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National Fertilizers Limited
(A Government of India Undertaking)

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STORES Manual
2017

For Internal Circulation only

INDEX

LIST OF PERFORMA

National Fertilizers Limited
Corporate Office

PREAMBLE

National Fertilizers Limited is continuously striving for updating and implementing effective stores procedures that offer a high level of transparency, accountability and value for money.

Over a period of time, there have been changes in Government policies, in delegation of powers in the Company, changes in designations etc. Besides guidelines issued on procedures have undergone changes/amendments. Keeping in view the above changes the Store Manual has been reviewed and amended, which shall be applicable for the scope as defined hereunder.

In view of the accountability and responsibility during and subsequent to operation, it is necessary that the following points are kept in mind while deciding various matters:-

a) The delegations of powers to various officers impose commensurate responsibility and accountability.

b) In exercise of the delegated powers, the competent authority (ies) must observe all the laid down procedures and instructions.

c) An optimum inventory level helps in optimal utilization of working capital for various needs of production.

d) It should be borne in mind that all transactions are and will continue to be subject to close scrutiny and accordingly adequate records are maintained to avoid problems at a later date.

e) A constant review exercise is under taken for non-moving items with a view to determine surplus item/obsolete item.

f) The powers delegated to various officers in the Stores Manual shall be governed by prevalent Sub-delegation of Powers. For items, which are not specified in the Delegation of Powers, provisions contained in the relevant rules/stores Manual shall be followed. For items, which are specified in the Delegation of Powers, the same shall prevail upon powers defined in the Stores Manual.

The "Competent Authority" wherever mentioned in the guidelines refers to the approving authority as per Delegation of Powers.

Sd/-
(D. S. Ahuja)
DIRECTOR (TECHNICAL)

NATIONAL FERTILIZERS LIMITED

STORES MANUAL

1.0. STORES MANAGEMENT – IMPORTANCE: Store keeping activities play a very important role in Materials Management functions. It is in direct touch with the User department in its day-to-day activities. The most important purpose served by Stores is to provide uninterrupted service to the User Department and at the same time to keep optimum level of inventory. It has to be realized that stores means "money" and any saving effected in reducing inventory, its carrying cost and obsolescence will contribute in improving the profitability of the Company.

2.0. FUNCTIONS OF STORES:

2.01 The primary objective of Stores wing of Materials Management Deptt. is to serve the users, particularly, Production & Maintenance promptly. Apart from main functions of receiving, inspection, storing, issuing, it has also to take suitable steps for evolving methods and procedures for inventory control.

2.02 Stores also have to keep liaison with Purchase Deptt. as well as Finance Deptt. with regard to Stores Accounting, physical stock verification, disposal of scrap and surplus materials, lodging of formal claims on the under- writers/carriers, etc.

3.0. RECEIVING MATERIAL–GOODS INWARD REGISTER (GIR)

3.01 The Receipt and Inspection Section of Stores Wing shall be responsible for Railway Receipts / Goods Receipt /Advance Despatch documents. These documents shall be kept systematically to facilitate linking at the time of receipt of materials in Stores.

3.02 The Railway Receipt/Goods Receipt shall be entered serially in the Goods Inwards Register meant for the purpose maintained manually or on computer as the case may be. The register shall record the information contained on the consignment Notes and other related information. All documents relating to the consignment shall bear the GIR number, which shall serve the purpose of control for subsequent linking. Proforma of the Goods Inward Register (GIR) is placed at **Format S-1**.

3.03 F&A Department shall retire the documents from the bank only when the supplier has made the dispatches as per terms of PO and submitted all the relevant certificates mentioned in the

P.O. In case of urgency, waiver from submission of left over documents may be got approved by Purchase Department from Competent Authority for submission to F&A Department. While sending RR/GR to Stores, F&A will send all the Certificates and literature along with the Bill/Challan to the Stores Department. Purchase Section shall also forward copies of despatch documents received to Stores Section which are required at the time of inspection of material.

3.04 Whenever advance intimation for dispatch of material is received by the Stores, these shall be kept alphabetically in a separate folder in the Receipt Section and shall be linked with the RR/GR as soon as these are received in the Stores Deptt. At the end of the month, in case there are any dispatches pending over a month, advance intimation for which GRs / RRs have not been received, a list of such advance intimation shall be prepared and sent to the F&A Department for declaration in Transit Insurance Policy.

Necessary checks shall also be made by Stores so as to ensure that there is no double declaration of Insurance of any consignment.

4.0. CLEARANCE, UNLOADING & SHIFTING OF MATERIAL

4.01 The work of clearance, unloading and shifting of material from Railways, Transport Companies and Railway Siding shall be arranged through material handling Contractor. Arrangement for payment of freight to Carriers shall be made by the Stores Wing of Materials Deptt. through the Finance Deptt. by a system of Credit Notes/Cheques for Railways and Cash/Cheque for Transport Companies.

4.02 The material handling and clearance Contract shall be arranged by the Stores Wing of Materials Deptt. The contract shall lay down detailed rates for all operations, items of work and commodities to ensure smooth conduct of the Contract.

4.03 All Consignment Notes, such as RR/GR, shall be handed over to the Material Handling Contractor immediately on receipt and after recording in GIR. The contractor shall collect the documents against signatures and take delivery of the materials from Carriers on the same day and/or as per Contract.

4.04 Wherever the goods have arrived with the Carriers and the RR/GR is not available and the consignment is consigned to NFL, the contractor shall arrange to take delivery against Indemnity Bond. Any wharf age/demurrage caused due to negligence of the Contractor shall be expeditiously recovered from the Contractor. In case of consignments booked to 'self' the Contractor shall intimate to Stores about their receipt at the carriers so that documents could be arranged (suitable clause for this to be incorporated in NIT/Work Order for material handling and clearances contracts).

4.05 Wherever any Material including the returnable material is brought inside the factory premises, the necessary entries should be got done at the CISF Gate by the person bringing that material. Such entries should be ensured even in case the material is personally delivered by the representative of the supplier or collected by the representative of the Materials Department or Handling Contractor.

The list containing following details be provided at CISF Gate for their records:

RR / GR No.	Supplier's name	Brief description of item	No. of Packages

In case material is bought under Local Purchase-cum-Receipt Voucher (LPV), the following details be provided at CISF Gate for their records.

Invoice No. and date	Supplier's name	Brief description of item

The materials shall be handed over to the concerned dealing official in the Receipt Section. In case handing over of the material is through Handling Contractor, the delivery challan in **Form S-2** should be prepared.

4.06 The Contractor shall inspect the consignments before removal from Carriers to ensure that there is no apparent tampering, pilferage and/ or damage. Wherever loss is suspected, the contractor shall immediately apply for open delivery and obtain the same after associating representative of Stores Deptt., if considered necessary. The open delivery certificate obtained in such cases shall be attached and submitted along with Delivery Challan.

5.0. CHECK LIST FOR TAKING CONSIGNMENT ON CHARGE:

5.01 The Officer In charge of Receipt and Inspection Section shall carry out the following check before taking the consignment on charge:

i. Whether the consignment is as per the description/details on RR/GR.

ii. Whether these are consigned to NFL and marks to that effect appear on the packages.

iii. Whether the packages are sound, if not, whether open delivery has been obtained.

iv. Whether the number of packages handed over is correct.

v. Whether open delivery certificate, if applicable, has been attached.

NOTE: In case the Contractor has failed to take open delivery and the consignment is in externally damaged condition, open delivery shall be taken from the Handling Contractor by the Receipt Section and suitable remarks to this effect endorsed on the Delivery Challan.

6.0. GOODS INWARD RECEIPT / PACKAGE OPENING & STORAGE IN RECEIPT SECTION:

6.01 On receipt of Delivery Challan, which shall also bear GIR Control number, relevant documents including Purchase Orders shall be taken out for preparation of Material Inspection Report (MIR) and Stores Receipt Voucher (SRV).

6.02 Package opening will be done through Material Handling Contractor.

6.03 Contents of packages will be compared with Invoice / Challan. In case of shortages / damages from sound package, claim will be lodged on Insurance Company, Carriers & Suppliers. Packages will be retained for survey by Insurance Surveyor, if necessary. Gross / Net weight of consignment will be intimated to the supplier in case of shortages from the sound package.

6.04 Items will be stored properly with location marked on the Material Handling Contractor's challan. Items susceptible to pilferage like bearings, tools, electrical items etc., will be kept under lock and key. Voluminous / heavy items shall be directly unloaded in the custody section where these are to be subsequently stored.

6.05 For consignments valuing Rs. 15.0 lacs and above, Insurance Surveyor shall be associated at the time of opening of packages in the Receipt Section of Stores Department and a joint report shall be prepared along with Stores Officer with all details specifically w.r.t. shortages, damages etc. if any. F&A Department shall take care of this aspect while taking Insurance Policy.

7.0. INSPECTION OF STORES & MATERIAL INSPECTION REPORT

7.01 Inspection Note shall be prepared in 6 copies on the MIR-cum-SRV Performa annexed **at S-3.** Stores Wing shall be responsible for carrying out preliminary checks to determine shortages and breakages, if any. These shortages and breakages shall be recorded on the inspection note before releasing the same.

7.02 Depending upon the nature of discrepancy, the Insurance Company shall be immediately informed by Stores and the package shall be preserved for survey, if necessary, as per Claims procedures and Insurance Policy.

7.03 MIR-cum-SRV shall be a numbered document and a Central Register (manual or computerized) for the same shall be maintained in the **Format S-4.** This register shall enable the department to ensure accounting of all consignments received in Stores.

7.04 The indenter shall be informed immediately for carrying out the inspection of the material as soon as received in Stores. The inspection of material shall be carried out by the representative of Indenting dept. / Stores dept. The level of Officers carrying out the inspection shall depend on the value of the material covered by the MIR and shall be as under:

Sr. No.	VALUE OF MIR	LEVEL OF INSPECTING OFFICER
1.	*Upto Rs. 2.00 lacs*	*Asstt. Mgr.*
2.	*Above Rs. 2.00 lac to Rs. 5.00 lacs*	*Dy.Mgr./Mgr*
3.	*Above Rs. 5.00 lacs to Rs. 10.00 lacs*	*Sr. Manager*
4.	*Above Rs. 10.00 lacs*	*Chief Manager & Above*

In case of supplies of coal from M/s CIL, Natural gas from M/s IOC / GAIL, supplies of lubes, petrol / diesel from M/s IOC, no inspection is required and these SRV's shall be approved and authorized by Asst. / Dy. Mgr. (Materials) – Stores.

