

Standard Operating Procedures

Purchase – Battery Group

	Name	Signature	Date
Prepared By	PURCHASE EXECUTIVE		
Reviewed By	PURCHASE MANAGER		
Approved By	HEAD OF THE DEPARTMENT		
CONTROL OF CONFIDENTIALITY			
The information contained in this document is the property of HBL, No part of this document may be reproduced in any form without the prior permission in writing of HBL			

	Date	Status of Review
Reviewed on	01.04.2022	New Issue-A
Next Review on	31.03.2023	Rev. 6

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

HBL Procurement Policy

HBL and its External Providers are independent and HBL recognizes that mutually beneficial relationships enhance the ability of both to create value to our end Customers, Society and our Investors

Principles of Procurement activities are.....

- Ethically, environmentally and socially responsible
- Economically effective
- Identifying, eliminating, minimizing and managing risks that may distort supply chain
- Continuous improvement and development
- Fairness and transparency
- Accountable and verifiable

Table of Contents / Index

S. No.	Description	Section
1	Title page	-
2	Table of contents/ index	A
3	Control Sheet	B
4	Distribution list	C
5	Objective	1
6	Scope	2
7	Purchase Structure And Responsibilities	3
8	Procurement Process Cycle	4
9	Definitions	5
10	Processing of Purchase Requisitions	6
11	Selection of External Provider	7
12	Request for quote (RFQ)	8
13	Purchase Order Processing	9
14	Work Order Processing	10
15	Follow-up of Delivery Schedule	11
16	Inspection at External Provider's premises	12
17	Transportation of Purchased Material	13
18	Goods Receipt	14
19	Acceptance & Rejection, Documentation	15
20	Corrective Action Request	16
21	Invoice Verification	17
22	Processing of Payments	18
23	Checks & Controls (MIS)	19
24	Annexure – I – Purchase Organisation	
25	Annexure – II – Procurement Process Cycle	
26	Annexure – III – External Provider Registration Form	
27	Annexure – IV – External Provider Evaluation Form-Mfr	
28	Annexure – V – External Provider Evaluation Form-Dealer	
29	Annexure – VI – External Provider Evaluation Form-Service	

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

DISTRIBUTION LIST

S. No.	Copy No.	Distributed to	Location
1	01	Plant Head	Nandigaon
2	02	Plant Head	S 'pet
3	03	Plant Head	VZM
4	04	Plant Head	VSEZ

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

1.0 Objective

The objective of the SOP is to describe the complete process for procuring goods and services in the company, starting from the indenting stage to the receipt of the material/service, till release of final payment.

2.0 Scope

This SOP is applicable to all Domestic/Import purchases made in the company, thus includes purchases of all Raw Materials, Components, Packing material, Capex, All battery related purchases, Maintenance Items etc.

3.0 Purchase Structure And Responsibilities

In-charge Purchase is the process owner and responsible for all activities of purchasing process. Purchase organization structure is defined in **Annexure – I**.

4.0 Procurement Process Cycle

The procurement process cycle is described schematically in **Annexure-II** (attached).

5.0 Definitions:

Material Lead Time & MOQ for A & B Class Items:

Standard lead time and MOQ of the materials are to be maintained by Purchase dept. and shall be circulated to PPC/ User Dept. for their planning of the material.

Selection of External Providers:

It will be the responsibility of the Purchase Department to maintain an approved list of External Providers for various categories of items that are directly used in the manufacture of the product as well as accessories and spares to be supplied to customer. External Providers are selected from the approved External Providers list and RFQs shall be floated for the process of the PR.

External Provider approval and enlistment:

Vendor registration form:

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

For new External Providers, purchase department sends registration form to the External Providers for generates sufficient information about the capability of the External Provider with regard to their technical capabilities, machinery available etc.

Method of evaluation and re-evaluation of External Provider:

The External Provider Evaluation Team comprising Purchase & QA shall analyze the information available against registration form and visit such sources, which they consider suitable for the manufacture/supply of items in accordance with our specification and requirements. Based on approval criteria the External Provider is enlisted or rejected. Existing External Providers are revalidated based on their quarterly performance rating and periodicity of re-evaluation is fixed based on the score.

Responsiveness rating of External Provider:

Supplier responsiveness plays a key role in increasing procurement performance therefore the suppliers are rated between 1 to 10 Scale for aspects like response to

1. Enquiry
2. Change in delivery plan as per plant requirement
3. Increase or decrease in ordered Qty
4. After sales service
5. Handling of re-work and rejections
6. New Developments

External Provider approval for offshore External Provider:

External Provider evaluation /assessment is carried out by HBL Auditors/HBL designated 3rd party at offshore External Providers establishments.

List of Approved External Providers:

It is the list of approved External Providers. The External Provider is added in the approved External Providers list after External Provider registration and approval by evaluation team. A non performing External Provider is deleted from the list if their performance is below the rating.

Purchase Requisition (PR):

PR is the official indent for initiating any procurement. User releases online / Hard copy PR through SAP system duly approved by authorized approvers and sends to purchase for subsequent process.

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

Revenue Items -Purchase Requisition (PR)/Material requirement planning (MRP):

PPC/User shall raise SAP- PR based on the monthly MRP/user requirement(s) respectively. The PR should be approved through online release strategy. Purchase shall verify the PR for the correctness of pre-requisites like item description, delivery schedule as per lead time, MOQ, drawing No./Specification No. etc. and shall process thereafter.

Capital Items:

Items such as Plant and Machinery, test and measuring equipment, Office and industrial furniture etc. would come under Capital items. All Purchase Requisitions shall be raised against approved Acceptance of Necessity document (AON). The PR (Purchase Requisition) shall be raised by the respective departments and approved through SAP PR release strategy.

Request for Quotation (RFQ):

Purchase shall float RFQ by E-mail to preferably minimum 3 External Providers with required drawing /specifications. For RM/BOM items, the External Providers are to be selected from HBL approved External Providers list.

Rolling Plan:

Minimum 3 months rolling plan is generally expected from PPC for critical raw materials and long lead items for purchase to provide projection to External Provider for their readiness.

Normal Purchase & Emergency Purchase:

Normal Purchase PR (Purchase Requisition) are generated based on the monthly MRP/Indent. Purchase department will arrange RFQ and release order (PO) on selected vendor based on the most suited commercial terms and lead time.

For express /emergency purchases shall have the approval of the Unit Head. The item(s) may be procured without following the usual procedure of collecting multi quotes and comparison. However the PR (Purchase Requisition) has to have duly justifiable reasons in writing for making such an express / emergency purchase

Costing & Price break-up:

A scientific / technical methodology of costing/ cost breakup is adopted, taking into account the material cost, labour, overheads and any other relevant factor etc. for arriving basis of the price of the material prior to the comparative statement.

Comparison of Quotations:

Based on the quotes received, a detailed comparative statement is made for the landed cost of the material along with the details of payment terms, delivery, freight etc. Price break-up shall be considered as the basis for further negotiation.

