigh bundle and affix bar-coded packing slip over the pallets for billing and dispatch to party.
- l. Format of Intimation from QA to Packing & dispatch dept.:

Product Name	Product Code No	Customer Name
Specifications	Coil No	AO No: date
Alloy/ Temper	Prepared by QC Executive	Received by Packing Supervisor

- m. Quality assurance dept. should finish their checking before material goes for weighment and final bundling immediately. **They will ensure that surface finish of circle/shrugs is excellent without ant scratch and hardness is as per orders of customers.**
- n. Marking on bundles will be done by Supervisor/ Senior Supervisor of circle packing department. Both of them will ensure correct weighment, packing, dispatch and ensure that there is no deviation of any type, favoritism; negligence, pilferage, loss etc. and they will be fully responsible and answerable for the same.
- o. While packing the material either in Pallet or in bundle, checking by Security is not required.
- p. Packing of export consignments should be done as per commitment made with the buyers.
- q. **Packing should be done in such a way that water does not enter the bundles while in transit, failing which loss shall be recovered from Packing In-charge.**
- r. **Packing charges:-**

PACKING CHARGES ADDITIONAL AS APPLICABLE WILL BE AS UNDER FOR ALL				
SI No.	Packing type	Thickness	Bundle Weight	Packing Charge
1.	Circles:- Standard packing: - With interleaving with newspaper/ approved paper stacking the circles one on other with approx. 500 Kg pallets & finally wrapped with HDPE dully stitched or as defined by buyers.	All sizes	400 Kg – 700 kg	For circles it is included in their pricing itself. But few parties separately collected on case to case basis.i.e. Rs.1/- Pkg & as approved.
02.	Circles:- Small bundles of 50-60 KG each, packed with HDPE.	All sizes	20kg – 35 Kgs	It is included in the pricing,
03.	Slugs:- 50 Kg HDPE Bags duly stitched	All sizes	50 Kg- 52 Kgs	Included in pricing

The above are the standard packing so far done for all circles customers but, if any customer demand any special packing may be offered as per actual cost & proposed cost as per management approval.

III. GUIDELINES FOR PACKING, DESPATCH & BILLING (EXTRUSION DEPT)

- a. Packing in-charge (Sanjay Bansal) assisted by his assistants Ashish/Pawan will supervise packing, stock of packed goods and loading of materials. Local consignments loading should be supervised by packing in-charge /assistants only.
- b. GSS (or any of his assistants) will maintain all records required as per procedure and

Packing in-charge will assist him in all his work. Shipping department will be responsible for raising Bills for materials dispatched. Naresh Garg will check from time to time and inform AG if any lapse /carelessness is observed in packing or dispatch of material.

- c. GSS is in-charge of entire packing, loading, bills, GST records and all other records connected therewith for sales / conversions of Aluminium extrusions.
- d. All outgoing bills will be signed after thorough checking as:
 - i. Prepared by : Despatch Assistant
 - ii. Checked and approved by : Asst. Manager (Shipping) / Shipper
 - iii. Loaded by : Packing in-charge / Senior Asst.
- e. DGM(C)/AG will keep check on extrusion packing, bills, despatch, stock, sales etc. in a perfect way. He should take action against the concerned for lapses etc.
- f. After stretching, cutting, ageing and approval from quality assurance supervisors, all extrusions should be packed in bundles of 15-18 kg approximately and loaded in trolleys for ageing. The entire work up to this stage will be done by production supervisor and packing dept. supervisor will not be involved.
- g. Immediately after ageing is completed, trolleys will go to packing conveyor after final checking by quality assurance supervisor. Workers will arrange in bundles of 60-70 kg each approximately, wrap with stretch film and write section number as marked in the trolley will be printed / written in a small sticker for weighment and sticker printing. Then bundles will move on domestic conveyor or export conveyor as the case may be for packing in HDPE.
- h. After stretch film wrapping, extrusion bundles will move for weighment and HDPE bundling through the conveyor. Asst. Supervisor of packing department, (who must change this job on rotations basis weekly), will do weighment in the conveyor weighing scale and take print of the sticker to paste over the bundles.
- i. Sticker will contain the following details:

Name of our company & Division	i.e. Jindal Aluminium Ltd D/F
Bundle No contains: YYYY followed by bundle nos i.e 20180043856	Pcs:
Section No :	Weight in Kg:
Length in MM :	Alloy:
Lot No /location no	
BAR CODE Seal	To pick bundles during loading from scanner and take out packing details from the system.

- j. Those printed stickers will be pasted on wrapped bundles and the HDPE bundling workers will paste the same over the bundles after HDPE bundling and write the details like Section number and number of pieces, at one end of extrusion bundles before transferring to packing warehouse.
- k. After weighment and bundling is completed, extrusions will move to packing department warehouse to keep bundles in location-wise which will be done by worker as per the space allocated for easy handling of bundles and scan bundles through barcode scanner.

- l. Packing Asst. should ensure that stickers are pasted on bundles weighed as per them correctly by the bundling workers. Sanjay Bansal himself should supervise and check conveyor in packing department frequently.
- m. Asst. Supervisor of packing department should ensure **that** marking / pasting of sticker, whole process **is** carried on smoothly and there is no deviation of any type, favouritism, negligence, pilferage, loss etc. and they will be fully responsible and answerable for **any mistake/carelessness/loss**.
- n. Lightness/heaviness of the material packed will be as per the instructions and policy decision from higher authorities. All will be individually responsible for this and will ensure that there is no deviation or favouritism and if any mistake is noticed, the same should be brought to the notice of DGM (C) / AG immediately. Lightness/heaviness of material packed should be within approved limits. If it is more, the material should not be cleared.
- o. They will arrange the packing of the material as per instructions given by Dy. Manager (Sales) / Asst. Manager (**Sales**). They will ensure that the no manipulations / weight difference in the bundles through their random bundle checking.
- p. While packing the material in wooden cases/cardboard boxes, no counter checking by Security is required. Packing in-charge/Assistant in whose presence the material is packed in wooden cases/cardboard boxes will be fully responsible for the correctness of weight as well as number of pieces. After the wooden case/cardboard box is packed, concerned packing supervisor will paste a slip on joints of wooden case with his signature so that after packing, it is not tampered with.
- q. Packing in-charge/Assistant will put their remarks on the packing copy of Gate Pass and the person responsible for checking the gate pass should not only check the invoice but also these documents where packing department personnel have signed while supervising the packing.
- r. Either of packing in-charge/Asst. Manager (Shipping) should be present at all times for supervision of Packing and dispatch. In case both are absent, DGM(C) / AG should depute someone immediately.
- s. The packing in charge after having packed the bundles for a particular consignment will send as usual a packing slip containing section number, bundle number, qty in kg and also number of pcs against each. This packing slip will be sent to Sandeep Goyal /GSS, who will verify the statement of the 20-25 sections in respect of heavy / light quality and then put initials and forward to concern person of shipping department for billing. In case the sections dispatched are found lighter than the list with reasonable margin, suitable action be taken **against Packing In-charge for showing favour to particular dealer**. Such checking in respect of dispatches should be done minutely excluding government, export and big customers in organised sectors.
- t. Asst. Manager (Shipping) while giving press program will control the lightness/heaviness of the sections by mentioning the number of pieces per 100 kg so that production in-charge and Tool Shop personnel will run the dies accordingly. If by chance the material run is heavier/lighter than the requirement, Production Manager/**Manager** (TS) should ensure to run next day suitable heavy/light material for mix-up so that stock does not accumulate in packing. Asst. Manager (Shipping) must counter-check the press program.
- u. Asst. Manager (Shipping) should check weighment sheet containing number of pieces etc. and if any material is found extra lighter/heavier than the standard instruction, he should make necessary changes. Without green signal of NKG/**GSS**/AG in this

regard, no truck will be allowed to leave out from the gate. NKG/AG will periodically check the above on random basis and if any deviation is noticed, he should take necessary action.

- v. In case of loose items for local parties also, the same procedure is applicable.
- w. Whenever sold material is sent to local parties from the factory, acknowledgment for having received the material by the dealer/party should be obtained and should be kept on record. This is applicable to all the cases irrespective of the fact whether the material is delivered in our vehicle or collected by the party directly or whether the material is delivered to the party by outside vehicle. Since we are having 4 copies of delivery challan, a copy may be given to the person carrying the material, for obtaining the acknowledgment. However, when the material is collected by the party from our works, we can obtain the acknowledgment on the bound book copy of the challan.
- x. Packing in-charge is also responsible for any dispatch of extra lighter/heavier material in deviation from the instructions given.
- y. Quality assurance dept. should finish their checking for dimensions, hardness etc. before the material goes for weighment and final bundling immediately after ageing. Otherwise, there are chances of mix-up and other mistakes.
- z. Personal visits and telephone calls to the factory by the dealers and their representatives should be discouraged as far as possible. Telephone calls from dealers should be attended to by NKG/GSS.
- aa. In special cases of urgency or necessity, SMEs/SEs may attend to the dealers but they should advise them to refrain in future and write letters only.
- bb. In case party's representatives come for inspection, they should not be taken to the shop floor but taken to the spot where the materials lie and finish the inspection tactfully. No dealer/party should be allowed to go to packing department to meet/talk to packing in-charge or any other person.
- cc. Packing of export consignments should be done as per commitment made with the buyers and it must comply with LC and Export Production Advice (EPA).
- dd. For all consignments booked through transporters, Asst. Manager (Shipping) / Asst. Shipper will ensure that our invoice No. and challan No. are mentioned on all copies of LR and initialed by our person. In case of small consignments booked by our drivers, Asst. Manager (Shipping) should give suitable instructions to our driver to write challan/invoice No. on LR copies.
- ee. The packing in-charge should ensure while packing the bundle the weighment of the bundle is as per list approved by management, NKG will keep a check and if found that the same is not controlled, will take necessary action.
- ff. NKG should take stock of packed materials lying in GST godown quarterly and check the same with GST records. Any variation should be checked thoroughly and report should be circulated to GM/DGM (C) to take action accordingly.
- gg. Packing in-charge shall keep check on list of materials produced and lying for more than 60 days without dispatching to customers. The list of such material should be circulated to AG → MKB (for Extrusion) → DS → DM → MD on monthly basis.
- hh. Asst. Manager (Shipping) will maintain all records required under MKB and Packing in-charge will assist him in all his work.

- ii. All branch offices should check the weight of the bundles and verify the weight with packing slip. They should also count No. of pieces of the material at random. In case any deviation is noticed, they should report the matter to AG/MKB for necessary action.
- jj. Apart from the above, whenever our representatives visit our dealer's place, they should surprise check the weight of some of the bundles in the dealer's godown and report any variation to Dhiraj Singh/DM.
- kk. Where bundles are packed manually, the packing department will tie loose bundles in lots of 60/70 kg approximately with cut pieces of HDPE fabric in the middle and mark weight, section No. etc. on the HDPE fabric in order to enable the IAD and Security Department to surprise check the weightment, contents, pieces etc.

IV. Arrangement of trucks for outgoing materials

- a. Ajay Lodha will arrange trucks against individual requirement after negotiating the rates with the help of Mr. Vipin Goyal.
- b. Trucks should be hired from the approved transporters only.
- c. A book should be maintained wherein details be entered for arrangement of trucks and checked periodically by DGM(C)/AG. He should also check the rates from the market and ensure that there is no manipulation or dishonesty in fixing the freight charges and trucks are hired at lowest rates.
- d. Hiring of tempos for local delivery of extrusions/Rolled product should also be arranged by the person arranging trucks for full loads.

V. Checking of weighing scales and packed bundles

- a. Packing department In-charge should check accuracy of weigh scale at least 3 times a day around 8.00 am, 1.00 pm and 5.00 pm. During night shift also they should check the accuracy minimum of 3 times with the intervals as being followed during the day. Similarly Packing supervisor will also check twice daily in each shift.
- b. Weighing scale accuracy will be verified by Asst. Shipper and Asst. Manager (Shipping) at least twice daily.
- c. Weighing scale accuracy will be verified by cashier / Accounts personnel at least once daily.
- d. Anyone of the persons from IAD will go at a time and check weighing accuracy and will enter in the note books kept in packing dept wherein such surprise check particulars are recorded. In case of any deviation or mistake, the same should be brought to the notice of AG/DGM (C) immediately.
- e. Separate note book should be maintained for all the weighing scales. For checking purposes, standard weightment of 100 kg should be kept in packing department and all checking persons should verify the weighing scales with the standard weight only.
- f. During night shifts between 8.00 pm & 8.00 am, DM(Admin), SSI, ASO, DSO, SO, CSO, whenever they take rounds in the factory should surprise check the weighing scale with 200 kg weight in the packing department and ensure correctness of the scale. If there is any difference, then write and sign in the note book maintained for

this purpose and use of such scale should be stopped till it is set right. They should also check 2-3 bundles which are already packed or under packing. If there is any difference in the weight, they must keep them aside and mention the same in the note book maintained for this purpose and inform **DGM(C)** or in his absence **AG** next morning, who will take immediate necessary action on the person concerned. The next morning before loading starts, AG/SKP will depute one person out of NKG/J.S.Chauhan/GSS to check bundles out of the material packed the previous night and inform AG if there is any difference.

- g. If any difference in weighing scales is noticed, the weighment should be immediately stopped on that weighing scale and a note should be made in the note book regarding the difference noticed in the scale. This fact should be brought to the notice of Asst. Manager (Shipping)/Asst. Shipper immediately for repair within 24 hours.
- h. The weighment on the scale should be commenced only after the repair is done to the full satisfaction of any of the three packing supervisors and Asst. Manager (Shipping) / Asst. Shipper. Remarks should be written in the note book stating the repaired date and timings of weighing scale and now weighment is being shown correctly and weighment has commenced on the weighing scale.
- i. While checking the weight of the bundles in extrusion department, Security personnel will also see the weighing scale accuracy and sign with date and time in the book kept in packing department.
- j. In addition to this, GSS will make further checks regarding accuracy of weighing scale personally check **twice/thrice** in a week. After his checking he will put his initials in the same note book which is maintained by the packing department. He should see both the electronic scales minutely and with critical angle. If there is any difference, the weighment should be stopped and the scales should get it repair forthwith.
- k. The particulars of such checking as entered in the book kept in packing department will be shown to Manager (Audit) once a month, who will see, synchronise the above duties of the checking persons that all the above have properly checked and signed the note book and if omission is found on the part of any of the above, he will bring the same to the notice of AG. If anybody is found negligent in his duty, strict action will be taken against him. Manager (Audit) will sign the note book with date for having checked.

VI. Surprise checking of weighing some bundles

The staff of IAD will make a surprise check minimum once daily in the packing department by weighing some bundles which are duly packed and pasted with stickers/marked and also verify the specifications of the contents/weight/section No. with the details mentioned in stickers pasted/marked on bundles.

- i. AG will surprise check the material packed in wooden cases with the packing list as and when he so desires.
- ii. CSO/SO/DSO/ASO will surprise check the weight and specifications of the bundles at the time of loading by physical weight and inspection on random basis. They will also keep watch and surprise check the bundles, weighment, No. of pieces with contents of packing slip etc. and report to Dhiraj Singh/**DM/MD** for their action in case of any deviations/mistakes.
- iii. Whenever a person goes for surprise check of bundles in the packing department, he should, at random, open the bundles, verify the contents with

the markings on the bundle and also count the number of pieces and report any deviations to the higher authorities, i.e. Dhiraj Singh/DM. No. of pieces should also be surprise checked at random in respect of loose material.

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JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART- VI

Sale of RMD Products and Extrusions

A. RMD Extrusion Sale to Actual Users/Consumers/Traders

Dispatch of the extrusion at DF will be handled by BF marketing department, headed by **Sr.VP(Commercial) assisted by GM(C)**, as per the procedure being followed at BF.