7.05 Inspecting Officer shall comment on the following aspects:

i. Whether the material is as per ordered specifications and approved sample or not.

ii. If not, whether the material can be accepted after minor repairs/modifications? If so, the estimated expenditure shall be mentioned.

iii. In the event of shortage or damage, the indenter while accepting the material shall record the cost of shortages and damages as per his estimates.

iv. Mode of storage and special precautions, if any.

v. If the item has been procured for a special application, the same should be recorded on MIR.

vi. Materials, which cannot be utilized as above, shall be straightway rejected and clear remarks shall be offered. Remarks like "Not as per specifications/sample" should be avoided.

7.06 Where rejection is due to minor deviation / damage and material can be put to use with repairs / modifications etc., the material may be accepted with suitable recoveries / discount. No amendment to PO will be required. However, Suppliers consent may be obtained to avoid further dispute. This option should be exercised only with the approval of user HOD.

The monetary limit for minor deviation / damage shall be 10% value of the rejected item per no. or Rs. 2500/- whichever is lower.

7.07 Once material is rejected by any Officer, it can be accepted by next higher authority only by recording / giving the detailed reasons, except in case of replacement of material by supplier.

Time period limit of 6 months from the date of rejection may be given to supplier for replacement otherwise action shall be taken as per purchase order.

7.08 In case any material remains under inspection after ten days of MIR, list of all such material shall be prepared by the Receipt Section and sent to the concerned departmental head requesting him to arrange for expediting inspection of the Stores. Monthly statement of such cases shall also be submitted to Unit Head indicating the items where inspection has not been done even after a period of thirty days from the date of MIR.

8.0. DISCREPANCIES AND CLAIMS:

8.01 The discrepancies shall be intimated to supplier immediately after inspection and not later than two weeks after receipt of material in Stores.

8.02 The discrepancies shall be notified to the Suppliers by Stores Wing in OSRD Form representing over/short/reject/damage, Performa annexed at **S-5,** with copy to Purchase/Finance/and Indenter.

8.03 For losses/damages caused during transit, Insurance Company shall also be intimated by endorsing OSRD Performa copy, specifically stating that a formal claim is to be registered. This will be done only in cases where transit risk is to NFL account.

8.04 Wherever an open delivery certificate has been obtained, a claim on carriers shall also be lodged simultaneously through "Regd. AD" letters.

8.05 In the case of shortages from sound packages, a claim on carriers and supplier shall also be lodged under Regd. AD, as the possibility of skilful pilferage during transit cannot be ruled out.

8.06 The procedure for lodging & follow up for insurance claim as authorised in F&A Deptt. Circular No. 165 dated 26.09.1980 as amended from time to time will be adhered by all concerned.

8.07 No claim shall be preferred on carriers if the monetary value of loss is less than Rs. 2000/- subject to provision in insurance policy with underwriters. For this amount no separate write-off approval shall be required to be taken. This monetary limit shall also be required to be suitably taken care in the terms of Company's Insurance Policy with the Underwriters.

8.08 All claims are required to be lodged on Railways within 6 months from the date of RR. Hence to avoid getting a claim time-barred a formal claim be lodged in case of non-deliveries within a period of 3 months in case of despatch by Goods Train, 2 months in case of parcel or road carriers. Period shall be counted from the date of RR/GR. Similarly in the case of damages and shortages where the assessment has been delayed or not completed by the Railways within a period of 4 months from the date of RR, a formal claim must be lodged for total loss/value. Such claims can be subsequently modified or withdrawn, if no shortage or loss is ultimately found.

8.09 Where consignment has been dispatched and advance intimation is received but GR / RR has not been received, Non-delivery claim on Carrier and Underwriter is to be lodged on the same line as per Para 8.07 to avoid Time Barring of claim and to protect right of recovery of Underwriters.

8.10 When a claim is withdrawn, Stores Department shall indicate SRV number for stock charging the material in the copy of claim withdrawal letter endorsed to Finance & Accounts Department.

9.0. STOCK CHARGING OF ACCEPTED MATERIAL;

9.01 The Receipt & Inspection Section of Stores shall attach the "Item identification tag" to the item.

9.02 The MIR-cum-SRV shall be completed with material code number for all items as well as their units of measurements. To eliminate amendments to SRV and to avoid errors in processing of SRVs on the Computer, the material code and unit of Measurement shall be got checked from Issue Section of Stores wing.

9.03 Stock charging of material received after repair from outside parties shall be as per procedure given in para 12.05.

10.0. CHECKS BEFORE RELEASE OF SRV

10.01 Whether all the items have been inspected by the Inspector and remarks have been given against each?

10.02 Whether the rejected material has been covered by an OSRD and whether details of OSRD appear on the SRV to enable Finance Department to recover the cost from Party's bill.

10.03 Whether claim on Insurance Company/Carriers has been lodged and control number / discrepancy remarks appears on SRV or not.

10.04 Whether various formalities under claim procedure such as internal/external survey have been completed.

10.05 After the material has been accepted and checked as above, SRV no. shall be allotted by Receipt & Inspection Section and the documents shall be released as under:-

i. First copy to Finance Department (Purchase Accounts Branch).

ii. Second copy to Finance Deptt. (Stores Accounts Branch).

iii. Third copy to Issue Section of stores.

iv. Fourth copy to Indenter.

v. Fifth copy to Purchase wing of Materials Deptt.

vi. Sixth copy along with other receipt documents shall be retained in Receipt and Inspection Section of Stores

Note: The first 2 copies of SRV shall be sent to F&A Department immediately and the third copy shall be sent to custody along with material.

11.0. DISPOSAL/STORAGE OF REJECTED GOODS

11.01 Care shall be exercised in dealing with goods rejected after inspection. If disposal instructions of the rejected goods (for which advance payment has not been made) are not received from the suppliers even after two reminders, a third and final registered reminder may be sent and if no reply is received within 21 days of the despatch of registered letter, the material may be shifted to scrap yard. This clause shall also be suitably incorporated in Purchase Orders.

11.02 In case advance has been paid to the Supplier against material which has been rejected, the material will not be returned to the Supplier unless the same is replaced or advance together with freight and other expenditure incurred by NFL is refunded. Action for replacement/refund of advance, etc. shall be initiated immediately on rejection of material by the Purchase Department.

11.03 Till such time the dues from suppliers are recovered, the rejected material shall be stored with following information:

Sr. No.	OSRD No.	Supplier's Name	Item	Location

An "Item Identification Tag" giving the above information along with the serial number of the relevant entry shall be attached to the item for facilitating identification and location.

11.04 The parties shall be continuously reminded to replace the rejected goods. Wherever it is felt by the Materials Department that the party shall not be in a position to make replacement within a reasonable time, alternative action for procurement from other source shall be initiated as per Purchase Procedure, on the basis of the same MI. A specific communication to this effect shall be sent by the Indenter to the Purchase Department

11.05 If the party has already taken 100% advance payment through Bank and is not replying in spite of repetitive reminders, the possibilities of in-house rectification/repair of items should be explored and the material should be put to use/alternate use and the case should be processed further for approval of HOD for the in-house rectification/repair charges. Suitable action shall be taken against such Suppliers.

11.06 Protracted correspondence with suppliers for replacements or refunds is a costly proposition. In case a supplier does not respond even after three reminders, the shortages, losses or recoveries up to Rs. 1500/- may be ignored with approval of HOD of Materials. However, the Purchase Wing shall be suitably informed so that an adverse entry is made in the supplier's records. Charges on account of freight, forwarding and postage, etc not exceeding Rs. 1000/- if not recoverable may be ignored.

11.07 All cases, in which the claim amount exceeds Rs. 1500/- each case and warrants write-off for any reasons, the same shall be referred to competent authority for write off as per Delegation of Powers.

11.08 In case the rejected material is required to be sent to the party for repair / modification and the party is not in a position to give refund / BG / replacement, the same may be sent to the parties work after obtaining necessary approval of Chief Manager (Materials) / DGM up to value of Rs. 50,000/-. Above this value approval of Unit Head shall be required. In such cases on the recommendations of materials department, Indemnity Bond / Corporate Guarantee should be obtained from the party.

11.09 In case of rejected imported items, which are required to be exported for repairs / rectification to the supplier, necessary formalities regarding RBI/Bankers clearance etc. will be arranged by Corporate Office on request from the concerned Unit. After all the formalities are completed, the consignment will be despatched by the concerned unit to Corporate Office/ Clearing Agents at Delhi/Mumbai for onward export to the supplier.

12.0. DESPATCH OF GOODS TO OUTSIDE PARTIES

12.01 All goods, including rejected material, to be sent to any place outside the Unit shall be despatched by Stores Wing of Materials Deptt., who shall arrange suitable packing for despatch of such consignments and despatch the same to the consignee as per requirement. In case the despatch is arranged through contractor, the contractor shall be clearly advised on mode of despatch and freight terms. Further memoranda record shall be maintained for such item in the prescribed performa as per **Annexure –V and VI**.

12.02 Whenever the Company's interest warrants, and where documents for return of rejected/excess material are negotiated through bank for recovery of advance and other dues, the material sent outside shall be duly insured.

12.03 Any Department desirous of having any material despatched outside shall hand over the same to Stores along with despatch instructions clearly stating the address of the consignee. Station to be consigned to, mode of despatch, freight liability and insurance arrangements, if required. The value of goods for insurance purposes may also be given.

12.04 Final packing (Lid closing/Bundle sealing) shall be done in the presence of CISF representative who will also sign on Gate Pass.