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

Purchase Order (PO) :

Based on the approved PR, PO is the official agreement which is released on the External Provider for the supply of ordered items as per the terms & conditions indicated there in.

Purchase Order Processing:

Based on comparative statement and subsequent negotiations, the price and terms & Conditions are mutually agreed upon for the processing of PO. PO is subsequently released after approval through release strategy and as per the following delegation of authority. The approved PO is forwarded to the External Provider through mail or a hard copy. General Terms & Conditions are made available in the HBL website.

Negotiation Strategies:

Price finalization through Negotiations:

For standard BOM items, RFQ is floated to the External Providers and preferably 3 quotes are collected and comparative statement is made, price is negotiated and PO Check list is prepared for the release of the order and approval.

ARC/AMC:

For standard items like general consumables & maintenance items potential External Providers like dealers/distributors/traders are identified, RFQ is floated, quotes are compared, price is finalized in purchase committee and ARC/AMC are released. Individual POs are released with reference to the ARC/AMC finalized, based on plant requirement.

Long Term Contracts / Annual Contract eg. Lead:

Long term contract/annual contract is awarded for A class items of bulk procurement (eg. Lead) on approved External Providers based on certain pricing formula linked with market index or on import parity price with fixed premium. Individual POs are thereafter released linking with the long term contract/annual contract.

E- Procurement:

For most of the Raw materials, BOM items , Standard Items like Crane, Pump, Motor etc. & Capital items the price is finalized through e-procurement platform. Few off line Quotes are collected to estimate the start price for conducting the e-bidding process.

Price finalization through Purchase Committee:

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

For any non –standard item / Item having no previous purchase history and valued generally more than 2 L - rates are reviewed and finalized by a committee comprising of members from Purchase, User department, Maintenance department and Finance, which is referred to as Purchase Committee. Generally items covered under the scope of purchase committee are - Project items, R&D items, First time procurement items, Job Work items of high value, Scarp items etc.

For these items purchase obtains quotes from preferably from minimum 3 External Providers and comparative statement is made, the price is finalized through negotiation in the presence of Purchase Committee.

Note:

PO Check List to be filled up with every PO approval process. (Sample Check List is Annexed)

Material Follow-up:

Purchase conducts regular follow ups with External Providers (Over Phone/Mails/Vendor visit) in accordance with delivery time/completion time mentioned in the PO to ensure that the materials are delivered/services are completed as per the agreed schedule. All supplies shall be made as per PPC provided schedules keeping in mind lead time, MOQ etc. JIT is recommended for optimizing plant Inventory.

Transportation of purchased item from External Provider premises to factory

Local External Providers:

Where ever a External Provider does not deliver directly to our plant, the material shall be collected from the premises of External Providers either by our contract van or any other private vehicles.

Outstation External Providers:

In accordance with Purchase Order terms the material is transported through bank approved or our logistics empaneled transporters.

Offshore External Providers/CHA:

Approved Custom House Agents (CHA) & Freight Forwarders are engaged for clearing at customs and pickup of imported consignments. After receipt of shipping documents, Imports Purchase dept. forwards details to Imports Logistics group under EXIM for further clearing process and delivery to respective plant.

Incoterms:

The Incoterms rules or International Commercial Terms are a series of pre-defined commercial terms published by the International Chamber of Commerce (ICC). They are widely used in International commercial transactions or procurement processes. Like FOB(Free on Board), EX-Works, CIF (Cost Insurance Freight), C&F (Cost & Freight) etc.

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

Waybill:

Waybill is the mandatory document to be accompanied with the material from the External Provider during road transport within India. An online Way Bill will be issued by HBL against scanned Invoice copy/LR provided by the External Provider. The transporter has to carry the same with the material.

Material receipt – Acceptance/Rejection:

Materials should be received with External Provider’s test report along with other statutory documents. Inward Quality control team inspects the material at the inward stage in accordance with the inspection plan. Depending on the item, some of the items are inspected at the External Provider’s works as well. However, the final acceptance/rejection is done at our works. Based on the quality inspection report, stores will generate the GRN (Goods Receipt Note).

Accepted Material:

Material once accepted and cleared by the Quality control department shall be taken into the stock at stores and issued for production according to production plan.

Rejected Material:

If the material is rejected at inward stage, a rejection report with reasons for rejection will be forwarded to purchase department for onward communication to External Provider. The rejected material shall be stored separately in stores till further disposal.

Rejection Return:

Purchase department depending on the nature of defect, call the External Provider for rectification/re-work or send back the material for replacement.

External Provider Corrective Action Request (SCAR):

Based on the rejection report, QC generates SCAR for respective External Providers for their corrective actions. It is the responsibility of Purchase to obtain compliance from External Provider for closure of SCAR.

Sub Contract, Outsourcing & Service Orders:

For customized jobs, sub contract order shall be released from approved External Providers list or ancillary. The selection of the External Provider shall be done based on comparative quotations as well as evaluating the work content. The evaluation of work content and rate finalization shall be done by Purchase Department in consultation with HOD of user dept. The sub contract order apart from the rate shall contain the norms for conversion & the wastage allowed (Retrievable & Non-Retrievable) wherever applicable.

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

Outsourcing

Reasons for outsourcing

Cost savings
 Focus on core business
 Improve quality
 Operational expertise

Product Realization

In the process of execution of a contract, the decision to transfer / outsource may be taken at any of the following stages -

- a) At Design stage (outsourcing of design itself)
- b) At the time of submitting Quotation to the Customer
- c) At the time of planning for production after the contract is successfully won
- d) During the production at various stages.

The details in the Purchase Order / Job Work Order shall indicate the Controls/Specifications and the important quality Parameters / Specifications that should be met by the job worker/Sub Contractor. Contractor shall produce Input material/Component test certificates to HBL on demand

Wherever necessary and as indicated by the Functional Area In-Charges, First Article Inspection (**FAI**) shall be ensured by Purchase Department by coordinating with the Job Worker or External Provider and In-coming Inspection of QA/QC. Details of parameters to be checked shall be laid down by Design Department of HBL and shall be executed by QA/QC.

Planning for the Out sourced activity

The activities decided to be outsourced shall be intimated by PPC or users for necessary planning of outsourced activities like material movement etc., by purchase for further process as per the schedule.

Evaluation of out sourcing agency, feasibility study / risk analysis

For the items decided to be out sourced, in the process of selecting the sources for the purpose, purchase shall carry out feasibility study through External Provider registration format & External Provider evaluation.

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

Reports & MIS:

MIS report is generated through SAP for periodical review.

Cheque Indent to finance:

For Advance payments, “Down Payment” option is tagged in SAP system for finance to prepare cheque. For others/balance payments, hard copy cheque indent is filled up and sent to the finance for the processes of payment. (Sample Cheque Indent is Annexed)

GST Compliance:

It is the responsibility of Purchase Department to check GST Compliance of all vendors in coordination with ITD

Debit Note:

It is the responsibility of purchase department to monitor the debit balances with the External Providers and update finance on time to time basis against the debit note generated by the finance.