B. RMD Product sale to Actual Users/Consumers/Traders

- i. Rolled products domestic marketing Department has various functions. Depending upon functions, it is divided into three parts i.e. front office, order processing and enquiry processing. All the divisions will be under DGM (Marketing) sitting at B/F. These three divisions are as follows with broad functionality.
- ii. **Business development Division-Front end Sales Team:** They will generate leads from different sources like magazines, journals; internet, customers etc and will convert these leads into opportunities & orders. To facilitate our valuable customers, entire India market is divided into four zones, EAST, WEST, NORTH & SOUTH.
- iii. Depending upon the product mix, the product of the company is divided in three segments Slugs/Circles, Sheets/Coils and Foils. Slugs and Circles will be looked after by DS on all India basis. North zone (all products) will be headed by BKP. WEST zone foils will be headed by PKR and sheets /coils will be looked after by AG (reporting to VS). East and South (all products) will be looked after by VS. **All will be reporting to DM.**
- iv. Front team has a major role to play from conversion of leads to despatch of material and after sales service (if any) required by customers. They will visit respective customers and convert all leads into **orders**. On receipt of enquiry from customers, they will forward the same to enquiry processing division for formal quotation, if needed. After quotations, they will follow with respective customers and get clear techno-commercial orders and forward the same to order processing division. Order processing team will prepare OCL to check the PO and our submitted quotation for techno commercial confirmation. Then they will raise AO and will release material into production. Once material gets ready, marketing front team will arrange for balance payments so that ready material can be despatched within time. For deviation on any policy related matter, pricing, payment terms front marketing team will circulate their proposal to respective seniors who will further recommend to management for approval for any deviation.
- v. For Dealer/Trader separate management guidelines are given along with credit facility which needs to be strictly followed. Dealer sale will be looked after by **J.S.Chauhan**, assisted by K. L. Chauhan who will interact with all dealers for getting their orders, supply and payment.
- vi. **Enquiry Processing Division:** They will prepare quotations for all the enquires being forwarded by field team or for all enquiries received directly. They will send these quotations to concerned marketing person or to customer as per the discussions with concerned zonal field staff under copy to the concerned marketing person. The concerned marketing manager / executive will follow up with respective customer for order and are responsible for all communication.
- vii. Ms. Mompri Gogoi at B/F will be responsible for sending timely quotation and Mr. Vivek Chaudhary at D/F will help her in expediting the process of worksheet of new products which are to be approved by RNS and PPC. In her absence, Mr. Sanchit

Khandekar/Mr. Rakesh Kumar will take on this responsibility. After comments of RNS and PPC, worksheet will be forwarded to DGM (Marketing) for commercial approval. This division will be headed by VS.

- viii. **Order Processing Division:** This division will be headed by Mr. Amit Kumar Chakraborty. Order processing team is responsible for processing of orders till despatch of material. They will process all orders and follow up with PPC for making the material ready for despatch. They have to cross check if the prices are OK as per the quotation / last supply or as per the LP. He will ensure that no particular customer is being handled by multiple persons to avoid duplication and loss to company as chances of submitting wrong prices are higher in such cases. In case of any doubt / objection, they will write to the concerned marketing person for clarification or providing management approval for deviation.
- ix. They will not process any order, unless all terms are clear. In case of any issue raised by PPC regarding MOQ / off cut wastage / process loss, he will immediately inform / update to the concerned marketing person for informing or taking up with customer unless the QWS is already cleared by PPC. They will send Performa invoices to customers with copy to concern marketing field staff for collection of balance payment, so that despatches can be made in time. After despatches, they will send dispatch details to respective customer under copy to concern marketing executive.
- x. The zones will comprise of following territories/customers:
- East: All customers of West Bengal, Orissa, entire North east, Jharkhand & Bihar.
West: All customers of Maharashtra, Gujarat **and part of Rajasthan from Jodhpur till Gujrat.**
North: All customers of J&K, Punjab, Haryana, Himachal Pradesh, Chandigarh, Delhi & NCR, Uttar Pradesh, Madhya Pradesh, Rajasthan **from Jodhpur till Haryana border, Uttarakhand and Chhatisgarh.**
South: Karnataka, Tamil Nadu, Kerala, Andhra Pradesh, Telangana, **Pondicherry and Goa.**
- xi. In case any customer of other zone is presently being handled by another zone, it will continue as per the present practice so that no loss of sale happens. However, in case of new lead, enquiry to be passed on to the respective zone head for his decision.
- xii. **Handling of Enquiries:**
- a. All enquiries will be processed at B/F by Ms. Mompri Gogoi and no marketing person should send quotation directly to any new customer on their own. For new product she will take technical approval from RNS, PPC and subsequently Commercial approval from DGM (Marketing). Quotation will be finally signed by DGM (Mktg) after checking in all respect. In his absence, AGM (Mktg.) will sign quotation.
- b. On receipt of enquiry, she will properly check the enquiry and will make quotation work sheet (QWS) as per the laid pricing and policy of the company. For regular product quotation, prevailing LP needs to be considered. On the LP, extra charges for odd-width, alloy, annealing etc will be added as per procedure.
- c. For regular items, prices are to be quoted as per LP only, if not specified (to increase) by concerned front marketing person which they may need for negotiation purpose. She must ensure that quotations of the regular product enquiries which are received before 3.00 pm are sent on the same day itself. For new product, she will circulate QWS to RNS (for technical clearance and for any additional process cost), PPC (for MOQ and extra price loading related matters for new development).

- d. For expediting the QWS at D/F, Mr. Vivek Chaudhary will support Ms. Mompi Gogoi for circulating the paper and taking consent of technical team. Finally the QWS will be signed by VS for commercial approval after checking the remarks of RNS and PPC. After getting approval, she will send reply/quotation within 24 hours to concerned marketing person. Wherever possible, extra price can be loaded by marketing staff for generating the extra revenue, **but to ensure we do not lose order due to such higher price**. Once the quotation is prepared, same will be sent to concerned marketing person or to customer as per the discussions with concerned zonal field staff under copy to concerned marketing person. Concerned marketing manager/executive will follow up with respective customer for order & are responsible for all communication.
- e. It will be the responsibility of the respective Marketing Managers/Officers to ensure that their customers have received the quotation within the specified time frame and enquiry was handled correctly.
- f. It is duty of the respective Marketing Manager/Officers to pursue with customers directly or through branches/resident representatives and get confirmation over the quotation submitted. In case the order is not awarded to us, proper reason should be obtained by the concerned Marketing Manager and accordingly proper strategies should be made to ensure no business loss occurs in future. According to the market scenario, necessary proposals for revision in prices/terms to be submitted to the management, so that management can give suitable approval to get the order.
- g. In case our price is found higher by customer, concerned Mktg staff can request for suitable reduction in price to **MD** through **DM** who after checking costing can approve reduction by keeping suitable margin.
- h. It is responsibility of the concerned Marketing Manager/ Officer to get acceptance from the customers on price revision as and when it is made applicable as well as any other clarifications in the order.
- i. Zonal heads will ensure that entire area of the country should be covered and customers are identified through out so that the total requirement and potential of the customers is known. Accordingly regular tour should be planned by Marketing team to potential areas and report should be submitted to HOD (Mktg) and **DM**.
- j. All zonal heads should achieve respective sale target given by management on monthly basis. All Zonal heads must focus on actual users/OEM and must increase the sale of such customers for increasing the sale realization of the product. They should also keep watch on the competitor activities and report to the Management so that we counter the same and ensure that no existing customer is lost.

xiii. **Front end sales team:**

- a. This is the focus area as decided by Management and efforts to be put in for marketing of our product to direct customers and actual users / consumers. Following guidelines are given to develop business in this segment in respective zones:
- b. All zonal heads should focus to increase our presence in their respective zonal markets and increase direct customer base with the help of branches and resident representatives at various locations and by making tours. They should also contact lost customers and will make proper strategies to bring them back.
- c. All zonal heads/DGM/AGM/Managers/Marketing Officers should get our brand approved and registered in all the Govt. Organisations like BHEL, Railways, State Roadways, NTPC, BPCL etc so that we get enquiries from these PSUs.

- d. All zonal heads should focus on special products like TLL, multi-slit, industrial roofing and give special focus of Insulation and Cladding applications since chances of getting more margins are high in these products.
- e. RNS/ONU (Production & Quality Team) should visit the major customers time to time to understand their requirements on quality aspects so the good quality material could be delivered to the customers on time. This will boost the confidence level of the customers in respect of quality & production requirement. They can also attend to any technical queries or complaints during their visit
- f. In case front marketing team is not getting order at quoted prices, it is their responsibility to take deviation from our standard quotation by taking proper management approval. They must specify the reason for not getting order at our quoted price while circulating the proposal. Approval must be by **DM + MD**.

xiv. **Pricing:**

- a. Prices for existing products are to be quoted as per the guidelines given in the procedure. For quoting the basic price, prevailing LP needs to be considered. As margins are already considered in LP, additional price loading to be done only if specified/requested by concerned marketing person for negotiation purpose. Once the supply is made, prices should be followed / offered by adjusting Nalco increase/decrease only. No one can reduce price on their own even if the selling prices are above LP. In case any change or reduction is needed by concerned marketing persons to convert enquiry into order, proper proposal to be circulated through zonal head to **DM + MD**. Only after their approval, prices can be changed.
- b. Prices for new product which are not covered under price list to be quoted with approval of **DM** and MD after having detailed costing done by costing department in consultation with RNS, PPC and VS.
- c. Cash discount of 2% can be offered if the customer is making 100% payment before dispatch of material.
- d. Quantity discounts can be given on a selective basis for lifting above 5 MT in a calendar month at following rates with prior approval of MD:

Less than 5 MT a month	-	Nil
Between 5 and 10 MT in a month	-	Re.1/- per kg
Between 10 and 15 MT in a month	-	Rs.2/- per kg
More than 15 MT in a month	-	Rs.3/- per kg

However for offering quantity discount, there should be provision for the same in price offered to customer. **DGM (Mktg.) will be fully responsible for this.**

- e. In case needed, proper management approval should be obtained **for allowing Quantity Discount**. For new customers, the discount slabs can be offered only if the price offered to customers is having the desired margins. In case the realization is going less than LP by offering discount, prior approval must be taken from **DM** and MD.
- f. All prices will be subject to Price Variation Clause on the date of delivery. At the time of price change i.e. increase or decrease in price of raw material by primary producers, can be made effective as per guidelines mentioned below:
 - (i) The revised price whether increase/decrease will be applicable from the day it is made effective by NALCO or as per the management approval.

- (ii) Increase in Price will be applicable for all the materials lying in readiness.
- (iii) However, when the price is reduced and material is lying in readiness, beyond 5 days, in such cases, benefit of price reduction will not be given to the customer, since customer is at fault in not lifting the materials timely.
- (iv) Where ever we have given intimation about materials readiness to the customer and payment is received on the date of price change or on the next day, in such cases, materials can be supplied at the previous price (i.e. without increase) with the prior approval of MD. It has to be ensured that payment was sent by the party before they came to know of the revision of prices. VS will take approval of such cases from DM/MD before supply.
- (v) In some cases customers send payment before price revision, but delayed in placing the vehicle (wherever it is in customer scope) due to which material cannot be dispatched to the customer. In such cases, if customer sends vehicles within 3 days from the date of price revision, material can be supplied at old price, without increase. Otherwise new rates should be charged.
- (vi) In case customers delay lifting materials lying in readiness, by 15 days and during this period there is price increase & decrease also. In such cases we should not pass any reduction, but to consider only price increase. However, if customer is working on conversion, we can despatch material by considering NALCO 1:1, with the prior approval of MD.
- (vii) Sometimes 100% payment is collected on the basis of tolerance PI, expecting materials will be cleared urgently, by the time materials comes to readiness, there is a price decrease and customer claims benefit of the same, in such cases approval from Zonal Head and DM/MD to be taken for passing on the reduction, on case to case basis. On the contrary, if 100% advance is available and the price is increased, material can be supplied at old price.
- (viii) Order on fixed prices can also be taken with prior approval of MD, but it should be minimum.
- (ix) For large orders (10 MT & above) of EOU/SEZ units on Deemed Export basis , special prices can be offered with prior approval of DM/MD & subject to customer agreeing to fulfil statutory documentation procedure for same.

xv. **Payment terms/Despatches:**

- a. No unsecured credit to be given to customer without assessing the potential. For any type of credit, Customer Master Credit Limit (CMCL) to be approved with proposal of zonal head and recommendation of DM and approval of MD.
- b. For giving credit beyond 30 days interest costs @12% should be added in the price.
- c. Credit can be extended preferably up to 30 days and in exceptional cases up to 45/60 days with interest @12% for the additional period beyond 30 days. Credit up to 90 days can be extended in special cases only against LCs/ Bank Guarantee, for which during calculation of MSP Interest above 30 days to be considered.
- d. Interest prescribed for credit period exceeding 30 days rate should be loaded in price while quoting.
- e. Zonal heads must keep reviewing the credit facility extended to customers and if any customer is problematic or not following the terms, their credit facility must be **withdrawn**.

- f. For delay in receiving the payments beyond the agreed credit period, overdue interest 15% p.a. shall be charged after taking into consideration grace period as mentioned below: If the interest needs to be charged below 15% necessary approval from management need to be obtained.

Sl. No.	In case of	Period of Credit / Grade
1	Local parties/direct documents to outstation parties/documents through branch/direct documents against bank guarantee	30/45/60 days credit with 5 days internal grace
2	Documents through bank/against irrevocable letter of credit	30/45/60 days credit with 10 days for transit period

- g. In case of delay beyond the above period, interest will be charged from 31st/46th/61st day, in case of Letter of Credit if the customers does not agree to bear all the bank charges, we can agree to bear our bank charges and the customer should bear their bank charges. In respect of PSU we should add interest of 90 days in the prices @12% PA + Re.1.00 for bank charges along with overdue interest charges depending upon our past experience with customer in getting payment. These are approximate charges, care should be taken while submitting quotation and actual extra cost should be recovered by adding in the price so that there is no loss to us.
- h. For PSUs like ICF, Ordnance Factories, and other Government companies, if they are not agreeable for our payment terms, we can offer 95% payment against proof of despatch / inspection and balance 5% within 30 days from the date of receipt of material at their end may be accepted. However, rates must be quoted with proper loading to recover interest loss due to delayed payment and bank charges as mentioned above.
- i. Advance payment before despatch of material where cash discount is allowed should be accepted by way of DD/pay order/NEFT/RTGS. For major and regular customers we may accept cheque also and for outstation customers we can accept cheques payable at par.
- j. In case the cheque is returned / bounces we have to reverse the cash discount allowed and also charge other bank charges and interest so as to recover our cost. In few cases for regular customers who have never defaulted on payments earlier and this is one off case with delay up to 2 days, we may consider not to reverse the cash discount as a special case subject to approval by Zonal Head + DM but to charge overdue interest from the date of invoice till the date of receipt of payment. In case the customer defaults again then we should reverse the cash discount and also recover other losses from them and insist for pay order/DD/ NEFT/RTGS for future supplies.
- k. In case of payments against L/C, clean credit /bank guarantee etc. material against the same should be despatched immediately once the material is ready.
- l. In case of payments where the party will avail CD, the material readiness will be sent and proper follow-up shall be made for collection of the payment and despatch of material.

xvi. **Quality Complaints:**

- a. First of all we should try and ensure that there is no quality related complaints in our products as this spoils image of the company, also order processing division should

inform PPC of specific requirements of customers vide AOs. Maximum relevant inputs should be given while releasing AO for production to avoid errors.