12.05 Whenever any material is required to be sent to outside agency for repair against work order, for estimate etc. other than cases of rejection, the following procedure shall be followed:

i. Concerned department will try to obtain Bank Guarantee for equivalent value of material from vendor. In case they do not agree for Bank Guarantee, Indemnity Bond should be obtained to safe guard interest of NFL.

ii. Whenever, it is not possible to obtain such Bank Guarantee / Indemnity Bond, the concerned department shall obtain necessary approval from not below DGM giving proper justification for its waiver.

iii. Pre-dispatch survey, transit insurance, insurance cover for storage at parties work shall also be arranged by Stores dept. as per Insurance Policy before dispatch of material. In case of any delay in return of material, the extension of Insurance cover will be suitably obtained.

iv. In Receipt Section of Stores two types of Out Ward Despatch Registers (OD Register) should be maintained (i) for Returnable Material (ii) for Non-Returnable Material.

v. Material to be sent for Repairs/Estimate, Returnable Loan Issue, Free Issue Material etc. are to be recorded in returnable O.D. Register.

vi. Inter Unit Transfer, return of rejected Material, Rejected Sample against NIT's, Party's cylinders, contractors material etc. are to be recorded in Non-Returnable OD Register.

vii. Material Return Voucher (MRV)/External Issue Voucher (EIV) is required to be prepared only for such items which are required to be stock charged after repairs, SIV reference, % age value before repair work order No. etc. should be mentioned on MRV where Old SIV No is not available, reason thereof should be recorded and value in lump sum before repair should be given.

viii. On receipt of material after repair, MIR No. will be recorded against respective Out ward Despatch Sr. Number CRV should be prepared and all reference like EIV No., W.O. No. etc. should be recorded on it for the purpose of valuation by Accounts Deptt.

ix. For non-returnable materials, Challan should be prepared; MRV/External Issue Voucher is not required to be prepared. But in case of inter-unit transfer of material, which is in inventory or a codified item, MRV / EIV is required to be prepared.

x. In case any material is required to be sent to overseas parties for repairs/replacements necessary formalities regarding RBI / Banker's approval (GR form etc.) will be arranged by Corporate Office on receipt of application from concerned unit along with all the documents as per requirements.

xi. After completing all the formalities to meet the requirement of Custom Authorities and arranging pre-despatch survey / Transit Insurance Cover as per Insurance policy, the consignment will be despatched by Stores Department to Corporate Office / Custom House Agent (CHA) Godown for onward export to supplier.

xii. It should be ensured that duty is deposited only on repair cost, insurance and freight and not on original value of material exported for repair.

xiii. Materials Department, Corporate Office shall also arrange for lodging necessary claim for duty drawback on the custom authorities for export cases wherever it is applicable so that Custom Duty for initial import can be refunded and double payment of Custom duty at the time of replacement import is avoided.

xiv. For inter-unit transfer, the consignor unit will arrange transit insurance on behalf of consignee. Pre-despatch survey, if required, shall be arranged by the consigner as per Insurance Policy. However, expenditure incurred on this account will be debited to consignee unit along with cost of material. Consignor unit shall despatch materials on TBB basis & freight charges will be debited to consignee unit. Consignor Unit shall despatch inspected and accepted material to other unit and same shall be accepted.

13.0. WORKING NORMS IN RECEIPT & INSPECTION ACTIVITY

13.01 As stated in the preceding paragraphs, the Receipt & Inspection Section shall ensure that:

i. Only material passing the specifications set out in the purchase order are accepted.

ii. All the stages involved in warehousing are speedily covered to ensure that the inventory in transit is kept to the barest minimum;

iii. All claims etc. are speedily and efficiently handled so that financial interest of the Company is adequately safeguarded.

iv. To meet these objectives and to ensure speedy payments to the Suppliers, the Head of the Stores Wing shall ensure that the residence time of materials in the receipt and inspection Section shall not exceed 10 days, break-up of which is as under:

a.	Unpacking & initial checking	-2 days
b.	Inspection of Materials (subject to availability of all documents required for inspection)	-5 days
c.	Preparation & Checking of material	-2 days
d.	Sending SRV to Accounts for payment	-1 days
	Total	**-10 days**

14.0. RECEIPT & INSPECTION OF BULK MATERIALS AND OXYGEN & DA GASES

14.01 The following bulk materials are consumed in various plants of NFL:

i. Coal.

ii. Packing material – HDPE bags.

iii. HSD/Petrol.

iv. Bulk Chemicals

The procedure for receipt, inspection, physical accounting and issue shall be as under:-

14.02 COAL

i. Coal shall be received both in open and covered wagons. Coal rakes shall be handed over by the Railways to Traffic Department at the interchange yard.

ii. Traffic Department, after carrying out the usual checks, shall place the rakes at unloading points.

iii. Traffic department shall prepare placement report in triplicate on Performa S-6 and sent two copies to Production Deptt. duly numbered. Production Deptt. after necessary checks and with their remarks, if any, forward one copy to Stores Section for further necessary action.

iv. The unloading of wagons by tippler or manual labour shall be arranged by Production Department. In case any abnormality is observed like incidence of oversize materials, stones etc., the same shall be conveyed expeditiously to Stores section along with Wagon Nos. and details of the rake, so that case can be suitably taken up with supplier.

v. The wagons and contents shall be checked and weighed wherever possible by the Production Deptt. before commencement of unloading.

vi. After unloading the Production department shall intimate the details of the wagons unloaded to the Stores, along with any other information found necessary, through a copy of format S-6.

vii. Production Deptt. shall carry out the quality checks as per contracted specifications. Sampling/Analysis shall be done as per prevalent procedure/FSA with Coal companies.

viii. On receipt of details of material unloaded, Stores wing shall connect the wagons with the relevant despatch documents such as RR, Invoice etc. and raise Stores Receipt Vouchers.

ix. For wagons whose details are not traceable in despatch documents (unlinked wagons) a separate register designated as register for Unlinked Wagons shall be maintained or the same shall be maintained on computer. If such wagons do not get connected with relevant documents within a reasonable time say 1 month, the same shall be taken on stock; by raising Stores Receipt Vouchers on the basis of carrying capacity and margin.

x. For missing wagons Railway Claims shall be lodged within 2 months. A separate register for missing wagons shall be maintained with suitable control number.

xi. SRVs for coal shall be raised on the basis of actual weight on the Railway Receipts. This is so because coal is mainly transported in wagons under " owner's risk" making recovery of transit losses impossible. However, transit losses shall be determined, at the end of the year and accounted for in terms of prevailing norms for variations.

xii. A monthly issue note representing consumption during the month shall be sent to Stores on the 1st day of the following month for posting.

xiii. Claims for missing wagons of coal are normally settled by Railways by offsetting with diverted wagons received by units of equivalent carrying capacity. Such reconciliation shall be carried out monthly and as early as possible. Necessary adjustments as a result of withdrawal of claims and regularization of diverted supply shall be promptly carried out. In situations where this is not feasible, Railways shall be persuaded to refund the cost as per normal claims procedure. Formal claims in any case for missing wagons must be lodged by traffic wing within 2 months of the receipt of RR/. Monetary claims shall be raised by Finance Deptt. on the basis of the copy of formal claim lodged by the Traffic Wing of Materials Deptt.

14.03 FURNACE OIL/LSHS/HPS/NAPHTHA

The procedure for receipt, unloading and documentation in respect of furnace oil/LSHS/HPS/Naphtha shall be the same as applicable to coal with the following additions:-

i. The seals of all wagons shall be checked by Traffic dept. and if any seal is tampered with and shortage is suspected, this may be brought to the notice of Railways immediately in writing and suitable certificate obtained.

Whenever the tampered seal wagons are short filled, dips may also be taken by Material handling/Production Deptt. jointly with Traffic Deptt. and shortages if any recorded. The shortages however, shall be calculated on the basis of initial and final dips of storage tanks. Empty wagons, if any, shall be intimated to Traffic/Stores for recovery of in fructuous freight from the supplier.

ii. SRVs for Furnace Oil and HPS shall be raised on the basis of invoiced/'AR-3A' quantities unless shortages are noticed by Production Department and conveyed to Materials Deptt.

iii. For unlinked oil wagons SRVs shall be raised in the same manner as in case of coal after decanting. Efforts shall simultaneously be made to obtain related documents. It shall be ensured that such wagons do not relate to past dispatches appearing in outstanding wagons register.

iv. A monthly issue note representing consumption during the month shall be prepared by Production Deptt. and sent to Stores on 1st day of the following month.

v. Details of missing / unlinked wagons shall be sent to sister units for further linking, if any.

14.04.1 PACKING MATERIAL (BAGS)

A. Procedure for sampling, inspection and testing of consignments of HDPE Bags shall be as below:

A-1 On receiving a consignment of HDPE bags, Chief Manager (Materials)/DGM (Materials)/GM (Materials) shall inform the Unit Head and request him to nominate a sampling committee. The Unit Head (or in his absence, GM/DGM-in-charge) shall constitute a Sampling Committee, which will consist of one representative each from departments of Production/Mechanical/ Electrical, Materials/F&A/P&A and Laboratory. Members of the Committee shall be changed on day-to-day basis.

A-2 Unit Head shall also nominate an Officer of the rank of Manager (or above), who shall work as on Over-viewer. The Over-viewer shall oversee all the sampling and testing operations by the Committee. Unit Head may prepare a checklist for the over-viewer. He shall record each step of the procedure in the checklist, which has been followed by the committee. The Over-viewer shall prepare an independent report and submit it to the Unit Head.

<u>A-3</u> Store-in-charge shall inform the individual members of the Sampling Committee, and the Over-viewer, who have been approved by Unit Head for the day.

<u>A-4</u> Sampling Committee shall see the Invoice of Supplier and note the number of bales and bags supplied in the consignment.

Consignments of Bags are generally received by trucks. Each consignment by truck contains about 140 bales and 500 bags in each bale. Unit has to normally sample and test this size of consignments. Considering this size of the consignments, the actual number of bales/ bags to be sampled/tested has been mentioned in the following procedures.

<u>A-5</u> Sampling Committee shall count the number of bales actually received in the consignment. Committee shall take out 12 bales during the unloading of truck, on random basis.

The required number of bales to be sampled shall depend upon the number of bales in the consignment and the same shall be guided by the following Table:

TABLE 2 SAMPLE SIZE AND CRITERIA FOR CONFORMITY

No. of HDPE Sacks in a Lot	No. of Bales to be sampled	Sample size for visual & Dimensional & Mesh requirements.	Sample size for Breaking load of fabric & seam	No. of bags sample/s to be tested for Ash content
(1)	(2)	(3)	(4)	(5)
Up to 25000	3	12	8	1
25001 to 50000	5	20	10	2
50001 to 100000	8	32	13	3
100001 to 250000	12	48	18	4
NOTE— If the number of the bales in a consignment exceeds 500, the same shall be split into number of lots each comprising maximum of 500 bales (1 Bale = 500 sacks).				

Note: - The above table is for bales having 500 sacks each.

A-6 Each sample bale shall be counted for the number of bags. (There should normally be 500 bags in each bale). The average number of bags in the sampled bales, multiplied by the number of bales counted in the consignment, shall be taken as the total number of bags received in the consignment.

A-7 Committee shall randomly take out required number of bags (200 bags) from the sampled bales and make four equal Sample Lots (of 48 bags in each Sample Lot). The bag should be taken out in the most random manner and should be truly representative. Sampling of bags is a crucial activity and, therefore, Committee should exercise its due diligence. Committee may require assistance of labour for sampling of bags but should see that Committee's instructions are strictly followed i.e. chances of pre-determined or identified bags only taken out as sample to be totally eliminated. The Committee shall be fully responsible for any lapses detected at later stage.