Reconciliation of book of accounts:

Purchase department shall collect statements of book of accounts from all the External Providers and submit the same to finance for ledger reconciliation.

Purchase Department Conducts The Following Activities. Standard Operating Practices (SOPs) for each such activity is annexed.

6.0 Processing Of Purchase Requisitions

6.1 Purchase Requisitions (Domestic / Import)

Purchase Requisition is the basic document on which purchase activities are initiated. Purchase can refer the SAP soft copy or the signed hard copy.

Purchase shall carry out requisition review for the adequacy of the user requirements prior to sending enquiry to External Providers.

6.2 BOM Items

Production planning and control (PPC) Department shall raise Purchase Requisition for procurement of all the production related items as per bill of materials of the job under production/ MRP after considering stores stock and material in the pipe line. These Purchase Requisitions shall be approved by head PPC.

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

6.3 General Items, Consumables, Tools etc.

Concerned section IC shall raise requisitions for General & Consumable items based on average consumption levels and stores stock. These shall be approved by concerned division head or Plant Head.

6.4 Requirement Of Other Departments

For items required by all other departments like Maintenance, Finance, engineering/design, Administration, R & D etc., the requisitions shall be raised by respective departments, which shall be approved by In charge of the respective departments or Plant Head.

6.5 Capital Items

All requisitions shall be based on approved budget for capital items. AON – Acceptance On Necessity Document is generally approved by CMD/Director/COO. The requisitions shall be raised by respective departments approved by Plant Head.

7.0 Selection of External Provider

External Provider Registration

Purchase department can obtain the information of source / External Provider through following ways :

Information from other departments / divisions / sister concerns, through web search, Newspaper advertisements, Magazine/ Journals /Yellow pages / Business Catalogue & Exhibitions, Seminars, Electronic Media etc. Customer / Collaborator / Existing External Provider's recommendations.

After identification / introduction of the External Provider through any of the above methods, the purchase department shall send a registration form and start initiating for External Provider evaluation if needed. All External Providers must be ISO 90001certified. A typical vendor registration format is attached **Annexure - III**

Planning for External Provider Evaluation

The External Provider selection for evaluation shall be done based on the contents of the External Provider registration form collected.

HBL®	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

- 1) Suitability of the infrastructure to suit HBL's requirement , Financial strength, Competent Manpower, Machinery availability etc.
- 2) Product Range of External Provider meeting HBL's requirement.

External Provider Evaluation

Evaluation of the selected External Providers for enlistment shall be carried out as per mutually agreed dates between the External Provider and HBL. The External Provider Evaluation Team consists of representatives from Purchase, QA and Others (Expert group such as representative from D&D, Stores etc.) The team shall analyze the information gathered from Registration form and visit such sources which they consider suitable for the manufacture of items in accordance with our specification and requirements.

However for outstation External Providers, visit shall be decided based on merit of each case. In specific cases where required, representative from Design & Development may accompany the team. This is applicable for Job Work External Providers also. Evaluation format also includes requirements of EHS & Social responsibility at External Provider's end.

Enlistment of External Provider – Approved External Provider's List

A numerical External Provider's rating systems/audit Score is followed. Based on the External Provider ratings/ score, the External Provider shall be enlisted or asked for corrective actions. Following are the criteria's :-

#	Score obtained by External Provider	Approval of External Provider	Remarks
1	0% to 59%</=	Disapproved	Corrective action shall be requested from the external provider to be carried out within 30 days for registration and approval.
2	>/=60% to 74%</=	Conditionally Approved	External provider shall be registered and conditionally approved for supply. Further improvements shall be recommended.
3	75% >/=	75% and above	Approved for enlistment. Suggestion for Continual improvement in the systems / processes.

On closure of all SCAR (open issues if any - except mutually agreed for/ extended issues with clear action plan to close them) HBL External Provider Evaluation Team shall recommend the External Provider for enlistment in the approved External Provider List (Refer Serial Nos 2 & 3 of above criteria).

Master Data Team is requested through HOD purchase by mail for addition of a new External Provider in SAP. Other changes like External Provider Name, Address, Commercial details, deletion or blocking of a External Provider in SAP

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

etc. are also informed to Master data team through mails. Subsequently External Provider code and “External Provider Master” in SAP is created / changed / deleted / blocked.

After a new External Provider is registered he is asked to forward the sample as per our Specifications/Drawings for evaluation.

First Article Inspection

After receiving the initial samples from the External Provider, it is verified by QC department as per drawing or specification. A report, which is called as First Article Inspection (FAI) is made on basis of Dimensional inspection, Physical appearance, and Chemical analysis etc.

FAI reports are sent to the External Provider for their reference and compliance.

PPAP

In case of any changes at suppliers end like Process, Location & Critical Raw Material, PPAP to be conducted prior to approving supplies. Suppliers to inform HBL in advance about any changes for initiating PPAP.

Approved External Provider List

It is the responsibility of Purchase Department / D&D to maintain approved External Provider list for BOM items that are directly used in the manufacture of the product. Approved External Provider list are updated within 6 months for addition or deletion of the External Provider.

Additionally, External Provider qualified and approved by sister concern of the group as per their standard procurement procedures may also be included in the approved External Providers list. But, copy of the External Provider approval documents shall be obtained and maintained.

Bought Out Items/Services

Purchase of bought out items/Services which are directly used in the manufacture of our Product, accessories and spares to be supplied to customer are made based on any one of the following criteria.

- (a) Products are on the approved list of major consultants/reputed External Provider.
- (b) Recommended by our Customers or Consultants.
- (c) Product has ISI Certification or any other Quality Certification Bureau.
- (d) Internal testing of samples and trials.
- (e) Past continuous usage by us without any major quality problems.

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

- (f) The above bought out items could be supplied by any of the following types of External Providers:
- (a) Manufacturer
 - (b) Authorized Dealer
 - (c) Trader
 - (d) ERP/Business process service providers (e.g. SAP)

The performance of these External Providers is judged based on recommendation of Quality control department/user / IC Production until and unless a report for poor performance is given by user / IC Production, the performance is deemed to be satisfactory and supplies shall continue.

The organization shall determine and apply criteria for the evaluation, selection, monitoring of performance, and re-evaluation of external providers, based on their ability to provide processes or products and services in accordance with requirements. The organization shall retain documented information of these activities and any necessary actions arising from the evaluations. Type and extent of control on external service providers shall be decided by the organization and to be monitored by a dedicated team member representing all functions.

Services

Services related to calibration, Testing etc shall be evaluated once to form a part of Approved Service providers List wherever applicable.

Enlisted Periodic External Provider's Performance Rating & Classification

Analysis and Review of the approved External Providers is done on quarterly basis through SAP based on their performance for the supplied lots (BOM items) and update.