- b. Once we receive the complaint, it should be acknowledged to the customer immediately by concern manager (marketing) that we have received the same and the same is under analysis and we shall revert you shortly. He will forward this complaint for registration thru MCR to Quality department under copy to SKP/AG. **Any quality complaint must be resolved within one week time. DGM(QA) and VP(O) will be fully responsible for the same.**

xvii. **Return of material:**

No material to be taken back unless Material Complaint Report (MCR) is circulated and having remarks of Production + QA + SKP + AG and finally approved by **DM + MD**. **For notifying price changes based on fluctuations of NALCO, DM will be responsible for sending, circular of revised price list by next morning.**

xviii. **Amendment in Price List:**

Any amendment, if required is to be approved by MD

xix. **Packing Charges:**

PACKING CHARGES ADDITIONAL AS APPLICABLE WILL BE AS UNDER FOR ALL				
Sl. No.	Packing Type	Thick ness	Bundle Weight	Packing Charges
1	<u>Standard packing</u> HDPE with polyester strap and corrugated paper on both sides. (no interleaving)	All sizes	250 -350 kg	Re.1.00/kg
2	HDPE + pallet	All sizes	750-1000 kg	Rs. 1.50/kg
3	HDPE with poly interleaving, edge board, corrugated sheet on both side	1mm & above	250-350 kg	Rs.2.00/kg
	- do -	- do -	500 kg	Rs.2.00/kg
	All as above + wooden pallets.		1000 kg	Rs.2.00/kg
4	HDPE with poly interleaving, edge board, corrugated sheet on both side	Below 1mm	350 kg	Rs.3.00/kg
5	Sheets with masking film	Below 2 mm	250 – 350 kg	Rs. 4.00/kg
6	Sheets with masking film	Above 2 mm	250 – 350 kg	Rs. 3.00/kg

In case any customer is taking jumbo coils in above 1500 kg rolls, cost of cardboard core will be inclusive in basic price however, if coil weight is below 1500 kg, Rs.1.50 extra will be charged.

xx. **Standard Width:**

If the party is asking for any other size than the standard size, either bigger or smaller, extra Rs.2/- per kg will be charged to compensate melting loss of the off cut coil.
The following will be considered as standard width
(i) In sheets: 915mm, 1220mm, 1250mm, 1500mm and 1525mm to be considered as standard widths.
(ii) In Coils: 305 mm, 457 mm, 610 mm, 762 mm, 915mm, 1220mm, 1250mm, 1500mm and 1525mm to be considered as standard widths.

xxi. **Minimum Order Quantity (MOQ):**

If the product is in our regular range and is running item as per dealer segment we can **accept order for** 250 kg also. In case the alloy is regular but the product is special we need to consider 3-5 MT as MOQ **as per MOQ guideline in force**. In case of any special alloy, marketing needs to take confirmation from **PPC/RNS** along with pricing by circulating the proposal through DGM (Marketing)/**DM** and MD.

xxii. **Alloy Surcharge:** Except for 8011 / 3105 alloys, additional Alloy surcharge to be considered extra as below:

Alloy	Surcharge
1100 /19000/ 1200	Rs.2.00 per kg
1050 / 1060 / 1070	Rs.5.00 per kg
31000 / 3003	Rs.6.00 per kg
5005	Rs.15.00 per kg
3004	Rs.10.00 per kg

xxiii. **Annealing Charges:**

For sheets and coils Rs.2.00 per kg to be charged extra whenever customer is demanding soft ('O') temper towards annealing of the product.

xxiv. **Multi-slitting charges:**

For multi-slitting machine products, the following will be charged extra above LP. This include aluminium core of 152 mm.

10 mm to 50 mm	-	Rs.10/- per kg
51 mm to 100 mm	-	Rs.7/- per kg
101 mm to 250mm	-	Rs.5/- per kg
251 mm and above	-	Rs.2/- per kg

xxv. **Profiling Charges:**

For corrugation (of roofing sheets), Rs.3.00 per kg should be considered extra above LP on account of profiling.

xxvi. **Tension Levelling Charges:**

Rs.2/- per kg extra should be considered above LP on account of tension levelling charges.

Rs.3/- per kg extra should be considered above LP for caul board without masking.

xxvii. **Guidelines for Passing Cash Discount To Dealers Under Channel Finance**

- a. To reduce the credit exposure, the company has engaged ICICI bank and Tata Finance to offer channel finance to customers. In the said facility, the funds payment will be made available to us immediately while customer will be paying to these financial institutions later and on the terms, they have agreed individually. The following guidelines are to be followed strictly so that there is no loss to the company and all the transactions happen flawlessly.
- b. CD of 2% will be allowed to Dealers in case they are making payment to us within 3 working days from the date of invoice. This CD will be passed in the invoice itself and in case of non receipt of payment within 3 working days, CD given will be

reversed. If payment is received beyond 3 days but within 15 working days from the date of dispatch, cash discount of 1% can be allowed.

- c. After invoicing, shipping department/Depot in-charge will immediately forward invoice/ billing details to RMD account and the responsibility to claim the payment will be with RMD Accounts and they have to raise request to financial institution for releasing payment. They have to ensure that intimation to financial institution is given well in time and payments are received within 3 days from the date of invoice so that no dealer loses CD. Further, whenever channel financing is arranged, direct credit limit to such dealers/agents shall stand withdrawn.

xxviii. **General Guidelines:**

- a. In case of Defence, Government Orders, Tenders and other fussy customers, all commercial and technical terms should be cleared and accepted by them in writing before the order is taken up for production.
- b. Material should be offered in commercial tolerances specified as per IS. If tighter tolerances are required, Production and QA Department should agree for the same and we should quote with slightly higher margins for such items, if possible.
- c. All Marketing Executives going on tour should send their tour reports to zonal manager after coming from tour.
- d. All dealers and actual users will be looked after properly by the marketing team.
- e. Zonal Heads will ensure maximum economy while doing correspondences with customers and e-mails to be used maximum wherever possible.
- f. Regular visits/tours to be planned by concerned Zone In charges. He will ensure that every marketing team member should have minimum 4-6 days customer's visits in a month in his respective territories.
- g. All requests for refund of credit balance should be handled by VS. Concerned marketing person should circulate the request to Mr. Amit Chakraborty (for checking if any order/material is in production + Accounts (for liability of OD interest, if any).
- h. Marketing department should strictly follow the above guidelines and ensure that there is no deviation or lapse. In case of any lapse / mistake report to be given by respective zonal head to DGM (Marketing)/DM and MD. For any delay or lapse on the part of any person, action must be taken on him to avoid repetition and in the interest of the organisation.
- i. Marketing department shall send their monthly projection by 24th of every month to PPC for planning.
- j. For deemed export, copy of Tax Invoice, duly endorsed by customer & their jurisdictional GST officials, must be collected within 30 days of Invoice. In case of failure , duty/tax along with interest & penalty will be debited to respective customer's account.

xxix. **Guidelines for RMD products Export Sales**

DGM Export, under the guidance of DM will be fully responsible for all export activities assisted by Bhushan Daryani. Preliminary steps to locate foreign markets, Billing & shipping documentation procedures etc as per the guidelines mentioned in the procedure of BF. Pricing would be done as per Export Pricing Guideline in force.

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JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART - VII

Procedure for Settling Quality Complaints / Insurance Claim:

The following steps to be taken care for settling quality complaints / insurance claim:

- a. All the Marketing persons will send complaints to HOD-QA after receiving from the customer with all details with a copy to DGM(C) in the MCR Format No JAL/R&E/MAR/F/01.
- b. After receiving the MCR, HOD-QA will check internal records and discuss with concerned QA Supervisors & Section HOD's/GM(O)/VP(O). Accordingly will discuss with customer & resolve issue.
- c. If visit is required to the customer, a technical representative will be deputed to attend complaint. Local visit must be made within 3 days time, outstation visit to South should be made within 7 days time and visit to customers in West and North should be planned within 15 days time. No complaint should be kept pending for more than 15 days time. As per MOM, HOD-QA will circulate MCR to M/s.RNS, SKP, AG, and DM for their approval to close MCR. Visit should be made as soon as possible. Where rejection quantity is high ONU/ or RNS should visit themselves. The visit must be planned with approval of GM.
- d. In case if sample is required to analyze, HOD-QA will inform to our Marketing team / directly to customer through e-mail to send the samples to our factory.
- e. After visit to customer place for physical / technical trial / inspection of the material, MOM & Visit Report will be prepared by our representative and given to all concerned including Marketing person. After getting MOM & Visit Report, HOD-QA will discuss with concerned HOD's and put up his recommendation to Sh.RNS. After his recommendation, Sh.SKP will once again examine the matter and put-up his final recommendations to Sh. Ashish Goyal, VP(O)+ MD for their approval.
- f. All the complaints should be settled maximum within 2 - 3 weeks time. No complaint should remain pending beyond 3 weeks.
- g. If any compensation or diverting material to other customer is required, HOD-QA will process MCR with his recommendation to M/s.RNS, AG, VP(O)+DM+MD.
- h. Wherever any insurance claim has to be lodged, concerned Marketing persons will intimate to QA as well as Dy. Company Secretary for taking up the matter with Insurance Company. Marketing / concerned also should provide all required documents like Claim Intimation Form, Photos of Damaged Material, Invoice Copy, LR copy duly attested by the customer and consignee contact details etc. to DCS immediately to register insurance claim with insurance company. After intimation / providing required documents by Marketing / concerned person to DCS, he will arrange surveyor for inspection. At the time of surveyor visit, our marketing person as well as party's representative should be present there and support to conduct survey in positive manner. After conducting survey, surveyor issues a Joint Inspection Report in which surveyor mentions all information about consignment, quantity of damaged material, cause of damage & his observation etc. Surveyor takes consignee signature / confirmation on his Joint Inspection Report and will give one copy also to them. After that surveyor will share Loss Assessment Report to DCS and he takes confirmation on loss assessed amount from concerned Marketing / Shipping person. DCS will forward the same report to Mr.ONU also and accordingly he will process the MCR for Management approval.

- i. DCS will handle all Transit Insurance claims and he will circulate report of all claims made, received & pending to M/s KSS / RKS / **DM** on monthly basis.
- j. Action will be taken by AG+**VP(O)** as per final conclusion of report.
- k. If the above procedure is followed sincerely, it is expected that settlement of quality complaints will be done much faster.
- l. **Procedures and format for handling customer complaint is as follows:**

Sr. No.	Activity	Responsibility	Ref. Doc.
1	Receipt of Customer complaint Intimation letter / MCR by either Customer / Mktg. Dept.	HOD-QA	JAL/R&E/MAR/F/01
2	The nature of the complaint and Problem is discussed with Unit Head and concerned department HOD/In charges.	HOD-QA	---
3	A technical representative will be deputed to attend the complaint, if required.	HOD-QA/ Concerned HOD	---
4	In case if technical visit not required, regarding material disposal / salvage is conveyed to Marketing / Customer directly.	Concerned HODs	---
5	Details of the visit is discussed with the Unit Head/ HOD's of the concerned dept.'s and based on the discussions decision is taken for disposal of the material.	Representative	---
6	A detailed Visit report is prepared by the Representative and given to all concerned including Marketing department.	Representative	---
7	Intimation regarding the disposal of the material is conveyed to Customer through letter / Mail /Verbally.	Representative	---
8	Based on the Visit report / MOM / Sales return, top 5 defects are analyzed by using structural problem solving techniques such as fish bone diagram, why-why analysis etc. and corrective & preventive action shall be taken.	All Concerned HOD/In charge	---
9	In case there is no feedback from the customer within 30 days, complaint will be treated as closed,	QA-In charge	MCR Register-(PC)
10	Summary of each visit report with MOM is prepared and attached with QA-Monthly report.	QA-In charge	Soft copy/Hard Copy

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JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART-VIII

Guidelines for Admin Dept

Regarding canteens and vehicle dept., Stationery, labour canteen bill expenses, housekeeping expenses monthly report should be prepared by DM(Admin) giving details of purchase, stock, consumption etc. and to be forward to SKP/AG/AD/NM who will check and take action to control stock/consumption.

Stock checking of all the articles like utensils, crockery, linen and furniture & fixtures should be done every six months by IAD, who should give their report to AG through Admin in-charge indicating loss/shortage of articles within one week of stock checking. AG will check and verify the report and will take action against persons responsible for missing items, if any. **AG will send the report after taking action to NM for his checking and taking further action.**

A. Canteen

- i. All cash memos/bills relating to purchase of canteen materials will be signed by DM(Admin) as 'received by' after physical verification of quality and quantity of material purchased.
- ii. DM(Admin) will handle only indenting part. He will also enter the material in the receipt head in ERP. DM(Admin) in turn will verify the receipt of material with the details in the ERP and also physically check and then certify the bills. No bills in respect of canteen items will be passed by Accounts Department unless certified by DM(Admin). Remarks in respect of quality/quantity if any, noticed by DM(Admin) should be put in ERP which will be scrutinised and checked by DM(Admin) , who will take necessary action and put his remarks on the relevant cash memo/bill to disallow the payment and return the goods, if the situation so demands.
- iii. DM(Admin) will maintain computerized issue in ERP in respect of canteen items. A record should be maintained in respect of capital items, utensils etc. and physical verification should be done once in 3 months and cook should be held responsible for any loss or theft/breakage etc. The consumable items should be kept under lock and key in stores and DM(Admin) should issue only the required quantity every day with corresponding entry in computerized issue register.
- iv. No eatables/consumables purchased for use in canteen for which bills have been debited to company's account should be diverted to staff colony for use of any staff members, at any cost. Admin Assistant will keep a strict check on this. DM(Admin) /SKJ will conduct surprise checks and take stringent action wherever any manipulation is noticed.
- v. Checking and approval of major canteen items shall be followed as per point No. a (iv) of local purchases under Part-III.
- vi. Alternate duties in Admn. Department
In the absence of DM(Admin), AM(Admin) or any other person deputed by GM for this purpose, will do his duties.

B. Vehicles

- i. DM(Admin) will maintain proper record of consumption, expenses on vehicles, repairs, maintenance, servicing etc. In ERP, he will also keep a watch and take action

wherever required. A comparative statement of vehicle km run/fuel consumption and other expenses is to be made by DM(Admin) every month showing the expenses relating to previous month. This should be checked by DM(Admin) and circulated to AG/AD/NM.

- ii. All bills, cash memos relating to purchase of parts will be signed by SM as having been 'physically checked by' and 'technically checked by' DM(Admin) .
- iii. Whenever old parts are replaced, DM(Admin)/SM will collect such old parts while issuing the new parts without omission and hand over the old parts to Accounts Officer/Accounts Manager once in a month, to be kept under lock for disposal later. The old parts should not be released to the drivers/mechanics again.
- iv. Bills pertaining to service and labour charges, fuel etc. will be signed by DM(Admin) along with other authorised persons.
- v. Cash purchases of petrol/diesel should be minimum and only in emergency.
- vi. All spare parts purchased should be brought to the factory and only after verification it should be used. Only in very rare cases of urgent/emergency nature, some small parts can be fitted outside the factory in the vehicle without bringing to factory. However, such bills will be signed by driver concerned certifying that spare part has been fixed in the vehicle and DM(Admin) should also check & certify the same. Old spare parts in such cases also should be returned to stores.
- vii. DM(Admin) should keep strict vigilance in respect of chances of manipulation of petrol/diesel in collusion with petrol bunk, by drivers. All the petrol/diesel slips should be got signed by the driver from any of the staff members sitting in the car/vehicle, while he fills the petrol/diesel, certifying that the driver has taken the quantity of diesel/petrol in the vehicle mentioned in the slip. If by chance, no staff member is seated in the vehicle, then driver himself should put his signature on the back of such slips.
- viii. The particulars of use of petrol/diesel should be maintained in a log book by the driver, which should be periodically checked by DM(Admin) as to mileage run. DM(Admin) should keep a vigilant watch on this continuously and add the performance of each vehicle in monthly report of admin.
- ix. As far as possible, all repairs and maintenance should be done in company's garage at B/F.
- x. All spare parts should be got purchased through our office purchasers. Drivers should not be allowed to purchase spare parts except for minor amounts during emergency. All such spare parts should be received by SM who will not only check the quality/quantity but also the genuineness of rates charged, by comparing with previous rates etc.
- xi. DM(Admin)/AG should arrange to purchase petrol/diesel in cans once in 2 months through third person from the same petrol pump and then to check the quantity received. If found short, then take up with the petrol pump for claim on the purchases made by us from them up to the period of earlier such checks done.
- xii. Mr. K. Sudhakaran's assistance can be taken for purchase of costly spare parts, to ascertain the genuineness and the necessity. Mr. Sudhakaran can also be sent to check the quality before purchase is made by the purchaser.
- xiii. Fuel efficiency of the vehicles should be checked by DM(Admin) with the help of mechanic and action should be taken for any variation observed.

C.Uniforms

Distribution of uniform, shoe as per the guidelines provided separately in the JAL B/F perk and facility procedures.