(The required number of bags in the sample lot shall depend upon the number of bales in the consignment and the same shall be guided by the Table of sample size and criteria for conformity, given at Sr. No. A-5 above).

A-8 Sample Lot-1 and Lot-2 shall be used for initial visual inspection, dimensional and weight measurements by the Sampling Committee and strength testing by the Unit Laboratory. The Sample Lot-2 shall be inspected/ tested only in case of failure of Sample Lot-1 and only those parameters shall be inspected/tested in which the Sample Lot-1 has failed. Sample Lot-2, Lot-3 and Lot-4 shall be sealed in separate wrappers. The Consignment Number, Sample Lot No. and Date of Sampling will be mentioned on the wrapper. The sealed lots shall be kept at a safe place in the custody of Production Department. Before sealing in the wrappers, the first and the last bag of the Sample Lot-2, Lot-3 and Lot-4 shall be signed by all members of the Committee. However, if the Lot-2/Lot-3/Lot-4 is required to be taken out for re-testing by consignee's unit Laboratory (in case of Lot-2) and by consignee's sister unit's lab (in case of Lot-3) on the request of supplier, all the bags of the lot shall be signed by all members of the Committee deputed for the day when the lot is taken out for re-testing. Sample Lot-3 shall be used for re-testing in case re-testing is asked for by the supplier in consignee's sister unit's lab.

If the supplied lot has been accepted, this Sample lot can be taken out for consumption. If the supplied lot has been 'rejected', the Sample Lot-3 shall be retained for a period of 15 days to give time to supplier for re-testing. If within 10 days of issue of notice to the Supplier, he has not asked for re-testing, the lot shall be placed with the rejected lot. If the supplier is ready to lift the rejected supply even earlier than 15 days, the Sample Lot-3 may be placed with the rejected lot.

The Sample Lot-4 is a Referee/Umpire sample, which shall be retained for a period of three months. After expiry of three months, the lot can be taken out for consumption and shall be taken as consumed and not counted in the rupture report. In case the supplied lot is rejected, the sample lot-4 shall be placed with the rejected lot as soon as the supplier is ready to lift the rejected supply or after three months, which is earlier.

In case of failure of sample Lot-1 as well as Lot-2, the parameters in which Sample Lot-1 failed shall form the basis of rejection. Supplier can be allowed re-testing by consignee's sister unit's lab for the Supply Lot rejected by the consignee unit lab Unit if he is not satisfied with the testing and raises a dispute. Sample Lot-3 shall then be sent to the consignee's sister unit's lab and the results shall be binding on both parties.

The supplier shall bear the retesting charges (specified in NIT) irrespective whether the consignment fails/ passes on retesting by consignee's sister unit's lab.

Parameters under disputes are only to be referred for re-testing.

Retesting of sample lot 3 (SL-3) if needed, shall be done on rotation basis at any of the sister unit's lab (other than the consignee lab). e.g. in case of retesting of sample lot 3 pertaining to Vijaipur unit (consignee unit), the said sample lot 3 may be sent to any of the Panipat/ Bathinda/Nangal unit at first instance after receipt of party's request along with requisite testing charges as per NIT. In case, first rejected lot of Vijaipur Unit is sent to Panipat Unit for retesting on subsequently rejection is sent to Bathinda Unit, then SL-3 of next rejected lot of Vijaipur be sent to Nangal Unit. The process may be repeated for subsequent retesting of rejected lots. The testing will be done in presence of party's representative. Procedure for inspection and testing sample lot No. 3 (SL-3) of HDPE bags through Bag testing Committee shall remain same as per existing practice laid down in NIT.

The retesting of sample lot No.3 (SL-3) of Consignee Unit may be done in existing testing machine of consignee's sister unit presently. However after commissioning of digital bag testing machine, SL-3 may be retested on new digital machine.

The procedure for formation of Committee for retesting will remain the same as for sampling, inspection and testing of consignment of HDPE bags as per existing system.

During testing of sample lot no. 2 (SL-2), vigilance department may be informed for witnessing the testing, if desired by them. However during testing of 3rd sample (SL-3), the representative of vigilance department may be requested to be present so as to increase transparency during testing.

<u>A-9</u> Committee shall randomly take out 18 bags out of lot of 48 bags of sample lot for inspection and strength testing in laboratory.

<u>A-10</u> Each of the 18 bags shall be marked with the Consignment Number.

<u>A-11</u> Criteria of conformity of acceptance and rejection shall be governed by weight & other parameters as per relevant clause of NIT.

<u>A-12</u> Committee shall carry out the visual inspection of all the 48 bags of sample lot-1. The visual inspection means the general appearance, quality of printing and number of stitches in the bottom seam. Bags should meet the quality of branding and stitching as provided in the NIT. General appearance should meet the approval of the committee otherwise party shall be advised to improve this aspect in subsequent supplies.

<u>A-13</u> Committee shall further carry out the mesh, dimensional and weight measurement of all the 48 bags in the laboratory.

In case of visual, dimensional and mesh the lot shall be considered as conforming to the requirement if the number of defective sacks is up to 10% of the sample size after rounding off the fraction to next higher integer.

<u>A-14 (a)</u>

Strength testing of 18 bags, marked by the committee, shall be taken up in laboratory in presence of committee.

A-14(b)

<u>Ash Content Limit:</u>

Maximum limit of Ash Content allowed is 6%. In case test result exceeds Ash Content limit of 6%, the lot shall be rejected.

Testing will be done as per IS 13360 part 8/section. 82004. The samples shall be taken from the available samples drawn for mechanical parameter testing as mentioned under clause no. A-5.

<u>A-15</u> The consignment shall be treated as meeting the conformity requirements, if following conditions are met:-

(a) Maximum limit of Ash Content allowed is 6%. In case test result exceeds Ash Content limit of 6%, the lot shall be rejected as stated at clause no. A-14(b) above.

(b) The number of defective sacks in case of visual& Mesh requirements is up to 10% of the sample size after rounding off the fraction to next higher integer.

(c)

(i) None of the individual sample sack has width wise breaking strength below 90% of the specified value and also the average breaking load of fabric width wise for sample lot is not less than the value specified in Table – I.

(ii) None of the individual sample sack has lengthwise breaking strength below 90% of the specified value and also the average breaking load of fabric lengthwise for sample lot is not less than the value specified in Table – I.

(iii) None of the individual sample sack has widthwise lamination joint breaking strength below 90% of the specified value and also the average breaking load of fabric widthwise lamination joint for sample lot is not less than the value specified in Table – I.

(iv) None of the individual sample sack has bottom seam breaking strength below 90% of the specified value and also the average bottom seam breaking strength of sample lot is not less than the value specified in Table-I.

(d)

(i) The number of defective sacks having dimensions below and/or over the specified value after allowing the tolerance is upto 10% of sample size after rounding off the fraction to next higher integer and

(ii) None of the sample sacks is having length below 910 mm and/or width below 595mm.

OR

(i) The number of defective sacks having dimensions below and/ or over the specified value after allowing the tolerance is more than 10% but up to 20% of sample size and fulfils the following conditions also:

1) The total defective sacks having dimensions less than the specified values after allowing tolerance is not more than 10% of sample size and

2) The sample meets the weight criteria on individual as well as average sample lot weight basis after taking into account the derived weight for oversize bags on prorata basis for specified standard size without allowing tolerance i.e 930 x 610mm and

3) None of the sample sacks is having length below 910 mm and/or width below 595mm.

<u>A-16</u> Laboratory shall record all the test results in a register meant for the purpose. All the members of the committee shall testify the results and sign in the register.

<u>A-17</u> All test results, in the Inspection Report format shall be intimated by Laboratory to the Production Department for their further necessary action.

<u>A-18</u> DGM (Prod.)/Chief Manager (Prod.) with his observations will forward the inspection report to Unit Head. Laboratory shall coordinate and make all out efforts to have the final report of inspection /testing duly approved by Unit Head within 48 hrs of submission of inspection/testing results by the Sampling Committee.

The final approval and acceptance of the lot would be by Unit Head.

<u>A-19</u> The above procedure shall be adopted for inspection/ testing of Sample Lot-2, if required. Stores section shall coordinate for constitution of Sampling Committee for testing of Lot-2 as being done in the case of Sample Lot-1.

B. If the bags have been rejected, the following procedure shall be followed for re-testing.

<u>B-1</u> The stores, after receiving the inspection report from DGM (Prod.)/Chief Manager (Prod.) shall intimate the supplier accordingly. Supplier, if desires a re-testing, shall inform Stores and deposit the inspection charges.

<u>B-2</u> On receipt of SL-3, Stores of testing Unit (Sister Unit of consignee unit where sample has been sent for testing) will inform the DGM (Prod.)/Chief Manager (Production) and GM (Materials)/DGM(Materials)/Chief Manager (Materials) of their Units.

<u>B-3</u> GM (Materials)/DGM (Materials)/Chief Manager (Materials) shall inform Unit Head as mentioned at Sr. A-1 above.

<u>B-4</u> Further procedure (for testing of sample Lot-3) shall be as at Sr. A-2, A-3 and A-12 to A-18 or as per para I of page 3, if supplier insists for re-testing by consignee's sister unit's lab under relevant clause of NIT/PO.

<u>B-5</u> Results of re-testing shall be final and shall supersede the earlier test results.

B-6 While the sample lot is under retesting, bags should not be consumed.

C Testing of Referee Sample

Testing of Referee sample (sample lot 4) shall be at the instance of Corporate Office. In case of dispute, the testing of Referee sample shall be taken up in. This will be with the approval of C&MD.

However, Referee Sample (Sample lot 4) may be provided to Vigilance Division by respective unit as and when the same is required by them.

The present payment terms, agreed with the supplier, are 100% within 14 days of receipt of consignment. Unit heads shall ensure that payments are released as per above agreed schedules. These payments shall be dispatched to suppliers through D.D. or other instruments as per contract i.e. no supplier is required to come up to the units for collection of payment.