Performance rating is carried out based on average of the rating of the quality, delivery & Price.

Evaluation Criteria	% of Weighted avg.
Quality	50
Delivery	40
Price	10

External Provider's Performance Rating Classification

#	Grade	Score	Approval Status	Classification	Remarks
1	A	>=75 – <=100	Approved	Excellent	Should maintain the performance
2	B	>=60 – <=74	Conditionally Approved	Good	Improve Performance

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

3	C	< 59	Disapproved	Disqualified and on HOLD	To be warned
---	----------	------	-------------	--------------------------	--------------

Approved External Provider's Re-Evaluation Audit Process

The approved External Providers shall be evaluated by HBL Trained External Provider evaluation team periodically as per the following guide lines.

#	Classification of Goods	Frequency of Re-Evaluation Audits
1	A	One year
2	B	Once in Two Years
3	C	Once in Two Years

Urgent Supplies

In case of urgent requirement of BOM material for production, if material is not available with approved External Provider, procurement can be initiated from sources other than approved External Provider list. However the items purchased shall be of approved make and grade or equivalent grade certified by the user/D&D. Such purchases shall be regularized against External Provider registration and subsequent External Provider evaluation. These External Providers shall be added to the Approved External Provider list as per periodicity laid down in this procedure.

Items For Other Requirements

Items or services required for areas other than those related to product i.e. maintenance, administration, welfare, stationary, house keeping etc, the purchases shall be made from External Providers on case to case basis depending on the type of item and urgency and these need not form a part of Approved External Providers List.

Disqualification of External Providers

In case of persistent failures in terms of quality and delivery and also based on the performance rating criteria, the External Provider can be disqualified and removed from approved External Providers List. However on case to case basis External Provider can be granted three more chances for improvement, beyond which HOD Purchase is authorized to disqualify such External Providers.

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

-The External Providers shall also be black listed under following additional circumstances

Bankrupt , insolvent , closure of business or dissolved

- i. Violation of statutory & regulatory requirements
- ii. If the External Provider or partners or representatives are found indulged in fraud , malpractice etc.....
The information on banned / black listed External Providers shall be circulated to all HODs.

8.0 Request For Quotation

Sending RFQ

Against Purchase requisitions, request for quotations (RFQ) for supply of goods and services are generated from SAP and are sent to the approved External Providers through post /e-mail.

Comparison of Quotations

Quotes received are manually entered into SAP for the generation of comparative statement. However a manual comparative statement is prepared for comparison on the basis landed cost and other influencing parameters like lead time, payment terms and after sales services etc.

Risk assessment/Analysis/Impacts & Controls

It is a process to identify & analyze risks involved prior to procurement(Import & Domestic). Risk factors like price, delivery, service, payment status, No. of sources etc. shall be updated and reviewed regularly for major critical production items.

Also to study criticality of parameters involved with the purchased product, their Impacts and subsequent impact categorization (like minor, Safe & High) are specified for the critical items (BOM/CAPEX). The same to be communicated to the respective External Providers for better control.

Negotiation with External Providers

With reference to the comparative statement, negotiations with External Provider is carried out.

9.0 Purchase Order Processing

After negotiation purchase order is prepared on a successful External Provider/Service Provider for further approval as per the value of the purchase order and approval strategy set in SAP.

The Approved PO is then sent to External Provider with the latest print of drawing / specifications by e-mail or post. The superseded drawing / specification shall be withdrawn from External Provider to make sure that

HBL®	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

the External Provider does not produce / supply as per old drawing / specification. Any special requirement e.g. Vendor's compliance on quality, safety requirements (EMS/OHSAS), joint Inspection at External Provider's premises or any other controls shall be specifically mentioned in the PO in line with requirement. External Provider shall send Order Acceptance (OA) after receipt of order from HBL and send Certificate of Conformity (CoC) wherever applicable. **PO Check List vide Annexure V.**
Every PO has a validity (Time specific) which is mentioned in the PO terms.

Repeat Purchase Order :

When there is no change in the price and other terms, the old PO reference may be considered for approval and release of repeat purchase order.

PO approval / Release Strategy in SAP

Approver	Value in INR
Purchase Executive	0 to 200000
Purchase Manager/Deputy HOD/ Plant Head(I/C plant purchase)	200001 to 3000000
HOD	3000001 and above

Amendment to Purchase order

The purchase order once issued can be amended for price/qty./ payment terms / change of address, change in commercial tax or on any other terms depending on mutual acceptability.
Purchase Order amendment are approved as per PO approval strategy.

Cash Purchases

Cash purchase is normally done in case of emergency requirements and generally for a total value up to Rs.5000.00, after due approval of respective heads. Any such procurement related to BOM items are mandatorily regularized in SAP through regular process.

10.0 Processing of Work Orders

Production Items

For customized jobs, job orders shall be awarded to successful subcontractors from approved External Providers list or ancillary. In other cases, the selection of the External Provider is done based on comparative quotations as well as evaluating the work content. The evaluation of this work content shall be done by Purchase Department in consultation with IC of the concerned user department. The job order apart from the rate shall

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

contain the norms for conversion, the wastage allowed (retrievable and non-retrievable) wherever applicable.

Maintenance Items

For services required by other Departments like Maintenance, R&D etc., the Service Requisition is raised by respective users and approved by Department Head. Service orders are released after study of quotations, comparisons and due approval of user dept. Other ordering process shall be as described in SI. No 8.1.

11.0 Follow-Up of Delivery Schedule

Delivery schedule in purchase order are followed up for adherence:

The delivery schedule given in Purchase Order is a probable date based on supply lead time/mutually agreed delivery schedule. However considering our type of business which is totally customer dependent, delivery schedule is likely to change considering following reasons:

- (1) Change in production schedule in accordance with Marketing & Sales Department/Customers revised requirements.
- (2) Design changes.
- (3) Better inventory control.
- (4) Customer Order put on Hold/ Cancellation

12.0 Inspection at External Provider's premises

HBL reserves the right to inspect any material prior to dispatch at External Provider's premises to check in- process quality. External Providers shall be notified in advance for such inspection/audit. HBL may also accompany with Customer's for such inspection/audit.

13.0 Transportation of Purchased Material to factory

Outstation External Providers

The material is transported through reputed or mutually acceptable transporter as per INCO terms mentioned in the order.

Local External Providers

The material from External Provider's premises, are collected by our contract van. At times, local External Providers also arranges delivery to respective plants as per their own arrangement on freight prepaid/ to pay basis.

14.0 Goods Receipt and GRN

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

Upon receipt of material along with bill / Delivery Challan / Cash memo, inbound entry at gate is generated in SAP and on further quantity verification, documentation GRN is created in SAP.