D.Printing & Stationery

- i. Sandeep Lamba shall be in-charge of stationery and in his absence AM(Admin) will take charge.
- ii. A register for receipt/issue of various items shall be maintained which will be physically verified by DM (Admin).
- iii. Stationery shall be issued between 10.30 a.m. & 11.30 a.m. every day.
- iv. A daily issue record shall be maintained by stationery in-charge Mr. Sandeep Lamba where signatures/ initials of person to whom items are issued on daily basis shall be obtained.
- v. For all the purchase items, during last week of every month, stock shall be checked and for items required during the next month, indent is given to DM(Admin). DM(Admin) shall approve the same and give the indent to the Purchaser for effecting purchase.
- vi. For computer stationery including pre-printed stationery like purchase enquiry, purchase orders, sales quotation, order confirmation, continuous letterheads etc. indent should be placed as soon as re-ordering level is reached. The indent shall then be passed on to purchase department after approval by the concerned authorities according to the value for floating enquiries. Purchase department shall finalize the order etc. after preparation of OFS.
- vii. Goods should be received by stationery in-charge & should be physically checked by Accounts Manager and technically approved by DM(Admin). After checking the items, the same shall be taken into stock. As and when the bills are received, same shall be entered in ERP and the bills shall be passed with signatures in the columns 'goods received', 'bill passed on'. RA should be enclosed by purchaser, while passing the bill. The Bills are returned to Accounts through Admn.Department and the bill shall be passed as per regular procedure.
- viii. Once in a quarter, stock checking of stationery items shall be done by DM (Admin).
- ix. For printed items whenever stock comes down to minimum level, indent is given in advance for printing the same along with specimen to DM(Admin). Purchaser shall settle the rate with the printers.

Proof shall be received and the same circulated to the concerned department for approving the same and subsequently got printed.
- x. Month-wise consumption statement shall be prepared and shown to DM(Admin)/AG by stationery in-charge.

E. MOBILE PHONES

- i. Statement of monthly telephone bill amounts should be prepared by account department after due checking by admin department and will be circulated amongst SKJ / AG/NM/DM for their information and action. If the same is found on the higher side, necessary action should be taken to reduce the telephone expenses.

- ii. Except in departments where dialing facility on P&T extension is available, all others should ask for telephone number required from the operator. Reception should maintain a record of calls made through board.
- iii. Mobile phones should be used for official purposes only. All users will ensure safety of mobile phones kept by them. They will also keep it fully charged in the night so that there is no problem in using the same during day time. All bills for mobile phones shall be checked by Admn. to ensure that there is no misuse.
- iv. DM(Admin) will circulate the bill to concerned person who is using the mobile phone , who should check the bill and mark if there is any wrong call charged in the bill. He will also mark personal calls made if any, for which charges at actual will be collected by Accounts or deducted from the salary by Personnel Department.
- v. Employees who have been provided mobile phones shall always carry the same with them.
- vi. Reception should maintain a record of calls made through mobile phone kept in Reception indicating name of the person making the call, duration, number called and approval of SME.
- Vii. All can take mobile phones to the city when they go out on official work. It can be given to any other staff member also with the approval of any one of SKJ/SKP/AG, if some urgent matter is to be attended to.
- viii. All must ensure that the mobile phone is used to the minimum extent and only in case of emergency and not to be used otherwise. Besides personal calls from official mobile should be made only in emergency and should be avoided as far as possible. **Charges for personal calls made by staff having official mobiles should be collected , while passing the bill. DM(Admin) will be responsible for the same.**

F. Breakages/missing utensils in canteens & linen items in the guest house/ Rooms

In case of loss on account of breakage/missing of any utensils/crockery/ linen, the same will be increased by 25% of the cost towards punishment and recovered from such irresponsible, careless and dishonest persons. In the interest of the organization, all the persons concerned are hereby directed that they should keep a watch and make every effort to pinpoint the real culprit in order to stop such theft/pilferage in future. Keeping this in mind, the following guidelines shall be followed strictly.

- i. The following persons are made responsible for each section:

a. Staff Canteen	-	Head Cook
b. Labour Canteen	-	Head Cook
c. Office Tea Room	-	Rangaswamy
d. Guest House	-	Jagmohan
e. Labour Tea Room	-	Munna
f. Admin Dept Store	-	DM (Admin)

The above persons and Admin will be fully responsible for any breakage/missing items.

- ii. Stock checking of all the articles like utensils, crockery and linen should be done every six months jointly by IAD and Admin who should give their report to SKJ / AG through DM(admin) indicating loss / shortage of articles to take action against the responsible for any missing items/ will be made to pay full cost plus 25% thereof, as punishment.

- iii. If any person assists or gives information which results in catching the culprit, such person will be rewarded. If a person is caught by security at the gate while carrying any item, then the concerned security staff will be rewarded suitably.
- iv. As a special case, the following half-yearly limits have been fixed for condoning the loss, Department-wise.

a. Staff Canteen	-	Rs.1,500/-
b. Labour Canteen	-	Rs.1,000/-
c. Guest House/ Office Tea Room	-	Rs. 500/-
d. Guest House for Linen	-	Rs. 500/-
e. Labour Tea Room	-	Rs. 500/-
f. Administration Dept Store	-	NIL

Any loss in excess of this limit shall be recovered from the persons concerned, after investigation and fixing the responsibility correctly and fairly by DM(Admin)/ SKJ/AG.

- v. The above relaxation will apply only to crockery and breakable items and unbreakable items like stainless steel utensils etc. if lost, the total amount plus 25% extra shall be recovered from the concerned persons.
- vi. The damage/breakage/replacement due to normal wear and tear will not be considered as a loss. However, such things should be checked by DM(Admin) for their genuineness.
- vii. DM(Admin) will ensure that Company's name is engraved on all the utensils wherever possible. If name is not engraved on any item, the person in-charge should bring the same to the notice of DM(Admin) , who will arrange to get it engraved.
- viii. If any utensils are taken to the colony for supplying meals to the family members, the same must be brought back within three hours positively. Otherwise, DM(Admin) must take action on the concerned person.

The Management, which is looking after the employees by paying good salary, other perks & facilities, expects that the employees are sincere, honest and duty bound to identify culprits themselves and report to the Management by extending full co-operation. By doing so, they not only uphold the high tradition of the organisation, but also bring the culprits to the notice of all.

G. Guideline for cleaning Toilets, Bathrooms, Urinals and Wash Basins

- i. All Toilets and bathrooms Wash Basins used by workers shall be cleaned four times in a day between 7.00 am to 01.00 pm and 03.00 pm to 5.00 pm. If necessary, frequency of cleaning can be increased by DM(Admin)/AG.
- ii. Admin./Security must conduct surprise check and take severe action on the Sweeper if Toilets and Wash basins are not cleaned properly and timely. Ravi Agrawal shall check twice a week and DM(Admin) shall check once a week. Both shall take action, if Toilets/Wash basins are not found to be clean.
- iii. All staff Toilets and Wash basins shall be provided with Soap and Hand Dryer at all staff wash basins. Soaps shall be provided in all workers toilets and wash basins. All employees must use the soap judiciously and soap should not be taken away. If anybody is found to be carrying soap, strict action will be taken. Housekeeping in-charge must ensure that soaps meant for hand wash are provided twice in a day near all wash basins as well as toilets. He will send housekeeping Worker at 11.30 a.m.

and at 4.30 p.m. to all Toilets and Wash Basins who will keep 2-3 pieces of Rin Soap, if soap is not found in the toilet or wash basin. There should be no wastage or pilferage for which housekeeping in-charge will be responsible.

- iv. Admin. Dept. should ensure that one stainless steel glass is kept on each Water Cooler fixed with chain.
- v. Admin. Dept. should check and ensure that all coolers are in working condition. Any repair/damage should be immediately attended to.
- vi. All must use the water cooler properly and no damage should be caused to it. Severe action will be taken against those employees found misusing or tampering with the Water Cooler.

H. Telephones/Trunk Calls/Postage Stamps

- a. Account of postage stamps used should be checked by DM (Adm) every week and Accounts/ Audit every month. Any mistakes noticed should be got corrected and if any manipulation is noticed, action should be taken on the person immediately by DM/AG. Receptionist will be responsible for maintaining proper & correct record of stamps received, issued & in stock. He will compensate the Company for any loss.
- b. STD calls for personal work should be avoided as far as possible and only in case of urgency, it should be done. A separate record of all such STD calls should be maintained by Reception and amount recovered by Accounts Department.
- c. Statement of monthly telephone bill amounts should be circulated amongst DM(Admin)/SKJ/AG for their information and action. If the same is found on the higher side, necessary action should be taken by DM(Admin) immediately to reduce the telephone expenses. DM(Admin) will take suitable action on all such matters. If he does not take, then AG will take and also inform MD for his failure.
- d. Admin Assistant/DM(Admin) will go for rounds during lunch time to check whether any of the staff members is unnecessarily using the telephone for personal work. If anyone is found making frequent personal calls, they should be punished for the same.

I. Distribution Of Costly Gifts

- a. All costly gift items should be distributed only to important persons. List of the same should be prepared in advance and should be approved by ED/MD. Costly gifts should be distributed only by Senior Executives and a record of such distribution along with the values of each gift should be kept by Admin Assistant and checked by DM(Admin)/AG/NM.
- b. All incoming gifts also should be deposited with DM(Admin) for proper disposal in consultation with MD.

J. Travel Agencies

- a. We should keep contact with 2-3 different agencies to ensure maximum benefits and good facilities. In respect of international tours, travel agents should be asked to give maximum free hotel booking facility.
- b. Agents should be asked not to indulge in any underhand dealings or giving part of their commission to any of our staff members. If any such instances are noticed, the agent should be blacklisted and all pending bills should not be paid, apart from taking severe action against the concerned staff member. SME/ Sr. Executive

handling this work should keep a vigilant check on this point. No one should accept any type of consideration/ obligation from these persons.

- c. All tickets for International Travels will be arranged by G.P. Anand with the approval of NM, whereas Air Tickets for domestic travels will be arranged by DM(Admin).

K. FAX/E-MAIL/ISD CALLS

01. The ISD calls facilities can be used for official purposes only with the approval of SE/SME. However, messages can be sent by e-mail without the approval of SE/SME.
02. Since fax messages and STD calls are costlier than e-mail messages, it must be ensured that e-mail facility is used wherever it is available. Matters sent by fax should be brief and to the point. Only matters which are urgent can be sent by fax.
03. Fax must be used for local communication (within Bangalore) as far as possible since sending messages by fax to local parties is more economical and faster than sending letters by post. SMEs approval for sending local fax messages is not required.
04. Reception will maintain a record of the approvals given for permitting ISD calls, outstation fax. It shall be checked by DM(Admin) every month, who will report to SKJ/AG for taking action, if any unwanted calls/messages are sent.
05. These facilities must be used only when it is absolutely essential.
06. One copy of each outgoing fax message will be taken. The copy will go to the respective file.
07. In case of export/import correspondence, e-mail should be used to the maximum extent instead of fax.

Notes:

- a. Somashekar from Non-Plant Maintenance Dept. shall check and maintain water coolers regularly and ensure that water coolers are functioning properly and that all employees are getting cold water regularly for drinking purposes.
- b. Laxman Singh / Lalit Patni / Sanjay Bansal & Concerned Supervisor must ensure that the way towards toilets, water coolers and wash basins is always clear and no material or trolley shall be kept on the way to Toilets, Wash Basins and Water Coolers.
- c. **Rajendar Singh**/DM(Admin) from Admin. Dept. to keep regular check of all toilets, water coolers and wash basins and keep watch on workers, so that they do not take away soaps from toilets/wash basins.
- d. **Rajendar Singh** should check that Toilets / Wash basins, Water Coolers are maintained properly and soap kept as mentioned above, He should take severe action for any lapses/mistakes. Similarly AG should check once a week and take action if this procedure is not followed.
- e. Security Dept. / SO / DSO / ASO to keep regular check of all Toilets, Water coolers, & Wash basins & regarding this they should maintain a book at Main Gate, which should be signed daily with date. (And also they should inform immediate to Admin. Department. If found any lapse and get rectified and also note in the book).
- f. Such detailed List, Location wise and identification marks wise is given to the Admin/ Store/ Security etc for close monitors.

- g. DM (Admin) will ensure that the vehicle is not misused by any employee.
- h. DM (Admin) will ensure that servicing of air conditioners is done before 15th of February every year and air conditioners are maintained properly. They will check and monitor the maintenance schedule through non-plant maintenance.
- i. DM (Admin) will also check and ensure the working of Atta chakki for uninterrupted service to those residing in the colony and for the canteens. Repairing is to be done on priorities and too maintained properly.
- j. DM (Admin)/Ravi Agrawal Will visit to the colony, Shop, canteens to check and ensure no extra charges been collected exorbitantly.

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JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART-IX

Guidelines for I.T. Department

- a. Manager-IT will be responsible for all IT activities at JAL RMD, RMD branches and other institutions at Dabaspet.
- b. Manager-IT shall put proposal to DGM(C) for new area for computerization, development / revision and updating the programs already developed and suggest for new technology / sophisticated equipments for productivity and efficiency improvement and after getting formal approval, from B/F IT get them implemented.
- c. Duty chart of IT personnel shall be reviewed on half-yearly basis or as and when required by Manager-IT and intimated to AG/VP.
- d. Hardware, software, Internet access, etc. are to be used for Company interest only. Any type of usage for personal interest is prohibited.
- e. All information, including email, created or stored on Company equipment or using Company accounts, is the property of JAL. This information may be accessed at any time by management / immediate boss or the Information Technology (IT) department.
- f. Using personal or third party hardware or software at office is not allowed. In case it is required, prior authorization from GM through Manager-IT has to be taken. For any damage, theft, data loss etc, related to such items, IT department is not responsible.
- g. Anti-virus applications continuously scan the network for infiltrations and are auto-updated; however, all disks brought from an outside source must be scanned for viruses as well.
- h. Hardware and software allocations and access rights are determined by the IT department based on the Company business to be performed by that person or at that workstation. Rights and allocations may be changed at any time by IT department followed by management decision.
- i. A department meeting will be conducted bi-monthly chaired by Manager-IT. Minutes will be prepared by IT executive subsequently approved by Manager-IT. The minutes will be circulated to DGM(C)/AG/NM/VP(O)/MD who will send back with their comments. Manager-IT will then allocate the points to individuals for implementation. Earliest implementation will be responsibility of Manager-IT. It will also cover on enhancement of infrastructure if any.
- j. A monthly report will be submitted by Manager-IT to NVKP/NM/MD giving details of activities of IT department during the month. This report will cover summary on jobs carried out during the month as well as equipment/service uptime. It will also have coverage projects status.
- k. Every year all programs running in JAL B/F as well as D/F and all branches will be audited by Manager-IT through his subordinates as per schedule. After receiving the audit report, Manager-IT will put his remark and will circulate the same to NM/ED → MD for comments.
- l. Every half year the stock will be verified by IT Executive to whom the job will be allocated by Manager-IT. The report will be recorded in the logbook meant for half yearly stock check. This will be circulated to AG → DM → MD for information.

- m. Surprise checks will be carried out by Manager-IT/IAD/SKP to ensure proper record keeping of the inventory details.
- n. The IT department reserves the right to audit any computer / laptops used for company business to ensure that it continues to confirm to this certification policy. The IT dept will also deny network access / internet to any computer / laptop which hasn't been properly configured and certified.

o. **Confidentiality**

IT staff are responsible for protecting confidentiality of Company information by following all given guidelines including:

- Keeping passwords confidential and changing them when felt noted by others.
- Logging out of workstation and/or remote connection when not in use
- Not allowing any other staff or member access to your workstation while logged in
- Not copying Company information onto other media without authorization
- Not using personal media (like pen drive, CD/DVD, floppy etc.)
- Not allowing outsiders to use staff computer
- Furthermore, staff are required to respect confidentiality of any data not meant for their review. This includes documents left in printers and fax machines, files open on or accessible through a computer, and similar situations.
- Staff are prohibited from accessing another user's files without specific authorization.

p. **Carrying computer outside office**

- i. Staff who has been allotted laptop and resides in company campus can carry laptop to residence for official use only.
- ii. Wherever laptop is provided to a particular staff, he will be fully responsible for the safe keeping of the same.

q. **Software installation**

- i. No employee shall install any computer software on any information system owned by the Company without prior written consent by Management.
- ii. No software may be installed, downloaded or otherwise transferred to Company computers.
- iii. In case a need is felt then it has to be requested through IT Complaint / requirement using ERP common module. The job will be allocated by Manager-IT if the installation is felt genuine and subsequently the job will be carried out by the IT person to whom it is allocated.
- iv. In all the cases, only licensed or free software should be used.

r. **Internet Usage**

- i. Internet access is to be used only for Company business. Staff should not download files without authorisation of IT department or department head.
- ii. Internet facility should be given to only senior staff. A list of which will be approved by AG+MD.

s. **Email Usage**

- i. Email attachments from unknown senders should be deleted without opening and IT department should be notified to block the sender. Viruses are often spread by enclosing them in email attachments that look legitimate.
- ii. Email is to be used for Company business **only**. If the email system is being abused, email privileges may be suspended or removed from the offender.
- iii. E-mail facility should be used only for official purpose. No personal e-mail should be sent from official mail id.

t. **For Application (ERP) Access**

- i. Request from the employee duly authorized by his superior/department head to Manager-IT along with the details like Employee Name, Modules where access is required etc. Format for the same is available with IT Department.
 - a) The request will be forwarded to GM for approval and thereafter a User ID will be created for the user by Manager-IT and access to all the required modules will be given.
 - b) The User ID along with the password (by Default, same as the User ID) will be communicated back to the User and if required he will be given initial support to understand the general navigation of application by IT Assistant (H/W). The concerned department head should ensure the transfer of detailed operational knowledge regarding application by fellow department members of the user.
- ii. In case, any existing user needs to get access rights for any other application, his request along with justification should come to Manager-IT through his department head which shall take written approval of GM.

u. **For Mail Access**

- i. Request with proper justification and mail access type (Internal only / External) from the concerned departmental head to Manager-IT.
- ii. Guidelines related to using mail services will be given to the user as a welcome mail.

v. **Backup and Archival Process**

IT Department is responsible to maintain backups of database, application source codes and other critical software like conveyor, bar code etc. on daily basis by taking from server and copy the same to different location by whom the job assigned by manager IT. Same to maintain in format like DD/MM/YY and keep separately in external hard disk.

w. **Modification/Correction of Data**

- i. User departments are required to exercise utmost care in entering data in the system correctly, counterchecking the correctness of the same at its level. Subsequent correction/modification of data shall not be allowed in general as this undermines the objective and reliability of the data which is being seen and depended upon by all concerned.
- ii. IT department shall ensure to keep in place and maintain system of locking the data. The same shall be done with approval from Binit Kumar for department/module-wise data. It should be mentioned clearly the number of days in each case the data can be kept open for such correction/modification.