14.04.2 Working Norms for Receipt, Inspection & Testing and Stock Charging of HDPE Bags

Working norms for inspection & testing and stock charging of HDPE bags shall be as under:

A. FOR LOTS INVOLVING INSPECTION/TESTING OF SAMPLE LOT-1 ONLY

Sr. No.	Activity Description	Time Period within which the activity is to be completed in normal course
1.	Inspection/Testing and submission of report duly approved by C.A.	03 working days from receipt of particular Lot at NFL site
2.	Issue of SRV in case of acceptance of a particular Lot on inspection/testing of sample lot-1	02 working days from receipt of final inspection/testing report
3.	Total	05 working days

B. FOR LOTS INVOLVING INSPECTION/TESTING OF SAMPLE LOT-2

Sr. No.	Activity Description	Time Period within which the activity is to be completed in normal course
1.	Inspection/Testing and submission of report duly approved by C.A for sample Lot-1	03 working days from receipt of particular Lot at NFL site
2.	Inspection/Testing and submission of report duly approved by C.A for sample Lot-2 involving testing of strength parameters.	02 working days from receipt of inspection/testing report of sample Lot-1
3.	Inspection/Testing and submission of report duly approved by C.A for sample Lot-2 involving inspection/testing of sample Lot-2.	01 working days from receipt of inspection/testing report of sample Lot-1
4.	Issue of SRV in case of acceptance of a particular Lot on inspection/testing of sample Lot-2.	02 working days from receipt of final inspection/testing report.
5.	Total	07 working days where sample Lot –2 is to be tested for strength parameters and 06 working days for others.

14.04.3 Immediately after consumption of a particular lot, the In charge of Bagging Plant shall intimate to Stores the number of bags ruptured during filling or otherwise found damaged. The report shall be sent as per contract so that recoveries in terms of Purchase Order are made under intimation to Suppliers.

14.04.4 The stock accounting of such ruptured bags shall be carried out by issuing suitable amendment to relevant Stores Receipt Voucher.

14.04.5 Bagging Plant shall ensure that ruptured / Rejected bags are properly stored Supplier-wise to enable the parties to lift the same for replacement or otherwise, as per terms and conditions of Supply Order.

14.04.6 A monthly issue Note representing consumption of bags during the month shall be prepared and sent to Stores on the 1st day of the following month for posting in the Stock Cards.

14.05 BULK CHEMICALS

i. Bulk Chemicals like caustic soda, sulphuric acid, methanol, LPG etc. shall be received in Road tankers.

ii. Road tankers carrying these materials shall report at the CISF Gate and will be subjected to following checks by:

  a. The tanker has relevant despatch documents favoring NFL.

  b. The driver holds valid driving license and has no adverse entry in the Security Record.

  c. The seals of the tankers are intact.

  d. The tanker carries no extraneous load except the customary tools and accessories. All other items shall be deposited at the gate.

  e. The toolbox, space underneath the seats and other hiding points shall be searched to see that no extraneous material is hidden. Even water tank, additional diesel drums, tubes filled with water, etc. shall be off-loaded at the gate.

  f. The tanker shall thereafter be admitted with a proper gate pass and escorted to the Main Stores/Plant.

iii. The Stores-In-charge shall check the documents and arrange weighment in association with the representative of the plant and CISF.

iv. Weighment shall be recorded on **Performa S-8**. All test checks indicated on the weighment slip shall be scrupulously carried out and recorded on the weighment slip.

v. The unloading shall be commenced after inspecting / testing the material. In the event of material passing the laboratory test, the tanker shall be unloaded and directed to Stores for tare weight. The tare weight of the tanker shall be taken, and thereafter a Certificate of receipt of material given to the Carrier.

vi. For supplies not conforming to specifications, the transporter/ supplier shall be immediately contacted to enable them to depute their representative for joint inspection. The delivery shall be taken after the liability of transporter/supplier has been established.

vii. The procedure of Insurance Claims and OSRD as mentioned earlier for other commodities shall be followed.

viii. Unless otherwise decided with approval of Materials Manager the supplies shall be received and released during working hours only.

ix. Based on weighment results and other despatch documents Stores shall release the normal MIR-cum-SRV with suitable remarks regarding claims and shortages, if any, to enable Finance Deptt. to make recoveries.

x. In view of the variations which are normally encountered on different weighbridges for variation up to + / - 0.5% no recoveries shall be made. In case of variations beyond this limit, recovery shall be made for total actual shortage without allowing tolerance. The limit can be reviewed and re -fixed if circumstances warrant, with approval of competent authority. Weight variations for bulk chemicals like Ammonia are to be considered as per specific clause in the PO in this respect.

xi. Weighbridges shall be kept in finest condition and got calibrated and checked by Instt. Deptt. once in a quarter. A record of repairs shall be maintained by them.

xii. No unauthorized person shall have access to the weighbridge and keys of the same shall be maintained by CISF / Stores.

For bulk chemicals in solid form, the procedure as above, shall be followed except that the unloading, checking and inspection shall be arranged by Stores.

14.06 Oxygen & Dissolved Acetylene Gases:

Supply of Oxygen:

Immediately on receipt of supplies, at least 10% cylinders should be checked up for the pressure by plants Mechanical Department who will be informed through an A.V.I regarding receipt of cylinders.

Mechanical Department will check the pressure of at least 10% cylinders within 24 hrs and record the pressure in a register, which will be kept for that purpose.

In case the pressure is 120Kgs/Cm2 +/-2%, the supply will be accepted. If the supply consists of 15 to 20 cylinders then at least two cylinders will be tested. If the pressure is less than 117 Kgs/Cm2, then the matter will be taken up suitably by the Stores Department with the supplier for making good the shortage. In case party does not make good the shortage, suitable deductions shall be made from party.

The inspection agency shall be lined up by the Head of Maintenance Deptt

No issue shall be made from the lot received until and unless the requisite number of cylinders have been tested for pressure.

Supply of DA Gas:

Immediately on receipt, the gross weight of 10% cylinders will be taken by Stores. Tare weight as embossed on the body of the cylinder shall be taken to find out the weight of gas filled in the cylinders. The weight of gas thus obtained shall be converted into volume in M3 by multiplying the same with 0.908. The volume thus worked out is to be compared with the challenged quantity for that cylinder. In case the variation is between 10-15%, the same will be ignored and for greater variation, the matter will be taken up with the supplier. In case the party does not make good the shortage, suitable deductions shall be carried out from party.

In the first instance, material shall be stock charged and issued on the basis of challenged quantity.

14.07 HSD/Petrol

Procedure for quality and quantity check during unloading of HSD/Petrol tankers shall be as below:

i) Quality (Density measurement by laboratory), quantity (dip measurement by committee of Materials and Lab Deptt) and validity of calibration certificate of dip rod and weight & measurement department's stamp on the bottom of dip rod should be checked before starting unloading of tanker.

ii) Sample of each chamber should be taken separately in addition to sample from the bottom of tanker as per guidelines issued by IOC.

iii) A committee of two members consisting of executive of Materials Deptt. and Laboratory Deptt. may be constituted for taking sample and dip measurement before unloading from each tanker.

iv) Sample of diesel/petrol for density measurement should be taken by above committee and analysed by lab personnel through hydrometer and thermometer.

v) Proper chemical should be applied on the dip rod for accurate reading of the level.

Quantity /quality of diesel / petrol should also be checked once in three months by associating IOC officials before unloading of tanker.

15.0. PAYMENT OF WHARFAGE/DEMURRAGE

15.01 Stores shall ensure that the consignments are cleared within the free time allowed by the Carriers. Any demurrage or wharfage becoming payable due to negligence of any employee or contractor or supplier shall be promptly recovered. In case where the same becomes payable for reasons beyond control, the demurrage/wharfage shall be paid for taking earlier delivery and post-facto approval of competent authority obtained as per delegation of powers.

15.02 Wherever, demurrage / wharfage has been incurred fully or partly due to delayed transmission of documents attributable to the supplier, Finance shall make appropriate recoveries from the suppliers on the basis of details in SRV format S-3.

16.0. PAYMENT OF FREIGHT

16.01 After verifying the correctness of freight charges for all freight to-pay consignments, Stores In charge shall be empowered to recommend payment of freight on the strength of Railway Receipt / Goods Receipt. While forwarding payment of transporters to F&A, original GR (consignee copy of GR/ Payment Receipts / Bills/ PAN copy of transporter, to be sent to F&A.

16.02 The Finance Department shall make the payment on receiving advice in Performa S-9 and S-10. Action for refund, if any, shall be taken by Stores / Traffic wing of Materials dept.

16.03 Whereas all suppliers are expected to dispatch goods according to the terms of contract, it is quite possible that some dispatches may not be as per contract.

For instance, even though the Purchase Order terms are FOR destination a "freight to pay" consignment may be received. In such cases Stores Incharge can recommend freight payment for taking possession of goods from Carriers but Finance shall ensure that recoveries are made from suppliers along-with other expenses, if any, at the time of final payment. As a precaution a suitable remarks to this effect may be given by the Stores on the SRV.

16.04 Stores Deptt. will indicate details of other recoveries, if any, i.e. octroi, handling charges, etc. on SRV.

17.0. PAYMENT OF FREIGHT FOR RAW-MATERIALS

RRs for such material shall be received by Stores and shall be connected with relevant Wagon Nos. in the wagon placement Report Format S-6. The RRs shall thereafter be sent to Traffic Deptt. for purpose of release of freight. Claims, if any, shall be lodged by Traffic Deptt. as per Railway Rules.

18.0. PAYMENT FOR COST OF STORES.

18.01 A copy of the Store Receipt Voucher accompanied by supplier's bill (when-ever received directly in Stores) shall be sent to F&A Department for processing and making payment in case of supplies on credit. In other cases bills are received directly by F&A Department through bank and any other bill received in Stores shall be sent to F&A Department on immediately.

18.02 While making the payment, the Finance & Accounts Deptt. shall make such deductions as are indicated in the Stores Receipt Voucher or otherwise due as per Purchase Order. In case 100% advance payment has already been made, recoveries relating to freight, wharfage, Bank charges, etc. (up to Rs. 500/-) may be ignored if not recoverable against pending payments.

18.03 The Finance/Materials Deptt. with the assistance of other concerned Depts. shall ensure that the bills for purchase of goods are paid as per agreed terms & conditions of P.O. If any bill cannot be passed due to observance of certain procedural regulations by any department, observance of procedures shall be expedited so that outstanding bills are passed for payment without any delay.

18.04 Whenever payment terms as per purchase order are through bank and party is required to deliver the material in our stores directly due to urgency, the full payment can be released immediately to the supplier on receipt of material in stores without any amendment to order terms.

19.0. STORAGE LICENCE/REQUIREMENT OF INSURANCE

19.01 Storage / Explosives licenses in respect of Petrol, HSD, Kerosene, Spirit etc. shall be promptly renewed and kept up-to-date.

19.02 Stores In charge shall ensure that fire appliances are handy and personnel are well versed in their use.

20.0. INSURANCE (STORAGE & TRANSIT)

20.01 Finance Deptt. shall arrange insurance of materials during storage against all possible risks as per the policy of the Company from time to time.