15.0 Acceptance & Rejection

Acceptance

Materials are inspected by Quality control department at the inward stage in accordance with the inspection plan decided by them. Depending on the item, some of the items are inspected at the External Provider's works. However, the final acceptance/rejection is done at our works. In case of different test results found between External Provider test and HBL test, a third party (NABL Accredited Lab) is referred to for Acceptance/Rejection. Quality control department will maintain the reports regarding the quality of the item(s). Material once accepted and cleared by the Quality control department shall be deposited in stores and issued for production according to production plan.

All measuring instruments used for testing and measuring shall be calibrated by NABL Accredited laboratories only.

Rejection

If the material is rejected at inward stage, a rejection report with reasons for rejection shall be forwarded by the quality control department to purchase department. The rejected material shall be stored separately in stores. The purchase department depending on the nature of defects call the External Provider and request the External Provider for the corrective action report against relevant request (SCAR/CAR). Decision shall be taken for rectification/re-work or for sending back the material for replacement.

Documentation

External Provider shall follow HBL's laid down procedures on documentation. Generally HBL is providing warranty for 10 Years or more. Hence External Providers must maintain record for 10 Years after a supply is made to HBL.

16.0 External Provider's Corrective Action Request (SCAR/CAR)

Where the entire lot/ frequent rejections are observed, a Corrective Action Request form will be raised and sent to External Provider through purchase.

External Provider shall fill-up the CAR/SACR form and sent to purchase indicating corrective actions taken by them.

17.0 Invoice Verification

The invoice verification is done by Finance. However before Invoice Verification is carried out by Finance, following steps are followed.

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

- a) Inbound Delivery is done by stores after receipt of material, thereby tallying with PO.
- b) Based on Inbound delivery MIGO is created in SAP by stores after verifying duties.
- c) The MIGO number created is subsequently forwarded to Commercial for duty credit. Commercial informs stores the duty credit No. created thereafter.
- d) Stores forward the original Invoice along with MIGO No. and Credit No. to Finance for Invoice Verification (MIRO).

18.0 Processing of payment

Once the Invoice verification is done and posted by Finance, the payments to the External Providers/Service Providers are processed as per the payment terms indicated in the PO.

19.0 Checks & Controls - MIS

Following are SAP transaction codes used for various Checks & Controls

- a. ZPOHISTORY – PO to MIRO
- b. ZPURDELIVERY – Delivery Tracking
- c. ZPRICE – PO price Tracking
- d. ZPR2GR – PR to GR

Following are various monthly reviews for additional checks and controls.

- a. Debit balance review
- b. Credit balance review
- c. Job works review
- d. Open POs
- e. Review of SCARS

Annexure - I

Purchase Organization:

The structure of the organization generally conforms to the following based on product categorization.

1. Central Purchase Team (Domestic and Imports) sitting at Banja Hill Road No. 11 office deals generally with all A, B & selectively C class Items and all Project /Capex Items.
2. Local Purchase Team sitting at respective Plants deals generally with all C class Items, Maintenance/Emergency Items, Consumable Items, Cash Purchases and Service Orders.

Note: Items handled by respective team is shown in the following table.

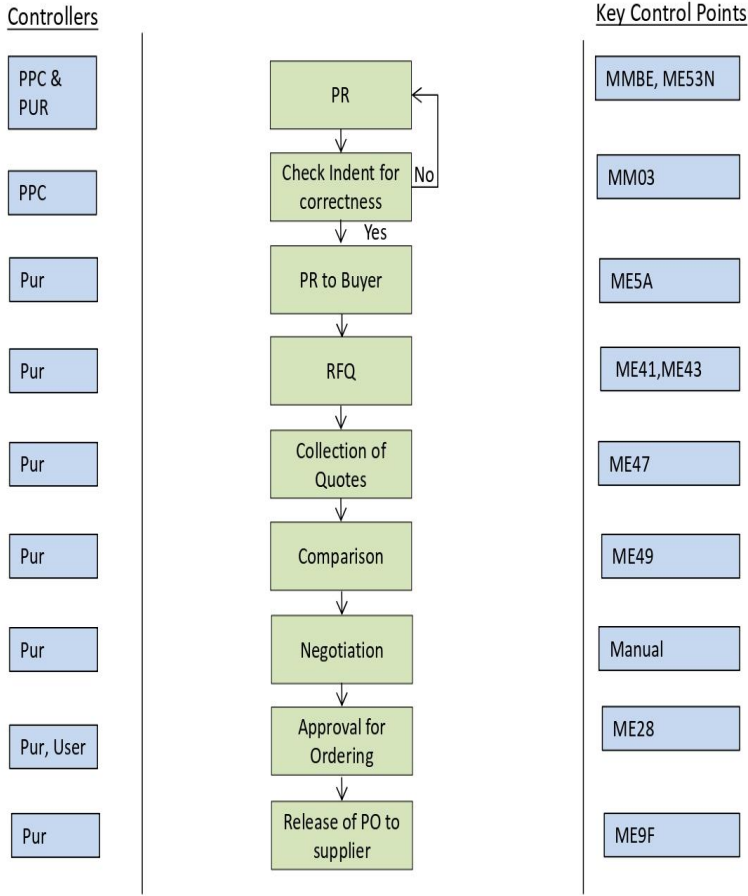
Categorization & Classification of Items with Procurement strategy:

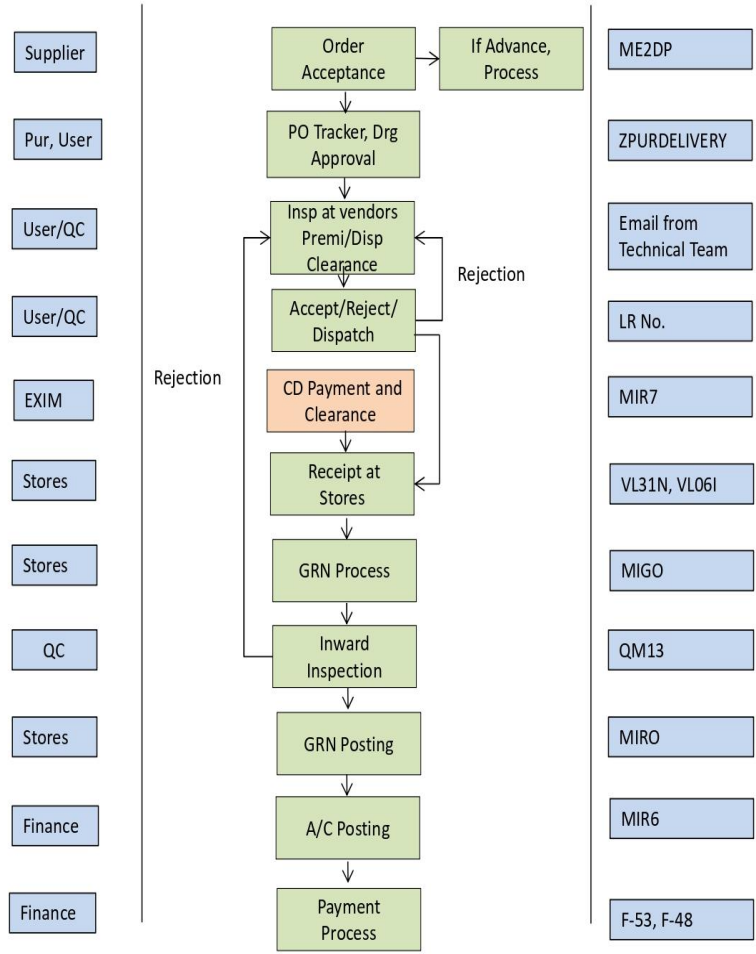
Items are categorized and classified into A= Critical, B= Important, C=General as follows:

Categorization & Classification			Price finalization location & Strategy		
	Categorization	Classification	CPT-BH	Local Purchase Team	Remarks
1	Raw Material	A	Negotiation	-	Preferably min. 3 Quotes
			E-Proc		
			Contracts		
2	BOM	B	Negotiation	-	Preferably min. 3 Quotes
			E-Proc		
3	Capital Items	Capex	Negotiation	-	Preferably min. 3 Quotes
			E-Proc.		
4	Standard Bought out Items, consumables, general items, Packing	B & C	Negotiation	PO based on Nego/ ARC/AMC by local team	(General consumables, PPE & Maint)
			ARC/AMC by Pur Comm		
5	Non Standard Items	Projects and R&D	-	Purchase Committee	(R&D)

Annexure - II

PURCHASE PROCESS FLOW CHART





**HBL Power Systems Limited
HYDERABAD**

EXTERNAL PROVIDER REGISTRATION FORM

NAME AND ADDRESS :	<p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>
--------------------	---

COMPANY CATEGORY	MANUFACTURER / DEALER / TRADER / SUB CONTRACTOR / SERVICE PROVIDER
------------------	--

ESTD.YEAR (Month & Year)	
--------------------------	--

ORGANIZATION CONSTITUTION (Please provide necessary documentary evidence)	1) PARTNERSHIP COMPANY	
	2) PRIVATE LIMITED COMPANY	
	3) PUBLIC LIMITED COMPANY	
	4) GOVERNMENT / AUTONOMOUS BODY	
	5) PROPRIETORSHIP	
	6) LISTED STOCK EXCHANGE	

COMMUNICATION DETAILS

CHIEF EXECUTIVE / PROPREITOR :	
--------------------------------	--

KEY CONTACT PERSON / CUSTOMER REPRESENTATIVE :	
--	--

COLLABORATION DETAILS (if any) :	
----------------------------------	--

MOBILE :	E-MAIL :
TELEPHONE :	WEBSITE :
FAX :	OTHERS :

COMMERCIAL DETAILS

(PLEASE PROVIDE REGISTRATION COPY AS APPLICABLE)

GST DETAILS	PAN DETAILS
GST No :	PAN No :
ANNUAL TURN OVER FOR THE LAST 3 YEARS :	
BANKERS DETAILS WITH ACCOUNT No. FOR MAKING PAYMENT :	
MSMED ACT 2006 REGD : YES / NO (If yes, attach copy of registration. If no, furnish declaration)	

HBL®	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

PRODUCTS MANUFACTURED / SERVICE PROVIDED			
1) No.OF YEARS SERVED TO HBL	NEW SOURCE /Yrs		
2) MATERIALS / PRODUCTS : (Please provide / enclose details of products manufactured / service along with MSDS as applicable)			
3) LEAD TIME REQUIRED FOR EFFECTING SUPPLY (Please provide separate sheet for each product)			
PLANT DETAILS (For Manufacturers only)			
ESTABLISHED CAPACITY			
PRESENT UTILISATION CAPACITY			
SPARE CAPACITY FOR HBL			
TYPE OF FACTORY PREMISES	OWNED / LEASED / HIRED		
WORKING HOURS / WEEKLY HOLIDAY			
PLEASE FURNISH ORGANISATIONAL STRUCTURE ALONG WITH MANPOWER DETAILS			
DETAILS OF PRODUCTION FACILITIES			
1) LIST OF MACHINERY / EQUIPMENT :	ENCLOSE LIST		
2) PRODUCTION / OPERATION PROCESS : (Please attach process flow chart)			
3) DESIGN PARAMETERS :	INTERNAL / CUSTOMER / COLLABORATOR		
DETAILS OF QUALITY CONTROL FACILITIES			
1) QUALITY CONTROL MEASURES ADOPTED			
2) DETAILS OF IMPORTANT TEST EQUIPMENT / GUAGES	LIST ENCLOSED - YES / NO		
(Please attach details of Quality Control facilities)			
IS YOUR PRODUCT / SYSTEM CERTIFIED UNDER NATIONAL / INTERNATIONAL STANDARDS (IF YES, PLEASE PROVIDED DETAILS)			
1) ISO 9001 – 2008	Y/N	2) ISO – 14001	Y/N
3) OHSAS – 18001	Y/N	4) TS – 16949	Y/N
5) ANY OTHER STANDARD (PLEASE ENCLOSE COPY OF CERTIFICATE WHICH IS APPLICABLE)			
PRODUCTS COVERED UNDER DEALERSHIP / TRADE (For Dealers / Traders only)			
SL.No	DESCRIPTION	MIN. STOCK QUANTITY	LEAD TIME

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.6	A

NAME OF MANUFACTURER WHOSE PRODUCTS ARE SUPPLIED (Enclose authorization letter of respective OEM) PLEASE ATTACH YOUR ORGANISATIONAL STRUCTURE ALONG WITH MANPOWER DETAILS				
DETAILS OF PRODUCTS SUPPLIED TO OTHER CUSTOMERS				
SL.No.	CUSTOMER NAME	LOCATION	PRODUCT SUPPLIED	SHARE %
<p style="text-align: center;"><u>DECLARATION</u></p> <p>I / We hereby declare that all statements made in this application from for enlistment of Vendor are true, complete and correct to the best of my / our knowledge. In the event of any information being found false or incorrect , the enlistment and any Purchase Orders placed on our firm may be cancelled. I understand that the information will be used in the evaluation process to assess my organization’s suitability to be invited to supply goods or services to HBL’s requirement.</p> <p style="margin-top: 20px;">Seal of the Company</p> <p style="text-align: right; margin-right: 100px;">Signature & Date Name & Designation :</p> <p><u>Note</u> : 1. Any changes on the above information to be immediately conveyed to Purchase dept for further action.</p>				
Date : <u>For office use only</u>				
Name of the External Provider : M/s				
<u>Remarks</u> :				
Name of the Buyer: Signature:				

HBL[®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.4	A

Format no : HBL / PUR / EPEM / 02

External Name :	Provider		Audit Date :		I Audit / Periodic audit
External code :	Provider	Plant Location ---	HBL Rep : (Purchase / QA)		
External Provider Rep :			Organization constitution		Micro / Small / Medium
Material supplied :			Sales tax assessment order of last 3 yrs		Available / Not Available
Audit score (%)		Follow up audit --- Not Required / Required	IT assessment orders of last 3 yrs		Available / Not Available
Organization structure	Available / Not available		HBL account statement of last 3 yrs		Available / Not Available

(Enclose the evidence of financial reports).