- iii. Any correction/modification thereafter in the data, if required, for any genuine reason can be entertained only after approval from SKP/AG/VP. For this, request shall move from the user department giving reasons for the same and routed through IT department which shall give its comments.
- iv. IT department should make continuous effort to improve over software, increase efficiency, and reduce paper work, in all departments. They should always adopt latest technology available in the field.

Guidelines for Audit & Probe Department

A. Internal Audit Department (IAD)

Internal Audit involves a continuous and critical analysis of the functioning of the Company with a view to strengthen the overall governance mechanism of the Company including company's risks management and internal control system. It is not just checking of the historical records of the Company, **but the aim and object of Internal Audit is to strengthen the system in such a way that no one can think of indulging in dishonesty, manipulation and frauds. IAD should suggest changes in the procedure so as to avoid any type of manipulation or fraud or dishonesty at any level, top to bottom.** With this in view, the objectives of Internal Audit should be:

- i. To verify accuracy and authenticity of the records of the company including financial accounting.
- ii. To review overall internal control system and to bring material departures and non-compliances to the notice of the appropriate level of management.
- iii. To review effectiveness of the cost control system so that cost control is exercised at all levels in the entire Company and any deviations be brought to the notice of management.
- iv. To facilitate the detection and prevention of frauds.
- v. To check protection/performance of the assets for optimal utilization of all resources at the disposal of the Company
- vi. To conduct special investigation on behalf of the management
- vii. To provide a channel whereby new ideas can be brought to the attention of the management.
- viii. To suggest changes/amendments in procedure to plug any loopholes, pilferage, loss, mistakes, **frauds, manipulation and dishonesty.**
- ix. IAD should not confine itself to checking of records but should check from a wide angle to detect any financial loss / frauds / pilferage / wastage / unintentional loss / savings by better tax planning etc. And serious carelessness / mistakes, manipulation made by misuse of system, if any due to which company has suffered directly or indirectly.
- x. The internal Audit Report should be brief, concise and to the point, should not be lengthy. **Point of 'C' category should not be included under 'A' or 'B' category.**
- xi. The areas covered every month will be verification of accounting records, vouchers and transactions such as cash/bank/journal vouchers, credit/debit notes, wage records, purchases, marketing, imports, exports, sales (invoice, packing, shipping), GST, vehicle maintenance, tax returns, **online transfer of money** etc. During the month, checking of previous month's transactions should be carried out. Gate Pass checking of Category I-IV forms part of the routine work.
- xii. Audit in respect of financial books Taxes, Company law should be conducted extensively once in 3 months so that any claim to be preferred with outside agencies can be made without delay.

- xiii. The monthly work includes checking of stores physically, at random based on perpetual inventory system so that all items covered under "A" classification and few items from "B" and "C" classifications are covered and discrepancy report submitted.
- xiv. In case the work to be carried on in a routine manner falls into arrears, the extent of work in arrears and the reasons therefore should be explained in the report.
- xv. Areas not covered by routine check should be covered in rotation at least once in 6 months. In other words, all the activities of the Company should be covered during every half year.
- xvi. IAD must do their duty sincerely and honestly. They will be punished and given minus points if they create botheration to the management. IAD while typing the replies of concerned in the Report should type as it is without making any change.
- xvii. In addition to the routine work, special checks should be conducted in areas given below once in 6 months:
 - (a) Production, maintenance, development, construction, laboratory, tool shop etc.
 - (b) Security, welfare, canteen, personnel etc.
 - (c) Company law, Insurance claims, legal and court cases etc
 - (d) Information Technology
 - (e) Farm, MACI & MCH at Dabaspet.
 - (f) All other areas not covered earlier in should all should be covered.
- xviii. IAD must surprise check cash available with cashier at least once a month and report to AG/DGM(C) if found any discrepancy.
- xix. IAD to check the quotations file every month to ensure that prices are quoted in order and as per guidelines.
- xx. IAD should randomly check the attendance and surprise check the payment made to those farm workers once in a month.
- xxi. Manager Audit will ensure that all records are checked & cleared timely. He will also allot the audit work according to competence of each person in the department. If pending work is accumulated, he will bring it to the notice of AG for their necessary action every month.
- xxii. The Internal Auditors should verify the signatures of all the persons who are signing the bills in various capacities. The signature should be verified in the same manner as being done in the banks for verifying the signatures on the cheques. Each individual signature should be verified with the specimen already available with them and any discrepancy should be cross checked with the signatory and in case of fraud, it should be reported immediately to higher ups.
- xxiii. Allocation of work amongst audit staff must be properly made. Persons with maximum audit experience must check important files, documents and systems thoroughly while those with less experience should be allotted routine work.
- xxiv. Monthly returns like VAT /GST Return should be checked by IAD before submission so that, chances of errors/omissions are reduced and all deduction and relief are claimed in time as well as to ensure timely payment of taxes without any penalty.

- xxv. IAD staff should update themselves with latest changes in law. They should see that all company accounting standards are applied. They should check and ensure that all statutory compliances are met within the stipulated time.
- xxvi. IAD should change their schedule of checking different departments from time to time instead of routine/procedural checking. They must check the programmes in **ERP** for errors, if any. They must check the audit trail by making use of JIIS and other tools like MS office.
- xxvii. All mistakes, lapses, omissions, discrepancies, procedural defaults etc. should be noted during checking, irrespective of their magnitude and should be entered by the IAD personnel clearly in all respects in the observation register. The observation should be complete from all angles without any assumptions or presumptions. The auditors should be clear about the observation and they are at liberty to discuss and seek clarifications from the banker, Govt. Departments, statutory auditors etc. The audit staff shall get the assistance of IAD head for the correct presentation of the observation wherever required. Any outside consultation should be with prior approval of **MD**.
- xxviii. After making observation, it should be circulated to the concerned staff for their reply. The staff concerned should take utmost care and give his reply (within 24 hours except where employees are on leave/out of station) properly and completely bringing all the material facts relevant to the observation. The reply should not be casual or misleading. It may be noted that no further chance will be given for reply in the register. For each and every explanation, they must mention full name of the person who has given the explanation at the end of the explanation in brackets ().
- xxix. Similarly, in their observations, they should point out the amount of loss incurred by the company clearly wherever there is financial loss along with names of persons responsible for the loss in each case at the end of the observation in brackets. IAD In charge shall report to **AG/MD** in case of delay in reply by any staff. All must give clear & true position. If anyone try to hide something more serious action has to be taken.
- xxx. After getting reply from the concerned staff, the auditor shall analyse the reply. In case the reply is not convincing and proper, then the auditor shall at the end of the month bring the observation as well as the reply on the report itself (in case of A & B category points) leaving the conclusion column blank for Action Committee.
- xxxi. The auditor shall present the observation and reply as such in the monthly report. Before taking any point to the audit report, if any clarification or confirmation is required, the auditor can approach the concerned departmental head for the same and decide regarding the inclusion of the observation in the audit report.
- xxxii. Mistakes will be reported department-wise in both the reports.
- xxxiii. Areas where leakage of fund is high should be extensively checked. Areas where monetary involvement is minimum, test check may be done, but it should be ensured that there is no compromise in internal control system.
- xxxiv. IAD report should be categorised in 3 heads. Cat 'A' where point involves financial loss in excess of Rs.2,500/- and dishonesty/serious carelessness and / or manipulation. Cat 'B' – where point involves financial loss is equal to or less than Rs.2,500/- and major lapses including substantial deviation from procedure. Cat 'C' Procedural/clerical nature lapses with monetary loss below Rs.500/- etc. Mistakes will be reported department-wise in both the reports.

- a. IAD will forward their reports after taking explanations from the persons concerned as below:
 - i. 'A' & 'B' Category Reports to Action Committee
 - ii. 'C' Category Reports to AG
 - iii. In case of Category 'A' & 'B' mistakes, Action Committee will conduct meeting and take action within 5 days from the date of receipt of reports from IAD. Minus points will be awarded for fine levied on the employee by the Chairman of Action Committee for mistakes committed which fall under category 'A' & 'B'.
- b. The Action Committee Dhiraj Singh/Aman Dadwal /K.S Suresh/Jitendra Kumar Dayama will take action on the reports received from RMD.
- c. After action is taken by the Action Committee, CS will forward a copy of the action taken report (A & B category) to MD, who will check and take further action if required. CS will examine that the mistakes pointed out in the reports are rectified.
- d. Category A and B reports will be checked again by person deputed by MD to ensure that proper action has been taken on the Audit/Probe reports. In case it is observed that action has not been taken properly, Chairman / Members of Action Committee will have to face serious action for dereliction of their duties.
- e. IAD/Probe should not unnecessarily flare up the points and make bulky reports which consume lot of valuable time of the executives. They should not show "B" category mistakes as "A" and "C" category mistakes as "B" without proper verification or checking.
- f. Executives and above be made to realise their mistakes by their seniors by asking for their explanation and warning them to take care in future instead of penalising or taking any harsh and demoralising action.
- g. Staff will be educated and given guidance to upgrade their knowledge of working to avoid mistakes; if it is felt they need the same, particularly the newly joined senior and junior staff.
- h. Fine should be imposed only in very serious cases.
- i. Acts amounting to involving frauds, embezzlement, alcoholism, gambling, moral turpitude, sexual harassment, etc. would be met with severest of actions, i.e. dismissal from service.
- j. In case of 'C' category reports, for procedural or minor mistakes largely on account of oversight etc., AG will inform the person concerned about the mistake committed by him, get the same rectified and advise him to be careful in future. If the mistakes are repeated/mistakes are too many, he will explain to the employee the mistakes committed, award minus points or levy fine and advise him/her to be extra careful in future.
- k. After taking action on all the audit/probe reports, the same will be forwarded by CS to Mahesh Garg for recording minus points / issue of fine slips for implementation and keeping the same in file with proper Sl.No.
- l. All audit reports after taking action will be given to Mahesh Garg for implementation of all points under close monitoring of Secretary of respective Action Committee who will ensure that all the points have been implemented

sincerely. **Mahesh Garg** will circulate reports on pending points by 25th of each month to respective Action Committee Members and **MD**.

- m. It is the sole responsibility of **Mahesh Garg** to ensure that all the actions as mentioned in the audit/probe reports have been taken and pending points noted separately for follow up. Further, **Mahesh Garg** is also responsible for proper filing of the reports so that the same can be retrieved in future as and when required.
- n. All audit/probe reports will be retained for a period of 6 months, during which time the same should be checked by person deputed by **MD** and thereafter they will be disposed of as per instructions of Chairman of Action Committee.
- o. IAD to ensure that the entire procedure is monitored/ followed in strict sense and report any violation. In case of failure, they will be severely punished. IAD must check and verify all compliances and also verify genuineness of all signatures, as forgery has happened in the past. **MD will** take serious action on IAD as they are not doing their duties sincerely and devotedly.

B. Probe

- i. All the departments are subject to probe by a team constituted under the charge of **G.T.Srinivasan/MD**.
- ii. A Probe Team under the charge of **Head** Audit will conduct at least 24 probes in a year as per the details given separately. Duration of the probe will be 2-3 day and they should spend 6-8 hours daily.
- iii. The probe team shall comprise 2 to 3 persons chosen from the list approved by AG/MD. Same persons should not be taken from any department continuously. Persons should be taken on rotation.
- iv. During every calendar month, 2 or 3 departments will be probed; all sections will be covered one after another in a year.
- v. Same persons should not be taken from any department continuously. Persons should be taken on rotation. In case of probe of Accounts Department, instead of Accounts persons, person from any other Department will participate in the probe. However, if any person has some urgent work on the day of Probe, Manager (Audit) should take another person from the list given to him.
- vi. The persons included in the Probe should devote full time in conducting the Probe as per guidance of Manager (Audit). Manager (Audit) should inform the concerned person for Probe work at least one day in advance so that he can plan his work properly. Manger (Audit) should not inform in advance the name of department which he is going to Probe. This should be disclosed only on the date of Probe. Manager (Audit) will devote some time himself along with the probe team so that he can find out more mistakes which juniors cannot find out.
- vii. The probe team should go deep into the matter to detect any loss to the company/ violation of procedure / any manipulation/ dishonesty etc.
- viii. Each month, the first probe report should be finalised by the 15th day of the month and the second report by the last day of the month.
- ix. The probe should cover entire campus.
- x. Preparation of probe report/action taking/follow up shall be done as per procedure stipulated for IAD reports.

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JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART-XI

Sale of By-Products, Scrap and Miscellaneous Items

1. Ajay Lodha assisted by Vipin Goyal will be fully responsible for the sale of all types of by-products and miscellaneous items, i.e. dross second grade, ash, MS scrap, empty bags, drums, machinery parts, wood, old items, unwanted machinery/dead items, various parts, accessories and other items/materials declared unusable in the factory or declared for sale by the higher authorities.
2. Ajay Lodha assisted by Vipin Goyal will contact old as well as new customers, bargain rates and consult Mr. Sanjay at JAL B/F and if found reasonable, will get approval from authorized person and finalise the deals. GM will depute persons (from BF/DF) to the market to find out the rates for comparison purpose once in 3 months, who will satisfy themselves that the rates are reasonable as compared to the offers made by the other parties. They will also settle all terms including GST and show the quality and inform the buyers that JAL will not be responsible for any claim later.
3. While settling the rates, Vipin Goyal/Ajay Lodha should find out from the market the latest prevailing rates of the item. They should ensure that maximum price is realized from the buyer.
4. The persons authorised for settling the rates will be changed after every 3 months by GM in consultation with MD.
5. The by-products like dross should be sold to different parties and should not be sold to one party always. Not more than 120 MT of aluminum dross should be sold to one party in a month and not more than 20 MT at a time unless approved by AG + MD (keep on changing the buyers and sell to maximum number of parties). Approval should be taken from MD if quantity sold to one customer exceeds above limits.
6. Items lying for disposal in disposal stores like spares, electronic items, and machinery parts should be checked by Manager (Maint)/GM (Maint) and by DGM (Dev.) as the case may be before sale of such items to ensure that any item that can be used after repair is not mixed up with the materials lying for disposal. They will report to DGM(C)/GM in this regard after their checking.
7. DGM(C)/GM will keep special and constant watch always over the sale of all by-products, particularly aluminium dross. They will also ensure that there is no accumulation of dross and that it is sold regularly.
8. Advertisements may be given once in a year, in consultation with Mr. Dhiraj Singh, if necessary on all India basis for sale of aluminium dross so that maximum number of parties contacts us for buying the item. **If they are not able to sell dross fully, it should be escalated to GM(C)/DM for their guidance.**
9. Ajay Lodha assisted by Vipin Goyal will ensure maintenance and examination of all records as prescribed and will take action on erring persons and also specially to ensure that there is no fraud or dishonesty at any stage.
10. Every month Ajay Lodha / Vipin Goyal will produce the records maintained by them to AG/DGM(C)/SKJ and duly checked for approval. This will be sent to DS in BF also for his approval and action. DS should ensure that By-Products are not sold at lesser price.