20.02 For transit insurance, the Finance Deptt. shall obtain an open cover from the Insurance Co. for all consignments, which are to be insured against transit losses. In cases where terms of supply are FOR destination (and documents have been negotiated through Bank) it will be desirable to have the consignment insured by NFL for convenience of claim settlement.

20.03 In case of loss occurring to the consignments covered by open Insurance cover obtained by NFL, formal as well as monetary claim may also be lodged on the Carriers by the Stores, as required under the terms of Insurance. Monetary claim will be lodged by Finance Department on Insurance Company on the basis of formal claim.

20.04 In case of export of material for repairs etc. Transit Insurance Cover must be obtained prior to dispatch.

20.05 For the cases where consolidated purchase order for imports covering the requirement of more than one Unit is being issued by a particular Unit, the total material shall be covered under the Open Marine Policy by the Unit who places Purchase Orders from Warehouse of the supplier to the Warehouse/Store of the Unit who places that order. In case material pertaining to other Units is required to be dispatched to them directly from Indian Port, insurance cover for the route between Indian Port to NFL's Stores of the receiving Unit may be covered under the Open Marine Policy of the Unit receiving this material.

21.0. CLAIMS FOR IMPORTED CONSIGNMENTS

21.01 For consignments lost in ocean transit or air journey or found missing at docks, the preliminary claim shall be lodged by the agency responsible for clearance work at ports, etc. and later monetary claim against the said missing consignment would be lodged by the Finance & Accounts Department of the concerned Unit. Liaison for such claims with the clearing agents shall rest with the Material Deptt. at Corporate Office. The Clearing Agent will protect the rights of underwriters by lodging the claim on Shipping Co. /Port authorities etc. as the case may be within the time allowed.

Failure to do so, will make the Clearing Agent, liable for the loss incurred by the Company due to rejection of its claim by the Insurance Co.

The Clearing Agent shall also ensure that copy of Survey Report, Shortage Certificate, etc. granted by Insurance Surveyor, Port Trust Authorities, Shipping Co. and other supporting documents are sent to the consignee along with despatch documents.

21.02 Underwriters will also be informed by Manager (Mtls), C.O./ Clearing Agent about anticipated delay in clearance and subsequent receipt of goods for obtaining extension of insurance cover till the material is received at destination.

21.03 For consignments apparently damaged during transit or storage at docks or handling, formal claim and other formalities including survey of loss shall be arranged by the Shipping/ Clearing Agent. Thereafter all documents shall be received by the Finance & Accounts Department of the Unit concerned for lodging monetary claims.

21.04 For all in land damages/shortages, normal procedures for transit claims shall be followed.

22.0. INSURANCE SALVAGE

22.01 Officers of Materials Deptt. shall familiarize themselves with the provisions of transit insurance policy and procedures for claim settlement. The procedures shall be scrupulously followed so that interest of the Company is not prejudiced.

22.02 The items damaged in transit and having scrap value shall be separately stored for being returned to Insurance Company on settlement of claim. The record of such salvage shall be maintained as under:

Sr. No.	Insurance Claim No. Location	Item	Nature of damage	Value

22.03 Stores Incharge or his representative shall carry out periodic stock checks of insurance salvage and rejected material once in three months.

22.04 Damaged items having scrap value less than the excess clause as per Insurance policy shall be destroyed with approval of an officer of the Materials Deptt. of the rank of Dy. Mgr. (Materials) – Stores in consultation with the Insurance Co. and a record maintained thereof.

22.05 Repairs to damaged material, as recommended by the Inspecting Officer can be carried out on the advice of Dy. Manager (Stores) without waiting for the underwriters' survey, if the estimate for such repairs is less than the limit fixed for passing claims without conducting external independent survey. Similarly where repair is not possible, replacements can be ordered subject condition stated above.

23.0. EXCISE FORMALITIES (if applicable).

For fulfillment of excise formalities, the responsibilities assigned to various departments shall be governed as per details given below. In case any other record/ noting / form (in addition to these mentioned below) are being received by any unit. Same may be continued as per existing procedure.

23.01 Production Department:

Production Department will be responsible for the following portions of the excise duty work:

23.01.1 Maintenance of RG-1 Register showing daily production, daily stock and daily dispatches of fertilizers and other excisable goods.

23.01.2 Maintenance of license, renewal thereof, and obtaining new licenses whenever required.

23.01.3 Maintenance of records of production for facilitating compilation of various monthly and quarterly excise returns by F&A Deptt. for onward submission to Excise Deptt. as per their requirement.

23.01.4 Maintenance of record of consumption of raw material for facilitating compilation of various monthly, quarterly/annually excise returns by F&A Deptt. as indicated at point 23.05.7.

23.02 For the sale of Ammonia, RG-1 Register will also be maintained by Production Department. This register shows in addition to sale of Ammonia, the quantity of Ammonia utilized for purposes other than for manufacturing of fertilizers.

23.03 MATERIALS DEPARTMENT: Maintenance of L-6 Licence for Sulphuric Acid petrol, diesel etc. renewal thereof, and correspondence related thereto

23.04 MARKETING DEPARTMENT: Maintenance of records for providing monthly report on dispatches of urea for facilitating compilation of various monthly and quarterly excise returns by F&A Deptt. for onward submission to Excise Deptt as per requirement.

23.05 FINANCE & ACCOUNTS DEPARTMENT:-

23.05.1 Maintenance of PLA (Personal Ledger Account) of the Collector of Central Excise. This will show the deposits made with the Collector of Central Excise as well as the credit balance.

23.05.2 Deposit of Excise Duty and preparation of Challan etc. in respect of all products, maintaining accounts and reconciling the same with the Excise Department separately, in respect of each excisable product.

23.05.3 To attend to all audit queries raised by the Excise Department, pertaining to various matters particularly, Sl No. 23.05.2 above.

23.05.4 Attending to all show cause notices issued by the Excise authorities in respect of all products, including industrial products.

23.05.5 Execution of bonds, bank, guarantees, deposit of securities etc. with the Excise Department as and when required.

23.05.6 Co-ordination work with the Excise authorities. Finance Department will be responsible for overall co-ordination with Excise Authorities.

23.05.7 Various returns to be filed by Finance and Accounts Deptt. are as under.-

Filling of Excise Returns					
Sr. No.	**Return**	**Category**	**Period**	**Due date**	**Source of Documents**
1	(Excise) ER-1	Return of Exciseable goods and availment of Cenvat Credit	Monthly	By 10th of succeeding month	ER-1 is compiled by Sales Account branch on the basis of report of RG-1 daily stock account register provided by Prod. Deptt, Invoices of principal inputs provided by the Stores department and monthly report of dispatches of Urea provided by Marketing Deptt.
2	(Excise) ER-4	Annual financial information.	Annually	By 30th of Nov. of the succeeding year	ER-4 is compiled by Sales Accounts Branch.
3	(Excise) ER-5	Cenvat- Annual return of information relating to principle inputs for the financial year	Annually	By 30th of April of succeeding year	ER-5 is compiled by Sales Accounts Br. on the basis of input output ratio in respect of Methanol, Nitric Acid and Ammonia provided by TS/ Prod. Deptt.
4	(Excise) ER-6	Monthly Return of information relating to prinicple inputs	Monthly	By 10th of succeeding month	ER-6 is compiled by Sales Accounts Br. on the basis of information of quantitative data of principal inputs i.e., Ammonia purchased, Bags used for packing of Industrial Product and caustic soda lye etc.
5	(Excise) ER-7	Annual installed capacity statement for the financial year	Annually	By 30th of April of succeeding year	ER-7 is compiled by Sales Accounts Branch on the basis of information provided by Elect. Deptt. for energy consumption of plants alongwith no. of meters installed.
6	(Excise) ER-8	Return of excisable goods cleared @ 1% & 2% duty for the quarter	Quarterly	By 10th of succeeding Qtr.	ER-8 is compiled on the basis of monthly ER-1 report.

24.0. CUSTODY OF MATERIAL FOR STORAGE & ISSUE

24.01 After the goods have passed inspection, the material along with the Stores Receipt Voucher shall be sent to Custody Section for entry on the Stock Card / Computer. The following checks shall be carried out at this stage:

24.01.1 Whether the material handed over is as per the details on the SRV?

24.01.2 Whether the Unit of Measurement and Material Code Number allotted to the material is correct?

24.01.3 That only goods which have passed inspection appear on the SRV and are handed over.

24.01.4 Whether identification tag has been correctly attached with each item. The material shall, thereafter, be posted on the Stock Card mentioning the correct location.

24.02 STOCK CARD

The stock card / computerized format shall be in **format S-11**.

For spare parts, the stock card shall indicate the following additional information:

24.02.1 Description of part/component/sub assembly etc.

24.02.2 Details of the main assembly/machine along with model, make and serial number.

24.02.3 Address of the vendor.

24.02.4 Initial purchase order reference.

24.02.5 Sl. No. in the parts catalogue, if available.

The above information shall facilitate re-ordering action. It shall also be seen that the Stock Card not only keeps a record of receipt and issue transactions, but at the same time can be utilized for replenishment and procurement follow- up. The pending indent and details of orders placed shall also appear on the Stock Card.

24.03 ACCOUNTING OF EMPTY GAS CYLINDERS OF NFL SENT FOR FILLING & PARTY'S CYLINDER FOR RENTAL PURPOSE

A Register should be maintained by Stores Department for proper accounting of Gas Cylinders in which following details be filled in:

FOR RENTAL PURPOSE

Sr. No.	Cyl-inder No.	Date of Receipt	MIR No. & date	Date of Des-patch	OD No. & Date	Rental Bill No. & Date	Re-marks

Note: The above details should be maintained party wise and type of Gas.

24.04 CYLINDERS SENT FOR REFILLING OF GASES

Sr. No.	Cyl-inder No.	Date of GP/ OD	Date of Des-patch	MIR No. & date	PO No.& date	Issued to Dept.	SIV No. & date	Date of Return	Re-marks

Note: The above details should be maintained party wise and type of Gas wise.

25.0. ISSUE OF STORES

25.01 The material shall be issued from Stores on the strength of Stores Issue Note generated through IMS system. However, wherever emergent issues are required to be made due to Plant exigencies after closing of Stores in odd hours or on Sunday/Holidays, the material can be issued on manual Stores Issue Note but the same shall be regularised through Stores Issue Note through IMS system on next working day. Stores In-charge shall submit weekly statement for such issues to HOD of Materials.