S.No	DETAILS	HBL Assessment					Comments
		0	1	2	3	NA	
A	QUALITY SYSTEM						
1	Is there a established and documented system for maintaining quality management system (Quality objectives, procedures, documentation control etc) ?						
2	Is there periodic top management reviews to verify the effectiveness of the quality system?						
3	Are internal audits conducted and documented to verify the compliance of quality activities?						
4	Does the External Provider's procedure state that product / process / tooling / equipment / material changes are communicated and agreed upon by the customer before implementation of such change.						
5	Is the responsibility and authority of personnel, who manage, perform and verify work affecting quality, defined and documented?						
B	INCOMING MATERIAL CONTROL						
6	Inspection procedure / plan is available for incoming stage inspection ?						
7	Is sampling plan adopted ?						
8	Are all material and test specifications available ?						
9	Are the described tests and inspections actually performed as per specification ?						
10	Is acceptance / rejection criteria defined ?						
C	PROCESS CONTROL						
11	Is the workplace properly configured (adequate space, light, etc.) ?						
12	Are drawings / specifications available for production ?						
13	Is Process Flow diagram available ?						

14	Is Control Plan been developed / available ?								
15	Are Work Instructions available and displayed at work stations ?								
S.No	DETAILS	HBL Assessment					Comments		
		0	1	2	3	NA			
16	Does the Flow Diagram and Control Plan identify operations for receiving, storage, production, labeling, packing and dispatch ?								
17	Are appropriate statistical tools used and out of control points noted to take necessary corrective action ?								
18	Are all tools and gages available and properly identified ?								
19	Is the operator expected to initiate line stoppage when defective material results during production ?								
20	Are forms available to record inspection results ?								
21	Is there an acceptable lot traceability system ? Are records readily available ?								
22	Does the External Provider have a procedure for immediate production line stoppage in the event of producing non-conforming part / product ?								
23	Does packaging and material handling protect parts from damage ?								
24	Are unidentified or rejected materials / parts lying around in shop floor ?								
25	Is separate area identified for non-conforming / rejected materials ?								
26	Critical tooling (dies, molds, fixtures etc.)are verified prior to use and maintained appropriately ?								
D	IDENTIFICATION AND TRACEABILITY								
27	Are procedures and facilities for storage, release and control of material adequate ?								
28	How is the product identified throughout its manufacturing and delivery stages ?								
E	CALIBRATION (IMTE)								
29	Is there a master list of Inspection, Measuring and Test Equipment (IMTE) ?								
30	Is there a calibration plan for all IMTE ?								
31	Are the gauges / instruments / standards traceable to national / international standard ?								
32	When the laboratories are used for calibration services are they accredited ?								
33	Are the calibrations records maintained ?								
F	INSPECTION AND TEST STATUS								

34	Is first-piece inspection (setup approval) performed and documented to assure compliance to specifications prior to production run ?						
35	Are sample sizes and frequencies of inspections performed and as per quality plan and documented ?						
S.No	DETAILS	HBL Assessment					
		0	1	2	3	NA	Comments
G	STATISTICAL METHODS						
36	Are statistical techniques used to control KPCs / KCCs ?						
37	Is the statistical data summarized and acted upon for improvements to eliminate the causes of variation when stability and control is not demonstrated ?						
H	CONTROL OF NON-CONFORMING PRODUCT						
38	Does the External Provider have any system / instructions to isolate, identify and control all non-conforming material throughout the manufacturing process ?						
39	Are all quality problems (customer concerns, formal corrective action requests, warranty issues, etc.) tracked to determine where the system failed ?						
I	CORRECTIVE AND PREVENTIVE ACTION (CAPA)						
40	Is there a documented corrective action for all the non-conformances detected either in their facility or customer's facility ?						
41	Are the non-conformances handled effectively and resolved in a timely manner to prevent recurrence ?						
42	Are any problem solving techniques used ?						
J	TRAINING						
43	Are the employees trained in the operational and functional aspects of their assignments ? Are the records maintained ?						
44	Is the effectiveness of the training program periodically evaluated to assure it is capable of achieving stated objectives and requirements ?						
45	Does the company have trade experts for special or critical processes ?						
46	Is there any training plan for newly hired resource which is general and specific to the position ?						
K	PURCHASING						
47	Does your purchasing documents clearly contain the product or service specifications of the materials being ordered from your External Providers ?						
48	Is there an assessment and selection process for External Providers ? Is there an approved External Provider list ?						
49	Are External Providers evaluated and selected based on their ability to meet quality system, quality assurance and delivery requirements ?						

50	Is there a system to monitor delivery performance ?						
51	Are the quality records of your approved External Providers established and maintained ?						
52	Are on-site External Provider evaluations and / or audits conducted when appropriate ?						
53	Is there a corrective action process with your External Providers to determine root cause of non-conformances ? Is the effectiveness of the corrective action verified ?						
S.No	DETAILS	HBL Assessment					Comments
		0	1	2	3	NA	
L	MAINTENANCE						
54	Is there a plan for preventative maintenance on equipment ? Is it followed ?						
55	Is there a contingency plan established to meet failures such equipment, utilities, transportation, computer systems and procurement sources ?						
56	Is the plant layout clean, organized and well lighted with demonstrated evidence of 'good housekeeping' being practiced throughout the manufacturing process ?						
M	CUSTOMER SATISFACTION						
57	Is there a documented process for determining customer satisfaction, customer disruptions, field returns, delivery performance and customer notifications ?						
N	ENVIRONMENT MANAGEMENT SYSTEM						
58	Are any procedures established for handling hazardous materials viz., MSDS, Safety data sheets, Operational Control Procedures (OCPs) etc ?						
59	Are safety (PPE) precautions used during manufacturing of the product.						
60	Is TREM card system implemented for transporting hazardous material ?						
O	OCCUPATIONAL CONDUCT						
61	All the persons working in the organization must be above 18 yrs.						
62	Is the External Provider maintaining the statutory requirements like PF, ESI, OT etc.						
63	Is clean drinking water available at the site ?						
64	Are first aid boxes available at the site and are the persons aware of the basic knowledge about its use and location.						
65	Are the normal working hours limited to 8 hrs.						

Result : Approved / Not Approved - Re-audit necessary.