11. Filling of dross and stitching of bags for dross will be done as prescribed in JAL Security Procedure. In case filling is done through contractor, IAD will check at least once in a week at random basis.
12. Only one representative of the buyer will be allowed near the weighment spot.
13. Before ordering for packing, counting and weighment of items sold, any one from AG/DGM(C)/SKJ will issue in prescribed memo under their signature, partly filled-in and thereafter authorised persons attending the packing, counting and weighment will fill in the other columns connected with them and sign it.
14. Weighing and loading will be done in the presence of three persons mentioned below:
One out of SI/SSI/ASO + one out of SSG/SG + one out of Packing/Stores/Accounts/Shipping to be deputed by SKJ/DGM(C)/AG.
15. All will remain at site throughout the period upto loading and removal of the vehicle up to the gate. They will also ensure that the test check of the stitched bags by reopening is done in their presence while simultaneous loading will continue.
16. They must ensure that some of the bags are physically checked by emptying at random in respect of items packed in bags.
17. Only one driver and one cleaner with lorry/vehicle will come inside the factory while other persons like coolies etc. will stay back at the gate.
18. The deputed person will also sign the proforma available with authorised person supervising the work. IAD/**any authorised person** must visit for checking the vehicle at the time of loading.
19. (a) After dispatch of the materials, Ajay Lodha / Vipin Goyal will send the memo as well as Note Book to SKJ/DGM(C)/AG(any one) for verification and return with signature on the next day.

(b)The documents for sale of byproducts will be prepared by Shipping department. If any amount is to be received from the buyer, he will ask Ajay Lodha to collect the payment, and then only release the lorry, after completing all the formalities for sale of material. G.S. Sharma will ensure that prescribed memo form has been duly filled and signed by all before lorry is released outside.

(c)Shipping dept before releasing the vehicle should ensure that 100% payment is received by us. **No lorry of By-products should be released without receiving full payment except with approval of AG/DM. Ajay Lodha will be fully responsible for this.**
20. The security persons will also complete all the formalities in connection with the clearance of sold material and then only release the lorry.
21. During loading, IAD person should also be informed and shall check some of the bags physically by empty out the bags at random. They must ensure that the items as being mentioned in the approval note / cash memo only sold and sign in the respective column provided in the Memo.
22. Weighment of empty and loaded Lorries, Security persons and any one from Account/ Store or packing personnel will verify vehicle for loading done on our weigh bridge. After loading, vehicle will go to weigh bridge for weighment of loaded

quantity Accounts personnel to supervise the weight of empty and loaded Lorries. Security persons will also verify the empty and loaded vehicle as mentioned in the procedure. If loaded quantity is not the same as required by the party, then vehicle will return to the loading point, whereupon the short fall in material will be loaded to the vehicle or excess material will be unloaded from the vehicle as the case may be. After loading/ unloading of balance quantity, vehicle shall be weighed again. Action should be taken by AG for such variation in weight of material. Vehicle shall be released after proper gate pass/invoice is raised.

23. Whatever quantity of material is sold under this heading throughout the year, full record should be maintained by Ajay Lodha Assisted by Vipin Goyal in a register so that the actual quantity of such items sold in relation to the consumption of metal and ingots at the end of the year. In addition, the percentage of scrap arising can also be found out. For this purpose, the year will be from the date of stock taking to the date of next stock taking.
24. All the spares of the old machines should also be sold along with the respective machines.
25. Ajay Lodha Assisted by Vipin Goyal will scrutinize the credit balance of the by-product parties and inform Accounts Department after consulting GM.
26. The dross samples should be got tested in outside laboratories once in three months. DS will be responsible for the same. Samples for testing should be done as per instructions of GM.
27. GM should depute IAD to the market to verify and compare the rates of scrap/by-product items or whenever we have big quantity of such materials for sale and after verification, they will submit their report to them.
28. Sale of by-products shall be monitored by SKJ/DGM(C)/GM in all respects. They will also monitor melting of aluminum dross and maintain all records under MD.
29. In case of sale of MS scrap, machinery, old parts etc., one person either from Packing/Stores/Accounts, who has completed two years of service will be deputed on request from Ajay Lodha and such person will ensure that items sold only is loaded and costly items are not mixed with scrap. While loading MS scrap, either a supervisor or an experienced worker **from development department** will be deputed by Mr. Sathesh on request of Ajay Lodha, who will ensure that usable material is not loaded in the truck and only scrap material is loaded.
30. GM will depute any person for surprise check at the time of packing as well as weighment and loading and surprise check at gate also at least once in a month. The deputed person will also sign the proforma available with authorised person supervising the work. GM can depute Naresh Garg/ H.N. Chapparwal / Mahesh Garg/ K. Prakash / Ravi Garg for checking the vehicle at the time of loading and at the gate.
31. One/two vehicles once in three months shall be weighed outside Weigh Bridge for cross verification. In case of difference in weighment between our weigh bridge and outside Weigh Bridge, AL/VG will inform the matter to AG/MD for necessary action.
32. Ashish Goel should take the assistance of Mahesh Garg / Naresh Garg / H.N. Chapparwal whenever required.
33. Manpower for loading of dross must be provided by Dross contractor Kannu bhai without delay.

34. Sale of by-products (approval of rates)

Up to Rs.1.00 lakhs : Ajay Lodha + DGM (C) + AG+DS
Above Rs.1.00 lakhs : Ajay Lodha + DGM (C) + AG+DS + MD

35. Since most of the bye product items are common at B/F & D/F, Ajay Lodha should confirm check the rates with Mr. Sanjay at B/F and ensure that D/F is not selling any item at cheapest rate.

Note:

- i. AG is fully responsible for fast disposal of all items, checking godowns/stock frequently.
- ii. Rate approval for sale of Motors, Machinery parts & spare parts shall be taken from GM (M) in sales memos as approval from technical person.

36. The procedure for discarding of die steel is as below :

- a) The Total Number of dies which are rejected will be cross checked by Tool Shop + + Stores Supervisor and handover to Stores along with monthly rejected die statements. The rejected dies will be cross marked using Red Colour Paint.
- b) Only 100% rejected dies with cross marked in Red Colour Paint will be kept fully covered under Lock and Key in a room. The stores in-charge will ensure that rejected dies are physically tallied with the rejected dies statement. The Stores In-charge shall be fully responsible and shall open the room only at the time of storing the rejected die steel as per stock. Whenever the rejected dies stock are removed for sale and loading takes place, the room should be opened by Stores supervisor under supervision of ASO/SO.
- c) Stores will receive the rejected dies with its section numbers, date of manufacture as confirmed from Tool shop, once in a month. This stock can be checked randomly by Pradeep Singhal/Naresh Garg/IAD. Also IAD will check the stock, once in 3 months and tally the rejected dies as per stock register.
- d) A copy of details of such rejected dies will be maintained in a separate file along with the bunch / memos and approvals.

JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART-XII

Miscellaneous

a. **Guidelines for Dross Processing Machine (DPM)**

Dross from all the melting furnaces, holding furnaces of Rolling and extrusions will be brought and poured immediately into dross processing machine in very hot condition. Molten metal drained from the dross will be transferred to the nearest holding furnace in a trolley. In the sieving process, we will get the following three categories:

i. **Fine powder from outer sieve (outer drum):**

It is like a cement powder coming out of 2 mm mesh. This will come in first chute. This need to be bagged by Kannu Bhai's people hand to hand and transfer to Kannu Bhai's shed for sale. We will get approximately 60% of the total dross in this category.

ii. **Medium size Aluminium granules (Centre drum):**

We get medium size aluminium granules from middle sieving drum which is about 2-6 mm size. This will come in second chute. This will be bagged and will be sent to Kannu Bhai's shed for melting. Bags will be procured from Stores.

iii. **Bigger size Aluminium granules (Inner drum):** This is last to fall out into the chute, will be heavier item in the range of 6mm and above which will be collected through conveyor in a bucket after segregating unwanted materials like iron, mud particles etc and same will be melted along with other material for making GEQ material or in extrusion foundry, hand to hand.

All these categories of material should be cleared immediately - no stock shall remain pending. All these processes should be given on contract to Kannu Bhai. Foundry Manager (Atul Srivastva) will be responsible to monitor working of dross processing machine and will ensure that the above instructions are strictly followed.

b. **Procedure for Surprise check of Furnace Oil in FO Tank:**

Following persons will take surprise check of furnace oil level once in a month. This checking is to ensure accuracy of receipt against FO as per our tank as per quantity mentioned in the supplier bill. They should follow the instruction strictly and check at least one consignment in a month (Not applicable when LNG is used) and certify the concerned bills for having checked. If any discrepancy found, it should be brought to notice of AG/SKP/VP to take further action:

Sl. No.	Name	Dept.
1	Naveen Hebbar	Production
2	Ravi Garg	IAD
3	Vipin Goyal	Misc.
4	Vivek Garg	Accounts
5	Sachin R	IAD
6	Satyapal Sharma	Accounts
7	Akash Kumar	Accounts

c. **Guidelines for Surprise check of sold materials at Main Gate**

i. Surprise checking means no prior intimation to be given and to go all of a sudden without anybody's knowledge at the last moment when others have checked the consignment and the vehicle is about to move out of the gate and at any time i.e., during late evening also. Tallying the gate pass with the material is very essential. The

following persons will carry out surprise check minimum one out-going consignment during every calendar month at the main gate. However, they should try to check more than one consignment:

Sl. No.	Name (Mr.) (from 1 st to 7 th)	Sl. No.	Name (Mr.) (from 8 th to 14 th)
1	H.N. Chhapparwal	1	Pradeep Kumar Singhal
2	G.T.Srinivas	2	Sachin Rayangowdar
3	K. Prakash	3	Mahesh Garg
4	Raman Sharma	4	Sagar Sain
5	Ratish Kumar Chaubey	5	Naveen Hebbar
6	Ajay Kumar Lodha	6	Vinay Kumar Samdarshy
7	Naresh Garg	7	Satyendra Kumar

Sl. No.	Name (Mr.) (from 15th to 21st)	Sl. No.	Name (Mr.) (from 22nd to last day of the mth)
1	Vivek Garg	1	D.N.N. Prasad
2	Rahul Malik	2	Kumar Sanjay
3	Suresh Gupta	3	Sueb Ahmad
4	Anil Monga	4	Lalit Patni
5	Vishnu Pandey	5	Satyapal
6	M. V. Satyanarayana	6	Ravi Garg
7	Vipin Goyal	7	Varaprasad Bangaru

- ii. If one of the persons mentioned above has already gone first to check the consignment, others will not go to the spot. If they notice any discrepancy, they should stop the lorry and inform AG for action. Security will not release **any lorry** unless cleared by person who has carried out the surprise check. SSO/SO/ASO will maintain a separate record in a slip regarding surprise checks in respect of extrusions / rolled products mentioning name of person making the surprise check and hand over such slips to AG every month for his action. More than one consignment (at any time) can be checked in one day – no limit.
- iii. Two vehicles on daily basis must be randomly checked by Security / Store person and the weighment slip should be sent to Mr. SKP / Mr. AG immediately who will tally and clear within 10-15 minutes maximum when the truck will be parked near the gate. However, that truck should not be made to wait for more than 10-15 minutes as it will be unnecessary delay. Any differences up to 50 kg may be ignored. However, more than that must be viewed seriously and vehicle should be cleared with the approval of DGM(C) / GM.

d. **Custody of keys of all gates**

Sl. No.	Place (Gate)	Original key	Duplicate key
1	Gate No.1	At factory main gate (key box) CSO/SO/DSO/ASO (on duty)	Cashier
2	Gate No.2	CSO/SO/DSO/ASO (on duty)	Cashier

e. **Personnel Dept**

- i. Attendance in the morning and afternoon should be taken by Personnel Manager. Personnel Assistant should mark the attendance in the Register by checking the attendance slips given by the Personnel Manager which will once again be cross checked by the Personnel Manager.

- ii. Pradeep Singhal/IAD/Ghanshyam Sharma/Sagar Sain will from time to time in the respective weeks (one each week in the same order) conduct surprise check of attendance and will maintain record with regard to date, time, irregularity, action taken etc., by personally visiting the site. They should surprise check minimum once in their respective weeks.
- iii. Attendance of construction workers will be personally surprise checked by Pradeep Singhal/IAD/Ghanshyam Sharma/Sagar Sain at least once in their respective weeks. They will go to the spot after the attendance has been taken by construction staff and work has commenced. While going for surprise check, he will go without their notice and he will see physically all the persons working in various places and tally the attendance marked by the supervisor. Such surprise checks should be conducted between 09.00 hrs and 12.00 hrs or 14.00 hrs and 17.00 hrs. Record as above should be maintained in the same book.
- iv. Payment will be made to construction workers as per construction procedure.
- v. All appointments of staff should be routed through MD who should settle the salary and see the capacity of the candidates properly at the time of appointment. No appointment should be given to relatives/candidates recommended by other staff unless they are found suitable.
- vi. Personnel Manager will ask all the workers/staff immediately on joining, if they have paid any amount (i.e. collection of train fare, commission etc.) to anybody in D.O. or elsewhere. He will also inform them that their train fare has been paid by the company and they should not pay any commission etc. to anybody. In case anything untoward is noticed, the same should be brought to the notice of MD who will take further severe action.

f. **GENERAL**

- i. Wherever ISO has given a format number to a document, IT Dept. and Stationery Dept. shall take proper care to affix the Format Number on that particular document. e.g. Indent AO, is to be marked as JAL/STO/F/03 & JAL/STO/F/04.
- ii. AG can be deputed by MD to intervene in any matter, wherever it is found necessary.
- iii. Record Retention Manual:

- (a) There are certain licenses, certificates, e.g. factory license, certificate of incorporation, PAN No. etc. which have to be preserved permanently and safely.
- (b) There are certain records which have to be preserved for certain period as per the provisions of the related Act. The details are given below:

Sl. No.	Name of Act	Retention Period
1	Companies Act	8 years
2	Income Tax Act	7 years
3	VAT Act	5 years
4	Central Excise & Customs Act	5 years
5	Service Tax Act	5 years
6	GST Act	7 years

- (c) With regard to other records relating to general administration, production, marketing, technical departments etc., decision regarding retention of records

shall be taken by individual departments and the Departmental Head shall prepare the list of all such records in the format shown below and circulate the same to DGM (F), GM(CA) and CFO+MD for approval:

(i) Permanent Records:

<u>Sl.No.</u>	<u>Name of the Record</u>	<u>Officer Responsible</u>
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(ii) Records to be maintained for a period of 5/7/8 years:

<u>Sl.No.</u>	<u>Name of the Record</u>	<u>Retention Period</u>	<u>Officer Responsible</u>
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(iii) Records to be destroyed:

<u>Sl.No.</u>	<u>Name of the Record</u>
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All records which are not required shall be destroyed only with the approval of Dept. Head + IAD + DGM (C) + GM + MD.

- iv. In case of security department, SKJ, Admn. Manager and AG will jointly take all decisions except very minor matters, for which anyone can take steps, but others be informed. Both can and should check/verify any or all matters/papers and enquire from security/other people always. Security personnel should not allow anything going out without proper gate pass/slip (which must be given to MD/CMD only), failing which concerned persons plus ASO, DSO, SO and CSO will be penalized /punished severely.