The following checks shall be carried out while examining the documents for the purpose of issue:

25.01.1 Whether it has been signed by an officer duly authorized to sign the same. The name and designation of the officer (with stamp) requisitioning the material shall clearly be indicated.

25.01.2 Whether all the columns of the Issue Note have been correctly filled in/ Particular attention shall be paid to:

25.01.2.1 Material Code No.

25.01.2.2 Quantity to be issued. In the case of decimal quantities, the decimal point should be very distinctly indicated)

25.01.2.3 Cost head

25.01.2.4 Unit of Measurement (as per stock Card/ Inventory Master).

25.01.3 Whether old parts in lieu of which new item is being drawn (Particularly so far as-consumable items are concerned) have been deposited in Stores or not? If the unserviceable/worn out material is not returned, the reasons thereof shall be indicated on the demand/Issue Note. The name of the Contractor with the remarks whether the material is issued on chargeable or returnable basis, should be clearly given. If the material has been issued against some work or is a standby assembly, suitable remarks shall be made on Issue Note.

25.01.4 It shall be the responsibility of consuming department to have repairs/over hauled component carried out wherever possible and deposit the same in Stores. They shall maintain suitable records on such repairs and returns.

25.01.5 After the issue of material, the Stores Issue Note shall be numbered. The stock on hand shall also be indicated after checking the same physically. The Stores. Deptt. shall retain one copy of the Issue Note and forward one copy of Issue Note to the Indenter and 2 copies to Finance Deptt. for valuation on Computer and entry in the financial accounts.

25.01.6 Wherever emergent issues are to be made after office hours or on Sunday/Holidays, Stores shall be opened by the concerned custodian on receipt of request from the concerned Sectional Head/HOD. Request for opening of Stores as above by an officer of the rank of Manager and above.

26.0. RETURN OF STORES

26.01 The indenters shall hold in their sub-stores only such items, as are regularly and continuously required and some vital essential spare parts. These may include mostly tools and certain consumables. Any other item either not utilised within

15 days after drawn or repaired shall returned to the Stores through a Return Note (Format S.13). In addition to all checks required in case of issue transactions. the indenter shall clearly state the residual value of stores for the purpose of pricing and evaluation. Only serviceable items shall be returned to Stores.

26.02 Residual value shall be determined by an officer not below the rank of Chief Manager. The criteria for residual value of Return of Stores shall be 100% of Issue Value only in case the returned material is unused and issued during the same Financial Year. But in case it is returned in next financial year, the residual value of returned material shall be based on technical assessment of user department.

26.03 Return Notes generated by the Executive Department are to be submitted to F&A Department through Stores Department on weekly basis.

27.0. PRESERVATION OF STORES

Store Department handle spares, consumables and other materials ranging from 40,000 to 50,000 items at each Unit. Any item of usage in plant should be put in operation within its shelf life and utilized to the extent of service life.

But the stores and equipment are manufactured from a wide range of materials as these are susceptible for deterioration in the storage which in turn reduces the service life of the material. However, the rate of deterioration will largely depend on the conditions of storage and the preservation methods adopted to each item and climatic conditions.

Since the number of items to be stored will be of different nature and it will not be possible to go into details of preservation procedures to be followed for all items individually. Hence, it has been attempted to cover procedures to be adopted for certain important basic materials having general usage. However, it is advised to follow a specific instruction of the manufacturer and preservation should be done by respective Custodians under the guidelines of the User Department.

27.01 NFL Stores is mainly stocking the following categories of materials:

(i) Raw materials such as oil and coal.

(ii) Chemicals & Catalyst.

(iii) Mechanical spare parts.

(iv) Electrical and Electronic Components

(v) Rubber parts.

(vi) Gases.

27.02 **(i) Preservative Coating :** Metals other than iron and steel do not normally require any protective coating. In case these are to be kept under corrosive conditions for long period, they should be given a protective coating of Mineral Jelly, Grease and wrapped in grease resisting paper.

(ii) Painting: Paints, lacquers, varnished and enamels may be used to protect metallic surfaces against corrosion . On the clean surface one or two coats of a primer (red oxide/red lead) is applied. The primer is a rust inhibitor. Over the prime coat, an undercoat is applied which helps the primer coat remain dry and provide a satisfactory adhesion to the finishing paint. This should be followed by the finishing paint.

(iii) Cement: Cement should always be kept dry. The bags should be stored not more than 14 bags in stacks on seepage proof floor. The stacks should not be broken until the cement is required for use. The bags should not be handled by means of hooks.

(iv) Bearings: In order to maintain the fine surface finishes and geometrical precision of bearing raceways and rolling elements, it is necessary that each step in the handling of bearings is carefully controlled to avoid the introduction of foreign matter into the bearing and to avoid conditions that might lead to corrosion of the bearing surface, of the raceway. Environment around high precision bearings, high speed bearings and small size bearings should particularly be kept clean.

Furthermore, care must be taken not to give any severe impact to bearings. As this can cause dents and damage to the raceways surfaces, this could cause unsatisfactory service and premature bearing failure.

When in stores, the bearings should be kept in their original package to preserve them from deterioration. Removal from the package should only be effected at the assembly site immediately prior to mounting.

Large bearings, because of their relatively thin rings, should not be stored standing upright but laid flat. The support should extend over their whole circumference. It is advisable to avoid stacking the bearings on top of each other, since the bearings at the bottom of the stack will have rust preventive compound squeezed away from the bearing surfaces.

Roller bearings are dipped in anticorrosive oil which protects them from rust formation as long as they are packaged. There is no gumming nor hardening of the oil and it is compatible with all commercial roller bearing greases.

Bearings should be stored in shelves in a dry room, preferably more than 30 cm from the ground, where the relative humidity does not exceed 60% as high humidity is the biggest cause of rust. The store room should be kept at a moderate constant temperature as the rust preventive compound will tend to flow at temperature above 50^{0}C.

Bearings with shields, suffix-2Z, should however not be stored for more than two years prior to use, and bearings with seals, suffix 2 Rs. for not more than three years. Such bearings are lubricated for life but the grease will age out and become too stiff if kept too long.

(v) Stacking of Tyres : New Tyres of vehicles should be stacked in one of the following ways. Vertical stacking in racks of the horizontal parallel rounded supports (eg. Poles, ballies or MS tubings) should be spaced out by such a distance that when tyres are vertically resting across them 1/3 rd of the circumstances of tyres will thus be resting lightly by their tread on two points. Vertical supports should be provided at a suitable intervals to keep the tyres upright.

Horizontal stacking. Tyres should be stacked flat one on the top of the other to a height not exceeding 2 meters on a level floor or platform. Mixing of sizes in a stack should be avoided. If it is necessary to pile difference sizes in one stack, the smallest and lightest should be near to the top and the largest and heaviest one below. All the tyres should be centred properly.

(vi) Tubes : These should be dusted with French chalk and packed in cartons or bags and kept in boxes or shelves. Tubes fitted in tyres should be slightly inflated.

(vii) Rubber Hoses : The hoses should be kept uncoiled or in loose coils in racks or boxes. Not more than 3 or 4 coils should be stacked one above the other. After use, the hoses should be allowed to dry in shades before being stored.

(viii) Rubber Sheets : After dusting with French Chalk, the sheets should be rolled and stored in close shelves or boxes.

(ix) Precautions to be taken during storage of pains, enamels, varnishes and allied products: Paints, enamels, varnishes and allied products should be kept in a cool, dry place, in leakproof, properly sealed/stopped, rust free containers. All leaky containers should be changed as soon as leakage is noticed.

Contamination of these stores with water should scrupulously be avoided. Paint drums from which some paint has been drawn should be stirred once a month by means of a rod and closed securely again.

The paints and allied products should be drawn from orifice provided for the purpose and not through hole indiscriminately punched in the tine. If a proper cap is available for the orifice, the latter should be closed by means of a tapering wooden plug.

The chemicals shall be stored in covered space/storage tanks to ensure longer life.

To avoid contamination and deterioration they will be protected from ground water, humidity, heat as the case may be.

(x) Chemicals should, be stored in their original package in cool dry and well ventilated places. The containers of chemicals should be opened for the minimum period necessary. The packs and containers of the chemicals should be examined (atleast once in three months) for leakages due to loose stoppers or damaged containers.

(xi) Industrial Gases in Cylinders : It is of great importance that proper care is taken with the various gases contained in a compressed condition in steel cylinders. In addition to the dangers of explosion, gases may be toxic, have a burning effect or provide a fire hazard.

General Safety for All Gases:

Protect cylinders against mechanical damage. Provide racks-horizontal /vertical. Keep valve caps in place except when it is in use.

Use specific designed holders for moving cylinders by hoist crane and truck. Do not handle with electromagnets, ropes or slings. For manual handling provide sturdy hand trucks mounting one or two cylinders.

Keep the cylinders in covered accommodations. These should not be exposed to excessive heat.

At outdoor location, keep cylinders off the ground on raised concrete pad or non combustible rack.

When using gas, open the valve slowly to the maximum extend but in the case of acetylene cylinders, valves should be opened only one and a half turn.

Maintain cylinders and accessories in good condition, keep cylinders including bottoms, well painted to prevent corrosion. If safety relief devices become defective, promptly remove the cylinder to outdoors and return to the manufacturer for repairs.

Flammable gas cylinders should be stores well away from combustible materials, open flames or other sources of ignition.

Provide screw on cap over the valves.

Provide separate storage location for acetylene, oxygen, Hydrogen and chlorine cylinders.

Store and use acetylene in a upright position to prevent loss of acetone which is used as a solvent.

Do not withdraw acetylene from a cylinder at a rate in excess of one seventh of the total cylinder capacity per hour.

A warning notice No naked light should be prominently displayed outside the sheds used for the storage of gases.

(xii) Storage of Batteries: Care should be taken that cells are stored in dry and well ventilated stores and protected from extreme heat and cold. Condensation provides a leakage path and heat increase the rate of chemical reaction, leading to failure. In storing dry cells care should be taken that terminals do not touch and that no articles are placed on them which are likely to cause short circuits.

Storage batteries should be recharged to their initial value at least twice a month during storage when not in use because if it is allowed to stand in a discharged condition, the soft lead sulphate first formed gradually becomes hard and granular and the hard lead sulphate resists recharging. The level of electrolyte in accumulators should be examined.

(xiii) Cable Drums : Storage of Cable Drums

The site chosen for storage of cable drums should be well drained and should preferably have a concrete surface which will not cause the drums to sink and so led to flange rot and extreme difficulty in moving the drums.