External Provider SIGNATURE : _____

NAME OF THE EXTERNAL PROVIDER

HBL AUDITOR SIGNATURE :

NAME OF THE AUDITOR

Additional comments (i.e. significant accomplishments and / or suggestions for improvements) : { Attach separate sheet, if required }

Note : External Provider Code of Conduct and Non-Disclosure Agreement - Signed / Not Signed

Audit Rating Scale : Good - 3, Satisfactory - 2, Poor - 1, Very Poor - 0, Not Applicable - NA	(Rating score - 0 & 1 - Action to be taken)
--	---

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.4	A

--


Date :

Audited by :

Name:

HBL [®]	Standard Operating System				
	Purchase-Battery Group	SOP	01	Rev.4	A

Format no : HBL / /PUR / EPED/ 03

	HBL Power Systems Limited HYDERABAD	Audit Date :
EXTERNAL PROVIDER EVALUATION FOR DEALER / TRADER / DISTRIBUTOR		
NAME AND ADDRESS :	
ESTD.YEAR (Month & Year)		
DEALER / TRADER / DISTRIBUTOR DETAILS		
CHIEF EXECUTIVE / PROPREITOR		
KEY CONTACT PERSON		
HBL account statement of last 3 yrs	Available / Not Available	IT assessment orders / returns of last 3 yrs
Enclose the evidence of financial reports.		Sales tax assessment order / returns of last 3 yrs
		Available / Not Available
		Available / Not Available
PRODUCTS COVERED UNDER DEALERSHIP / TRADE / DISTRIBUTORSHIP		
S.No.	DESCRIPTION	
NAME OF MANUFACTURER WHOSE PRODUCTS ARE SUPPLIED (Enclose authorization letter of respective OEM)		

**Standard Operating System**

Purchase-Battery Group

SOP

01

Rev.4

A

LOCATION OF THE MANUFACTURER			
S.No	DESCRIPTION (IF YES, PLEASE PROVIDED EVIDENCE) [Each question carries 1 mark, not applicable points must be unaccounted for scoring]	Score	Remarks
1.	IS YOUR PRODUCT / SYSTEM CERTIFIED UNDER NATIONAL / INTERNATIONAL STANDARDS		
	ISO 9001 - 2008 Y / N or any other certification ?		
2.	Is the customer PO acknowledged ?		
3.	Does the External Provider maintain customer records properly such as drawings, specifications etc ?		
4.	Has the External Provider got adequate facilities for communication ? (e-mail, phone, fax etc)		
5.	Is the customer delivery schedule complied ?		
6.	Is there a method to register customer complaint or any defect tracking method maintained ?		
7.	Does the External Provider maintain record of customer satisfaction ?		
8.	Are there appropriate analysis to determine root causes and corrective actions to prevent recurrence if delivery performance is not 100% to customer schedule ?		
9.	Can the External Provider maintain the minimum stock as per HBL's requirement ?		
10.	Does the External Provider hold a system to verify stock levels at any point of time ?		
11.	Does the External Provider undertake the inspection responsibility for the supplies made by him ?		
12.	Are rejection details communicated to the manufacturer to obtain corrective action and resolved in a timely manner by communicating to the customer ?		
13.	Is the product properly identified ?		
14.	Does the External Provider submit the test certificate for each consignment supplied ?		
15.	Does the External Provider have allocated area for rejected materials ?		



Standard Operating System

Purchase-Battery Group

SOP

01

Rev.4

A

16.	Has the External Provider have a record retention system for atleast one year ?		
17.	Does the External Provider have adequate provision for storage, protection and packaging of material being supplied to HBL ?		
18.	Is the External Provider capable of furnishing the documentation evidences for above mentioned points / requirements ?		
19.	Is the physical shop / plant layout capable of handling / storing increased production volumes without serious detriment to part quality ?		
20.	Is the External Provider's plant clean, organized and well lighted with demonstrated evidence of good housekeeping ?		
21.	All the persons working in the organization must be above 18 yrs.		
22.	Is the External Provider maintaining the statutory requirements like PF, ESI, OT etc.		
23.	Is clean drinking water available at the site ?		
24.	Are first aid boxes available at the site and are the persons aware of the basic knowledge about its use and location.		
25.	Are the normal working hours limited to 8 hrs.		

Qualifying score ----- 60%

TOTAL SCORE -----

SCORED % ---

Result : Approved / Not Approved --- Re-audit necessary.

Note : External Provider Code of Conduct and Non-Disclosure Agreement - Signed / Not Signed

EXTERNAL PROVIDER SIGNATURE

HBL AUDITOR SIGNATURE

NAME OF THE EXTERNAL PROVIER

NAME OF THE AUDITOR

(Attach annexures / separate sheet, as applicable)



Standard Operating System

Purchase-Battery Group

SOP

01

Rev.4

A

Format no : HBL / /PUR / EPESP/ 04



HBL Power Systems Limited

HYDERABAD

Audit Date :

EXTERNAL PROVIDER EVALUATION FOR SERVICE PROVIDER

NAME AND ADDRESS :

.....

.....

.....

.....

ESTD.YEAR (Month & Year)

SERVICE PROVIDER DETAILS

CHIEF EXECUTIVE / PROPREITOR

KEY CONTACT PERSON

HBL account statement of last 3 yrs

Available / Not Available

Service tax no / VAT no :

Available / Not Available

Enclose the evidence of financial reports.

Service tax assessment order / returns of last 3 yrs

Available / Not Available

SERVICES COVERED

S.No

DESCRIPTION

S.No	DESCRIPTION

**Standard Operating System****Purchase-Battery Group****SOP****01****Rev.4****A**

S.No	DESCRIPTION (IF YES, PLEASE PROVIDED EVIDENCE) [Each question carries 2 marks, not applicable points must be unaccounted for scoring]	Score	Remarks
1	Is the customer PO acknowledged ?		
2	Does the service provider maintain customer records properly such as drawings, specifications etc ?		
3	Has the service provider got adequate facilities for communication ? (e-mail, phone, fax etc)		
4	Is the customer delivery schedule complied ?		
5	Is there a method to register customer complaint or any defect tracking method maintained ?		
6	Does the service provider maintain record of customer satisfaction ?		
7	Does the External Provider undertake the inspection responsibility for the service provided by him ?		
8	Does the service provider submit the test certificate for the work executed ?		
9	Does the External Provider have adequate facilities for provision of service, (including temperature & humidity control where required) storage and protection of material being supplied to HBL ?		
10	Is the service workshop clean, organized and well lighted with demonstrated evidence of good housekeeping ?		
11	All the persons working in the organization must be above 18 yrs.		
12	Is the External Provider maintaining the statutory requirements like PF, ESI, OT etc.		
13	Is clean drinking water available at the site ?		
14	Are first aid boxes available at the site and are the persons aware of the basic knowledge about its use and location.		
15	Are the normal working hours limited to 8 hrs.		

Qualifying score ----- 60%**TOTAL SCORE -----**

SCORED % ---

Result : Approved / Not Approved --- Re-audit necessary. (Attach annexures / separate sheet for auditor's comment , if required)Note : External Provider Code of Conduct and Non-Disclosure Agreement - Signed / Not SignedEXTERNAL PROVIDER SIGNATURE
NAME OF THE EXTERNAL PROVIDERHBL AUDITOR SIGNATURE
NAME OF THE AUDITOR