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I. Procedure for Construction Work(Overall In-charge SKJ)

a. Civil Works

- i. SSJ for JAL D/F side and in his absence AD will be overall in-charge of entire construction dept. under SKJ and will ensure correct and timely completion of all civil works as per plans and instructions. SSJ will take at least 3-4 rounds for general checking daily, covering entire construction sites. SSJ will be fully responsible for arranging entire construction materials, store items (proper ordering, quantity and quality etc.). SKJ will ensure full security and honesty by all as also will ensure best quality of work and timely completion. He should take action against the contractor for substandard work and for the delay in completion of the work. AG will keep check on all matters in all respects and can take any action.
- ii. B/F Drawing office will prepare drawings as per **guidance** of SSJ which should be approved by NM/ED/KRR with complete dimensions and give to contractor positively within 7 days of finalization of the contract. If there is any delay, SKJ/AG to keep check and take action on SSJ after ascertaining reason for the delay.
- iii. SKJ will take at least **two** rounds daily for general checking covering entire construction site. Similarly, AG will also take 2-3 rounds in a week of all construction sites and take action for any lapses, losses, extravagance, poor quality work etc.
- iv. SKJ will attend to the problems and will give on the spot solution if consultation with any other person is not needed. In other cases, he will expedite only after consulting the concerned person. SKJ/AG will depute any person from accounts/IAD department, who will assist SSJ in taking measurements, making payments to contractors etc.
- v. AG and SKJ will ensure honesty in all respects - specially at critical stages like purchases, receipt of materials, safety and proper utilisation etc. NM/ED may change the procedure/ rules if they so deem fit and bring to the notice of MD/CMD Saheb subsequently. They must ensure that material used is of best quality and the quality of work is also good. There should be no compromise at all in these aspects.

b. Note:

- k. Measurement of any construction work should be done separately by SSJ and IAD/Accounts persons as far as possible. Only in case of unavoidable circumstances, measurement can be done together by them.
- ii. All supervisors will ensure that entire construction work is carried out correctly as per plans and instructions (amended from time to time) properly and economically. No deviation or breaking, wasting of materials causing financial loss shall be allowed without due approval. SKJ shall keep watch and punish concerned supervisors, if he finds such lapses.
- iii. In respect of contract works, a note book shall be maintained at each site and supervisor/checking person shall note down in the same, the details of deviation/mistake/loss etc. SSJ/Anil Damia shall check and sign the note book maintained and take necessary action for recovery of loss from contractors or take up with them for rectification, in consultation with SKJ. This note book will also be checked by SKJ once a week and will take strict action for any loss.

- iv. All care should be taken and suitable instructions should be given to all supervisors. SSJ will be fully responsible for execution including planning and completion of all civil construction works. They will consult SKJ, AG from time to time and Architect/Structural Engineer (wherever and whenever necessary). SSJ should get the plans and details of construction well in advance and prepare requirement of construction materials beforehand so that no worker sits idle at site.
- v. Architect should also visit as and when required and ensure that the work is going on as per the drawings. Structural Engineer/Architect's visit will be arranged by SSJ in consultation with SKJ and a record to this effect will be maintained for the purpose of payments made to them. Payment for consultants shall be made with the approval of SKJ/AG only.
- vi. As far as possible, all construction works should be given on contract. However, SSJ/AD to keep strict supervision to ensure best quality and timely completion of the works. SKJ/AG also to check the quality of work done by the contractors and take action against our supervisors if they are not checking the quality properly.
- vii. Guidelines for construction work given on contract (including for institutions) as outlined in this procedure shall be strictly followed.

II. Electrical and Maintenance (Non-Plant) All Types - Sanitary, Water Supply Etc.

- i. Somashekar Dy Manager Non Plant Maintenance will be responsible for proper installation and completion of electrical and plumbing works. He will take care right from the initial stage including materials indenting. He is fully responsible for all such activities till the work is satisfactorily completed.
- ii. Somashekar in consultation with SSJ/SKJ will supervise entire plumbing and electrification works. They shall prepare complete wiring layout duly approved by NM/DS in advance to avoid any change and alterations afterwards. They shall prepare requirements and order for all the electrical and plumbing items well in advance through stores in consultation with SKJ. They will ensure that correct quantity and good quality material is purchased and electrical/plumbing work is completed well in time. For every specific project Somashekar H.B should take specific brand approval from SKJ/AG. In case the contract is given with supply of material also, then to ensure that they are using the material of required quality as per the contract.

III. Furnishings and Decoration

As soon as the finishing stage is reached, SSJ/SKJ will attend to various furnishings and decorations in consultation with NM and interior decorator (if necessary). The approved drawings/plans should be kept ready in advance so that the work is not delayed.

IV. Guidelines for Construction Work Given On Contract (Including for Institutions)

- a. SSJ and AD will prepare an estimate of cost of construction of any particular work and will hand over the same to SKJ together with drawings duly approved by NM/KRR/ED/MD. It must be ensured that the estimate is realistic based on drawings and rates are as per prevailing market rates. One copy of such estimate should be signed by SKJ/AG while finalizing the order and kept in file along with the work order.

- b. Construction supervisor shall prepare indent for different items required and take approval as follows:

SI.No.	Limit	Approving Authority
(a)	Up to Rs.10,000/-	SSJ / Praveen Agarwal
(b)	Above Rs.10,000/- and up to Rs.1,00,000/-	As in (a) above + SKJ / AG+ AD
(c)	Above Rs.1,50,000/-	As in (b) above + SKJ/AG/SKP + ED / KRR

AL/AD/SKJ will thereafter call for quotations from contractors (minimum three) for supply of material, whereas for giving work on contract, AD/DS will call for quotation.

- c. After collecting all the details, SKJ will prepare a comparative chart showing details of name of contractor, estimates given by each contractor item-wise, estimates made by SSJ and put up the same to SKJ along with copy of approved drawing.
- d. NM will then ask SKJ/AG/AD/DS to negotiate with the parties regarding rates, time-schedule for completion of work, quality of work, drawings etc. SKJ/AG shall negotiate with the parties deeply and repeatedly to bring down their quoted rates.
- e. After this they will tabulate a comparative chart properly giving all details and take approval as under:

SI.No.	Limit	Approving Authority
1	Up to Rs.10,000/- each (up to a maximum of Rs.1 lakh per month)	SKJ/AG
2	Above Rs.10,000/- up to Rs.50,000/-	AD+DS in addition to (1) above
3	Above Rs.50,000/- up to Rs.2,00,000/-	NM in addition to (2) above
4	Above Rs.2,00,000/- up to Rs.10,00,000/-	ED in addition to (3) above
5	Above Rs.10,00,000/-	MD in addition to (4)

- f. The work order issued to the contractor containing specifications such as masonry work, brick work and other connected works, schedule for completion, terms of payment, penalty clause, retention amount/period and set of drawings approved by KRR/ED/NM should be checked and countersigned by SSJ for technical matters and SKJ for commercial matters. DS or NM are authorised to sign work orders. Signature of the contractor with date and seal should be obtained on the copy of the work order and drawings as a token of his acceptance and it should be kept with SKJ in file.
- g. No change should be made in the drawing in any case. If required, a new revised drawing should be made with the approval of SKJ/AG & NM/ED (two persons). For any major changes, approval should be taken from MD. The approval should be obtained by SSJ on a separate note with sufficient reason for revision. The new revised drawing should bear the same serial number as the earlier relevant drawing with A, B, C etc. added along with the number and date to indicate the revision, e.g. if the earlier drawing bears the No.125, the new revised drawings will bear the No.125A, 125B and so on with date.

- h. All the final drawings must be approved and signed by NM/ED/KRR/MD. Unapproved drawings should not be given to the contractor. Civil drawings should be approved by NM/ED/KRR/MD before the same are issued to the contractor. These drawings shall also be given to the supervisors for guidance and reference.
- i. Whenever any modification is required in the drawing already approved, DS should get the same approved from NM/ED/KRR/MD.
- j. Supervisors should not allow the contractors to use any kind of sub-standard materials in the construction and the supervisors are authorised to reject sub-standard material and to stop the work and inform SSJ/SKJ immediately. SKJ/AG will surprise check and punish the supervisors if found wanting.
- k. SSJ and AD will be completely involved in the construction work and will be responsible for inspection of raw materials like cement, sand, jelly, stones, bricks, paint items etc. They should ensure that workmanship/finishing is good. They should take action against the contractor if the quality of work being done is not good and deduct the amount to that extent from his bill.
- l. Subsequently, if there is any change in the specification of the contract given, such as change in thickness, mixing, material, increased/decreased quantity, SSJ/PA/AD should inform SKJ/AG, who after assessing the necessity of such changes, will discuss with contractor to increase/decrease the rates already decided earlier and the rates will accordingly be revised with the approval of NM/ED/MD. Rates for any new item must be fixed in advance before work is started and should not be negotiated while settling the bill.
- m. Part payments against the progress will be made to the contractors as per the work order after the approval of SSJ/AD + SKJ/AG + NM/DS. The quantum of work done will be measured by Accounts personnel with the help of site supervisor and quality of work will be certified by SSJ.
- n. Payment for extra works other than specified in work orders, if any, as per site conditions will be made after physical verification by SSJ/AD + SKJ/AG. However, rate and charges if any must be decided with the approval of DS/NM/ED within 3 days.
- o. Final payment of 10% or 5% will be made to the contractor after warranty period or as agreed and with satisfactory inspection and measurements by SSJ + AD+ SKJ/AG+ NM/ED (4 persons). For delay in completion of work, penalty as mentioned in the work order must be deducted.
- p. In case of any change in thickness of RCC, specification of any size or material, wherever contract is given on sq.ft. basis, SSJ must inform (immediately at the time of making change) SKJ/AG so that rate can be reduced or changed accordingly.
- q. Supervisors, AD, SSJ, PA and SKJ, while taking rounds will ensure that our own items such as cement, jelly, paint and steel lying in the campus are not mixed up with that of contractor's materials and used by them. If any such thing is noticed, SKJ should take strict action and AG will also check the same during his surprise visits.
- r. Whenever the contract is given on item-wise rate basis, particularly for new buildings, measurement by Accounts + IAD person should be done before covering foundation to avoid any dispute later. This will be responsibility of SSJ/AD.

- s. All supervisors - SSJ/SKJ should ensure that:
- i. The contractor deploys sufficient manpower according to the need of the work **or as mentioned in Contract Order** to complete it timely.
 - ii. The labour deployed must be trained to do quality work - otherwise asks the contractor to change inefficient labour.
 - iii. The progress of the work must be as per schedule - if it is behind schedule, to inform DS/NM/ED so that they direct the contractor to improve their working.
 - iv. The rate of any major item not decided earlier must be decided immediately before work is started.
 - v. Measurement of the completed work should be made timely so that there is no dispute once the work is completed. Measurement must be completed within 7 days as per the procedure.
 - vi. As far as possible, contract for all works including plumbing, painting, electrical, tiles, sanitary works etc. should be given to the same contractor.
 - vii. Quality of material and mixing are as per standard/order given to the contractor.

V. OTHERS

i. Construction Supervision Work (In-Charge – AD/SSJ):

SSJ will be in charge of all supervisors. They will ensure that all supervisors under them take full work from the labourers / contractors working under each of them and see that none of them remains idle. If any worker is not performing his/her work in proper manner, concerned supervisor should sack such worker or mark absent for one day as punishment so that in future, he will work with full speed and care. SSJ is also expected to take action against supervisors for not monitoring the workers properly.

All supervisors will see that the work is carried out as per the instructions/guidelines and see that no construction or stores material is misused or wasted by any worker nor will allow any worker to sit idle. SSJ / AD Supervisors will also check the quality of work being done by the contractors. They will also ensure that no excess items are indented for any work.

It must be ensured by SKJ / AG that wages fixed to construction workers/ masons etc. are as per grading fixed and as shown in the approved list. Grading of labourers should be reviewed constantly and wages should be fixed accordingly.

ii. Purchase Of Construction Materials (SSJ):

On getting the requirement from SSJ & AD who should give the same in advance, SKJ and AG will settle the rates for construction materials which will be finally settled and approved by AD/DS/NM and ED. A list of such rates and terms duly approved by AD, DS, NM and ED will be given to Accounts. SSJ will then immediately place orders for all types of construction materials. The rates for construction materials should be checked frequently **at least once in a 3 months** by SKJ/AG/NM/ED to ensure that higher rates are not charged.

SKJ will ensure that the work does not suffer for want of materials. SSJ will make frequent visits at site and keep strict and constant watch on all affairs including quality of materials and construction work. SSJ/AD will arrange construction materials by visiting the quarries and shops of suppliers. SKJ will check all major

purchases including stores materials by going deep in all respects for any lapses, dishonesty etc. SKJ, AG and NM will buy best quality (to be decided on case to case basis) from reputed suppliers as per limits prescribed in JAL general procedure.

iii. **Purchase Of Stores Materials - SKM On JAL D/F Side:**

SSJ/AD will give the stores item requirements to SKJ/AG, who will scrutinize the requirements and then forward to storekeeper, who will further scrutinize the requirements and then forward to SKM for arranging purchase as per the procedure prescribed separately. For major purchases, SKM will consult DS/NM also.

Storekeeper and all others will ensure that the requirements are genuine and goods ordered are already not lying in stock. Accounts will also verify/compare the rates of goods purchased with the last purchase and put remarks wherever necessary. SKM will arrange local purchases through purchasers and will ensure to get maximum discount from local suppliers. In addition to the regular discount, they should get cash/trade discount. Since the material is mainly meant for charitable purposes, they should try for additional special discount. Items should be procured as per delivery period maintained in the indents.

Efforts should be made to purchase bulk items like cement, steel, painting materials etc. directly from the manufacturers or wholesale dealers and to avail maximum discount.

iv. **Receipt And Consumption Of Construction Materials:**

The construction materials such as cement, sand, steel, wood, jelly, bricks, boulders, stones etc. will be received by any senior construction supervisor at site and shall be physically checked by construction supervisor + SSJ/AD + Stores + SKJ + Accounts Officer will countercheck and sign. They will put remarks in case of any discrepancy.

SSJ will ensure proper consumption of materials and SKJ/AG will take suitable action for any misuse/wastage. SSJ will ensure that no material is misused by any worker. Security guard will keep a separate book for construction material received. SSJ will also circulate the site wise consumption report to SKJ/AG on a monthly basis.

v. **Receipt And Issue Of Stores Materials:**

- a. Storekeeper will be solely responsible for keeping proper record of all materials received who will also keep proper record of goods returned to parties or sent for replacement.
- b. Goods Return Challans will be signed by storekeeper and Purchaser. All cash memos and bills will be signed by store-keeper in respect of quantity.
- c. SSJ/AD or any other senior person will verify the quality. Final passing of bills will be done as per JAL B/F Procedure. Store will circulate monthly report to SKJ regarding unused civil items for taking further action.
- d. Whenever materials are returned by the workers to stores, the storekeeper will make receipt entry in the bin card and stores ledger so that at any point of time the physical stock tallies with the stores records.
- e. During every week, particularly on Sunday, the construction supervisor on duty will take physical stock of all construction items / equipments such as mumty,

pick-axe, bandli etc. and see that no item is missing. This physical stock should be entered in a note book and should be shown to SSJ for their checking and taking action for lapses if any. SKJ to check this book once in a week and take action for any lapses.

- f. The stores material will be issued only on requisition from supervisors through ERP which should be authorised by SSJ & in his absence by AD and supervisors will accompany the workers for getting the major items issued from the stores costing more than Rs.5,000/- and the storekeeper will make proper entry of all materials issued. The materials issued will be verified by persons specified for verification of end use of items as per JAL D/F procedures, who will report to AG in case of any discrepancy.
 - g. Storekeeper will ensure that major items costing more than Rs.5,000/- issued from Stores are properly utilized for the purpose for which they were issued. For this, he will go to the site and physically check whether all the major items issued are properly and fully used or not and put his signature in the register after checking and entry. In respect of items costing less than Rs.5,000/-, the concerned supervisors will check that the material issued are utilized properly.
 - h. All signatories should put suitable remarks in bills and cash memos in case there is any discrepancy in quality and quantity without any pressure or fear. SKJ / AG will take suitable action and clear the remarks. No person will sign without proper verification. SKJ/AG will check stores with register and also fully check the materials like bricks, sand etc. received by truck loads periodically. SSJ/SKJ will ensure that the materials are received in time and used economically without any wastage. Stores will be under Stores Manager who will ensure proper checking in all respects. They should also check the quality of construction material. If any item particularly bricks, sand, jelly are found to be of poor quality, the same should be rejected and returned.
 - i. A list of dead stock items which are lying in stores should be sent to SSJ/SKJ/SKP/AG once in a quarter by the Storekeeper and the same be disposed of by the same persons who do so for by-products sale in JAL B/F (or returned to party through Purchase dept). Also to circulate the list to AD/DVRNP/DS in BF to check with them, if they can consume any item.
- vi. **Painting:**
- a. SKJ will be in charge for entire painting work assisted by SSJ/AD and supervisors. Best quality paint should be purchased directly from manufacturers as far as possible. All bills shall be checked by SKM for rates. All must ensure best quality. A separate paint register shall be maintained by the supervisor with respect to contract work only for the entire campus recording progress of work, materials consumed etc.
 - b. Empty tins, bottles, drums, bags should be returned to stores after use. Storekeeper should ensure that all empty tins and bags are received back after use. He should also visit the site. Painting progress register should be circulated by SSJ to SKJ/AG for their verification. AG will oversee in all respects to check quality and dishonesty anywhere (contracts, purchases, theft, misuse etc.).
 - c. Painting jobs must be given on labour contract basis only and the quantity of paint given to the contractor should be checked on the basis of per sq.ft. coverage obtained per liter of paint to ensure that there is no misuse and wastage of paint. For such checking, a standard should be obtained from the paint company and got duly approved by SKM / DS / NM.

- d. SKJ/AG/DS/NM will check before finally passing the bill of the painting job works with standard fixed. One person from Accounts Dept., deputed by SKJ should be present during measurement of work in view of manipulative practices adopted by the contractors, they accept contract with materials only when they use inferior quality and less quantity of paint, which fade out within a year as happened in the past. When any contractor accepts labour contract, his tendency is always to make money through other ways like stealing paint, using more quantity, misuse etc which must not be allowed.

vii. **Labour Attendance:**

To facilitate recording of attendance of all labourers shall be taken by Praveen Agarwal + one more Supervisor. Two supervisors must be present while taking attendances.

This attendance will be taken 3 times a day - once in the morning, afternoon and evening. They will make note of overtime also, if any. Accounts dept / Audit dept will undertake surprise checking once a month to verify the attendance periodically of all the groups, and seize the attendance book immediately. SSJ/SKJ will also check whenever they like and punish those who are found not checking and ignoring duty. They should also ensure that the labours deployed are hard-working with stamina. If anyone is not found good and over-aged, such persons should be removed immediately.

Note:

- (a) All the workers will sit at the time of attendance and head count will be done by the supervisor. When their name is called, they will stand and go. No unnecessary gathering should be allowed.
- (b) A site register indicating the progress of work should be maintained by the supervisors for contract works. SSJ should check and sign the register along with his comments during visits to the site.
- (c) If any worker goes on half day leave, the same should be marked in the attendance sheet by concerned supervisor.
- (d) Supervisors should be attentive while marking attendance to ensure that there is no proxy.
- (e) Construction labourers should not be deputed on a permanent basis to other departments/sites without approval of SKJ/AG.
- (f) Admin dept will surprise check attendance once a month and report to AG in case of any discrepancy. SSJ/SKJ will also surprise check and punish those found wanting.

viii. **Weekly Payment (Cashier):**

- a. Supervisors will prepare weekly wages sheet on Friday positively for attendance up to Thursday (of all the groups) which will be got checked by Cashier with wage list. Weekly payment will be made by Cashier as follows.

For all construction labourers: Cashier / Accounts Dept + Construction Supervisor + Personnel Dept.

- b. Wage payments should be made on Saturday evening. Cashier will give the amount of weekly payment to concerned staff in correct denomination and SSJ

will supervise the payment of all the groups one by one. SSJ should stay and watch till last payment, verify the remaining amount and sign. In the absence of any supervisor, SSJ in consultation with SKJ will arrange another supervisor for payment purposes. SKJ/AG will also make surprise checks at the time of payment. Person making payment should be changed once a month by AG.

- c. Attendance of construction workers will be surprise checked by Pradeep Singhal and Naresh Garg at least once in a month. They will go to the spot after the attendance has been taken by construction staff and work has commenced.

ix. **Records/Registers To Be Maintained By Construction Department:**

- i. Concrete cube testing report duly signed by SSJ/SKJ as and when issued.
- ii. Progress report register duly circulated to SSJ/SKJ once in a week for departmental work.
- iii. Painting progress register prepared by supervisors and checked by SSJ/SKJ once in 15 days if contract work given.
- iv. A site register indicating progress of work for contract works duly signed by SSJ/SKJ.
- v. Distribution of duties for construction supervisors will be fixed by SSJ and duty of any supervisor should not be changed without his approval. No separate register is required, only verbal arrangements.
- vi. Sending samples of construction materials like bricks, steel for laboratory tests will be arranged by SSJ through Admn. dept whenever feel necessary on receipt of materials at site. Bricks should be tested internally in our in house laboratory.
- vii. During testing, if any material is found to be sub-standard, the same should be rejected immediately and should not be allowed to be used.
- viii. MD/ED shall check and approve all construction and contractors' bills above Rs.10 lakhs.

VI. General Notes

- a. Indents should be prepared by the concerned supervisor and countersigned by SSJ/AD. Before giving indent for purchase of materials, the availability of material should be checked with JNI/JAL Stores. Thereafter, the indents should be circulated for approval of higher authorities as per procedure. It should be ensured that no unnecessary item is purchased.
- b. SSJ/AD should ensure that the indents for all construction items are given for correct quantity and sufficiently in advance so that there is no loss to the company. If any item remains in stock after completion of the work for which it is purchased, the same should be returned to the supplier as far as possible. In case any item remains in stock, store keeper should inform to SKJ/AG who shall take action for the excess items procured and also take action to dispose off the same. Unused/left over excess materials pertaining to contractors can be taken out by the contractors with a simple gate pass prepared by the storekeeper. In such cases, the site supervisor will request the storekeeper to issue a NRGF certifying that the materials belonging to the contractor. The requisition will be countersigned by SSJ + SKJ + AG. Site supervisor should indicate approximate value and quantity of the materials in the requisition.

- c. SSJ will ensure that all suppliers' bills pertaining to all supplies of construction materials are submitted with supporting vouchers/slips immediately after supply. Payment shall be made immediately (must be instructed) with the approval of SKJ. No claim will be entertained nor payment shall be made in respect of any supply, bill/slip etc. remaining uncovered under the bills already submitted. No bill should be delayed beyond two weeks from the date of supply. In case of any delay, payment will be made only after getting the approval of AG.
- d. It will be the sole responsibility of all supervisors concerned to ensure that labourers working under them do not misbehave, absent from or shirk work. In such an event, they should take action by marking them absent or dismissing the worker and also reporting to SSJ, who should take severe action failing which they should be punished by SKJ/AG.
- e. The security staff on duty will be responsible for entry of all company materials (truck etc.) in his book while coming into the campus. The book maintained shall show details of materials coming in, vehicle No., time-in and time-out. This book will be signed by staff on duty (Inspector and above). He will give entry book to Cashier only whenever he asks for the same. Cashier will take the sheet in the book on completion of entries (on both sides of each sheet).
- f. All will ensure first class construction with due economy and completion as per schedule at various stages. It should be more suitable from functional point of view than ornamental/ decorative.
- g. SSJ will obtain from the Architect and Structural Engineer, all designs, drawings, layout details (duly approved by KRR/ED/NM) before commencement of work to avoid unnecessary breakage/alterations. Work distribution for skilled labourers will be planned from time to time and shall be followed strictly. He should also check the works while in progress, give suggestions, solve problems and in case of any deviation, report to SKJ.
- h. Cement Godown shall be under the control of stores. Cement should be stored separately under lock and key and proper account should be maintained by Store Manager for issue/use of cement bags. Cement bags should be issued maximum twice in a day by any of Store staff and they should ensure that there is no wastage of the same. SSJ to maintain separate book at site for cement bags issued/used in a day and lying unused at the site. SKJ/AG should conduct surprise check cement stock at the site at least twice a month.
- i. SSJ should send empty cement bags to the stores in-charge and then the Disposal Committee of JAL D/F will dispose of the same at best possible rates, if such cement bags are available for disposal (since we are using the empty cement bags for dross filling etc).
- j. All should do their work honestly and sincerely. Any misuse or misappropriation will be a sin and God will certainly punish such persons.
- k. Whenever carpenters, masons and others are engaged for doing any work, the rate should be fixed jointly by SSJ + SKJ/AG must ensure that all labour engaged are above 18 years of age, besides the wages should be fixed as per their skill, age and efficiency.
- l. SSJ shall pass all bills of construction items technically which are received in JAL D/F stores as well as. They will then forward the bills to Stores Dept.
- m. All miscellaneous repairs and maintenance works pertaining to JAL D/F campus will be attended by and will maintain separate records indicating nature of work

done, approximate cost involved etc. Print out in the form of register for approximate cast of work taken from ERP Data Entry Window shall be circulated to SSJ/SKJ monthly.

- n. SSJ will prepare estimates for new works/projects. Estimates for new projects/works shall be prepared by SSJ, checked by SKJ and approved by AG.
- o. SKM/SSJ will arrange fabrication of wooden/steel/aluminium/upholstery items departmentally or by engaging contractors in consultation with SSJ/Sathesh. SKJ/AG will keep check.
- p. SSJ/Sathesh for JAL D/F and will be responsible for the quality of fabrication items such as doors, windows, reinforcement rods etc. As per necessity, SSJ should visit the fabrication places apart from the routine spot inspections. SKJ should also visit and check.
- q. SSJ for JAL D/F will be responsible for concreting works and should be present for roof concrete work without fail. They should check centering, shuttering works and steel rods positions as per drawing before concrete work starts. Supervisor should not allow the contractor for roof concreting without checking of SSJ.

JINDAL ALUMINIUM LIMITED
(ROLLING DIVISION)

PART XIV

Perks and Facilities Provided for Staff and Worker Families Residing in Quarters At D/F Colony

Company has provided Perks and facilities for Staff and Worker Families Residing in Quarters at D/F as per B/F procedure. Some more procedure are added, which are as follows:

- i. Electricity consumed in the house of Staff & Worker Families Residing in Quarters at D/F Colony will be supplied free up to 75 units for the workers and up to 150 units for the staff in a month. Beyond this, charges will be applicable as per BESCO rates. Non-plant maintenance dept will take reading of same, on 26th of every month and hand over to personnel department for arranging checking and for deduction of charges from the salary of the respective month.
- ii. Similarly, water will be supplied as per the following limits:

Sl. No.	Particulars	Charges
01.	Upto 5,000 litres p.m.	(a) For staff up to 5,000 litres p.m. - Free (b) For workers up to 3,000 litres p.m.- Free and from 3,001 litres to 5,000 litres p.m. it will be charged @ 50 paise per 100 litres for workers
02.	Above 5,001 up to 15,000 litres p.m.	Re.1/- per 100 litres for staff as well as workers
03.	Above 15,000 litres p.m.	Rs.2.50/- per 100 litres for staff as well as workers

Besides, a surcharge of 50% on the total bill amount will be levied between January to April for all the residents in D/F.

- iii. Vehicle facility for staff will be allowed liberally. Limits will be 150% of the limits fixed at B/F and the charges will be 50% of B/F. However, it has to be ensured that vehicle facilities are used most economically. In case of any misuse, double the amount will be recovered.
- iv. It is decided that Company will provide car facility to staff and workers staying outside the D/F colony for emergency use like going to airport, railway station or for going to hospitals for serious cases. Vehicles shall be provided for airport and railway station only twice a year and for going to hospitals it will be need based. However, the concerned staff and workers will be charged equal to 150% of the charges being collected from the employees staying in B/F. Requisition slip for this purpose shall be approved by Mr. Ashish Goyal and in his absence by Mr. SKJ or SKP. Mr. Pradeep Singhal will ensure that the vehicle is not misused by any employee.
- v. In case of any misuse of the vehicle, double the charges of rates, applicable at BF, should be collected from such employees and they should be debarred from this facility for future.
- vi. Free pick-up and drop facility will be allowed for the children of staff and workers staying in D/F colony to JPS. Also college going girls to JDCW can come in the same facility. Children studying outside can also go in the same pick up and drop off facility as JPS students, but will have to arrange further transport on their own from JPS point.

- vii. Facility of grocery shop, restaurant, laundry and tailoring are available as chargeable basis at D/F.
- viii. One Chakki machine has been installed for grinding of wheat, food grains and spices. Also entertainment facilities like badminton court and volley ball ground are provided.
- ix. Arrangement have also been made for supply of Nandini milk and newspaper at the doorsteps of residents and they may also get from nearby villages (if available) if they so wish. Residents must inform Admn. Dept. in advance, who will speak to the concerned agencies. The cost of this will be borne by the residents.
- x. Facility for parking of two wheelers and four wheelers is also provided in the colony. Permission for two wheelers parking shall be given by AG and for four wheelers by MD.
- xi. Free vegetables will be supplied @ 4 kg to the workers family and 8 kg to the staff families once a week. Vegetables grown in the farm only shall be provided, subject to availability.
- xii. Bus will be going to Bangalore city only once in a month i.e. 1st Sunday on or after 5th of that month, for bachelor staffs , families of workers & staff staying in family quarters at D/F and also families staying outside the campus within the vicinity, for shopping/entertainment. Bus will leave at 01.00 pm from New Land colony and 8.00 pm from Majestic, Bangalore. However, the bus will be operated with a minimum 5 families and 18 head count from the campus. All interested employees must inform Mr.Ravi Agarwal/Pradeep Singhal, well in advance, on or before Friday by 5.00 pm along with number of persons , if they wish to avail this facility.
- xiii. In case of staff (who have been provided quarters at D/F) or their families take food in D/F staff canteen, they will be charged at subsidised rates as detailed below:

a. Breakfast	:	Rs.20.00
b. Lunch	:	Rs.40.00
c. Dinner	:	Rs.40.00

This will only be under certain circumstances where preparing of food is difficult for them. It is not permissible on a daily basis for an extended period of time.

- xiv. **New staff joining with family** will be given 9 meals, **including breakfast, lunch and dinner**, free in D/F staff canteen for the first 3 days **for all family members**. No food will be delivered to the accommodation. All meals from staff canteen must be taken in the canteen itself.
- xv. One A/C will be placed in master bedroom of Sr. Executives staying in the family quarters at D/F along with one more air cooler. For all other staff staying in senior family quarters at D/F, one air cooler will be provided to them where as staff staying on top floor of other building one air cooler will be provided to them.
- xvi. All the above facilities have been provided to give comforts to staff and workers shifting their families to Quarters at D/F. These are provided at the discretion of the management and will be reviewed time to time.

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**PROCEDURE FOR ISSUE OF GATE PASS / SECURITY WILL BE AS PER BANGALORE
FACTORY PROCEDURE**

**THIS PROCEDURE SUPERSEDES ALL THE EARLIER PROCEDURES AND
AMENDMENTS ISSUED FROM TIME TO TIME.**

Main abbreviations used

CMD	-	Chairman & Managing Director
MD	-	Managing Director
KRR	-	K.R. Raghunath
ED	-	Executive Director
SME	-	Senior Most Executives
VP	-	Vice President
NM	-	Naveen Mehta
DM	-	Deepak Mathur
VP(O)	-	Vice President (Operations)
VP (Mktg)	-	Vice President (Marketing)
VP(C)	-	Vice President (Commercial)
DS	-	Dhiraj Singh
AG	-	Ashish Goyal
GM	-	General Manager
GM(C)	-	General Manager (Commercial)
GM (O)	-	General Manger (Operations)
GM (Maint.)	-	General Manger (Maintenance)
AB	-	Ashok Bhatia
CFO	-	Chief Financial Officer
CS	-	Company Secretary
RKS	-	R. K. Soni
RNS	-	R. N. Sahu
KS	-	Kulwinder Singh
DGM (C)	-	Dy. General Manager (Commercial)
DGM (M)	-	Dy. General Manager (Marketing)
SKP	-	Sanjay Kumar Purohit
SKJ	-	S. K. Jain
ONU	-	O. N. Upadhyay
AD	-	Aman Dadwal
AGM (E)	-	Asst. General Manager (Export)
Mgr (Fin)	-	Manager (Finance)
Mgr (A/c)	-	Manager (Accounts)
Mgr (Pur)	-	Manager (Purchase)
Mgr (IT)	-	Manager (IT)
DCS	-	Dy. Company Secretary
SM	-	Store Manager
PM	-	Purchase Manager
Dy. SM	-	Dy. Store Manager
AO	-	Administrative Officer
HNC	-	H.N. Chhapparwal
GSS	-	G. S. Sharma
SKM	-	S.K. Mittal
SSJ	-	S.S. Jarali

Issued by

(Ashok Kumar Agrawal)
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