It is desirable for the drums to stand on battens placed directly under the flanges. In no case shall the drums be stored on the flat that is with flanges horizontal.

During storage, the drums should be rolled through an angle of 90-about once every three months to prevent the possibility of impregnating compound draining from the upper portions of coils of cable.

(xiv) For electrical and electronic goods, an air-conditioned storage space shall be arranged so that the delicate items are not subjected to high temperature, high humidity and wide temperature fluctuation. Precision rubber spare parts shall also be sorted in air-conditioned room.

(xv) Fast moving lubricants shall be stored in the open with opening in such a position that moisture laden air is not sucked in. The opening shall be in 3 o'clock and 9o'clock position. The slow moving oils shall be kept in covered space, If possible.

(xvl) The preservation method employed shall depend upon the nature of stores involved. Coal and bulk chemicals shall be stored in plant areas. For oil and other dangerous petroleum products the storage rules set forth in the Explosives Act and the conditions and precautions stated in the Explosives Act and the conditions and precautions stated on the license granted for such purpose shall be scrupulously followed. Other conditions laid down in the licenses e.g. the location of premises the relative distance from other buildings and installations, specifications of flameproof electrical fittings etc. shall be adhered to.

27.03 A suitable plan shall be drawn up to ensure that each item is covered at least once in a year. (For rotor, assemblies, critical moving parts, catalyst, resins etc. periodical inspection shall be carried out jointly with User Department as per laid down schedule in this respect.

27.04 Requirement of Storage Insurance shall be kept in view while arranging storage of various categories of material to avail benefits under the policy, the details of which can be obtained from the Finance Deptt.

28.0. CODIFICATION OF STORES

28.01 For implementation of ERP, Uniform Codification of Inventory at all Units is essentially required to be followed.

Codification Scheme of Inventory is broadly categorized under two categories, i.e., General Stores & Equipment & Spares.

28.02

a. For General Stores, a 9 digit numeric codification is to be followed for which web based on line application is available on the server at CO.

b. For Equipment & Spares (Mechanical, Electrical and Instrumentation) 16 digits alpha-numeric codification scheme, as under, is to be followed:

Department	Alphabet (1) i.e. M-Mech, I-Instt.E-Elect.
Plant	Alphabet (1) i.e., A-Ammonia, U- Urea etc.
Sub Section	Numeric (2)
Nature of Equipment	Alphabet/Numeric (2) i.e., TT Turbine, KK Compressors etc.
Equipment/Sub Assembly Tag No.	Alpha Numeric (7) i.e., GA70100
Part/Spare Identification No.	Numeric (3)
Total	16 characters

For Equipment & Spares, Vijaipur Unit has also followed 9 digit codification scheme which is to be converted into 16 digit codes by way of paddling at suitable locations.

28.03 Allotment of new codes (NC) shall be with the approval of Unit Head and for opening of blocked folios with the approval of GM(O&M).

29.0. SURPLUS IDENTIFICATION & DISPOSAL

The following procedure shall be followed for identification of Surplus & Disposal:

29.01 PHYSICAL VERIFICATION

Over and above the physical verification of the stores by a third party, the Unit should conduct 100% physical verification of all the stores and spares every five years in order to eliminate/ reconcile the discrepancies. This shall be carried out by the Stores Section of the Materials Deptt. alongwith the help of concerned Technical Group.

29.02 REVIEW OF NON-MOVING INVENTORY

1) MS/Stores Deptt. shall generate a list of items not moved for five years, category-wise, irrespective of the value. The same shall be sent to the concerned User Deptt. The list of general stores items shall be dealt by General Engineering Group.

2) (a)

The list shall be reviewed by the User Department thoroughly and remarks regarding requirement/surplus shall be put against each item under the 'Remarks' column.

Some of the items can become obsolete and surplus in case the main equipment has been replaced/modified. Wherever the Company has declared closure of the plant, all the specific spares related to the equipments of this plant also shall become obsolete and surplus.

(b)

If the item is of general nature, like pipe, pipe fittings, structural steel items etc., the same requires a special review. Particularly, for the pipes, pipe fittings and plates, necessary test certificates from Third Party Inspection Agency, like LRIS etc. should be located and linked with the item. Further, if the pipes and pipe fittings are used for steam services, connected IBR certificates also shall be located and linked with the material. The special alloy steel pipes, meant for steam services are rare and costly. In view of this, before declaring these items as surplus and selling it in the market, the items have to be linked with the necessary test certificates etc. as mentioned above and subsequently General Engineering Group can give their recommendations.

(c)

If the items, like Refractories, Paints, Rubber items etc., are having a shelf life,General Engineering Section should look for quick and immediate alternate usage for these items. It is very essential to procure very limited quantities of these items as once the shelf life is over, the item does not have any real utility.

3) The Stores/MS Section shall collect all the reviewed lists from various users and General Engineering Group and put up for review by a Standing Committee. The Standing Committee shall consist of GM(O&M), DGM(Mtls), DGM(Maint) and representative from Finance of the concerned Unit. This Committee shall review the remarks of the Plant Engineers and also further deliberate on the utility of these items in other plants or other units and then identify the item as 'Usable Surplus' or 'Disposable Surplus'. The Usable Surplus items are those which can be put into use by different plants and also by other units and therefore these items shall not be disposed off without attempt for alternate usage. After identifying the Usable/Disposable Surplus items, the Committee's recommendations shall be put up to the Competent Authority for approval.

4) The above procedure of review of items not moving for more than five years shall be conducted every year and the Committee's recommendations, duly approved by the Competent Authority shall be ready by 31st March of every year.

5) For items once declared as 'surplus' there cannot be any procurement action at any cost. Hence, identifying the item as 'Disposable Surplus' is to be done critically.

6) For identification of idle Plants & Equipments with a purpose to declare them as surplus, a Committee consisting of representative of concerned plant, Finance Materials and Technical Services be constituted. The Technical Services shall be coordinator and shall collect the list of equipments not in use from the Head of Production Deptt. of each plant.

The Committee should formalize/arrive at the following:-

i) Complete/detailed technical specifications of the equipment

ii) Purchase value, if the equipment is stand alone or assessed value on date if it was a part of package and individual value is not known.

iii) Reasons in detail for discarding the equipment.

iv) Alternative use/future likely use of the equipment in the Unit itself.

v) Alternative use/likely use of the equipments in other Units.

vi) Reserve price to be got fixed from outside Agency.

Based on the facts as at (i) to (vi) above, the Committee shall declare the redundant equipments as surplus to the requirements and recommend disposal action.

29.03 Data Bank/ Categrization:

The spares of equipments declared 'Surplus' can be tagged for identification and taken out of the regular stores and placed separately as a lot for Exhibition and Disposal. The lot can consist of spares of number of equipments. The items to be disposed off can be classified in the following categories:

1) Complete Equipments with their spares.

2) Equipment spare parts, components, sub-assemblies

   i) Captilized Spares.

   ii) Non-captilized spares

3) Bulk material like Pipes, Pipe Fittings, Cables, Structural Steel items

4) Chemicals & Catalysts

   i) Totally spoiled.

   ii) Recyclable / re-processable

5) Low shelf life items.

1. COMPLETE EQUIPMENTS WITH THEIR SPARES:-

The Complete Equipments will cover all equipments of Carbon Steel, Alloy Steel, and Stainless Steel and non-ferrous material. Non-metallic items, like FRP/PVC tanks etc. will not be considered under this. The Complete Equipments will include both static and moving machineries.

The complete static equipment will mean the following:

- Vessels, Columns, Tanks etc. complete with nozzles with or without matching flanges.

- Heat Exchanger assembly, complete with nozzles comprising shell and tube both

- All types of Valves, Control Valves, Strainers, Filter Units, Steam Traps
- Any other miscellaneous equipment, which is a complete unit, is functional, or which can be used by a buyer after reconditioning and cleaning etc.

  The complete Moving Machineries will mean complete units with all components fitted thereon with or without drive motor (as applicable) and with or without base frame as applicable. The following items will be under this category:

- Centrifugal Pump
- Reciprocating Pump
- Gear Pump
- Turbine Unit
- Agitator Assembly
- Gear Box
- Motor
- Centrifugal Fan/Blower Unit Any other miscellaneous equipment, which is a complete unit, is functional, or which can be used by a buyer after reconditioning and cleaning etc., e.g. Electric hoists, chain pulley blocks, Hydraulic Jack etc.

2. EQUIPMENT SPARE PARTS, COMPONENTS, SUB-ASSEMBLIES (CAPITALISED & NON-CAPITALISED):-

It shall include Heat Exchanger tube bundles, without shell, spare shafts, sleeves, bearings, covers, internal gear items with or without matching gear, impellers, casings, machine parts and keys etc.

3. BULK MATERIALS, E.G. PIPES, FITTINGS, CABLES, STEEL STRUCTURAL ITEMS

4. CHEMICALS AND CATALYSTS

It shall include the following :

- Items which are totally spoiled and of no use.
- Items, which may be used by the buyer after reprocessing.

5. LOW SHELF LIFE ITEMS

These items include rubber items, gaskets, packing materials, refractory, cement, conveyor belts, V-Belts, O-Rings, rubber oil seals, welding electrodes etc.

Information in respect of items as per above categorization shall be generated by the Units in the following format:-

i) Description.

ii) Specifications e.g. weight composition etc.

iii) Year of purchase

iv) Used / unused

v) Any other relevant information.

The above information shall be put on computer by the Unit. The date shall also be forwarded to Materials Deptt. at C.O.in hard as well as soft copy for records and further reference/ information etc.

29.04 Cut-off time for review of non-moving Inventory:

The base data at the close of previous financial year i.e. 31st March (available after finalization in May) shall be considered for the purpose of review and its finalization by end December. The Unit level Standing Committee's recommendations shall be ready by 31st March every year.

29.05 Procedure for disposal of surplus Items:-

Computer/MS Section shall provide detailed list of non-moving items for the last five years to the Materials Department of the Unit by 31st of May of succeeding financial year. Materials Deptt. will circulate this list to the User Departments who will give their assessment of surplus/obsolete inventory within a period of 60 days. Thereafter, the recommendations of User Department will be analyzed by the Unit Level Standing Committee who will give their recommendations within a period of 30 days. The recommendations of the Unit level Committee will be submitted to the Competent Authority for approval within 15 days. The list of such items will be circulated to NFL Units as well as to other Fertilizers Units having same technology giving 30 days' time to indicate their requirement, if any. In case of no reply after 30 days, disposal action shall be taken as per company's laid down procedure.

29.06 Fixation of "Reserve Price"

While fixing "Reserve Price" following factors may be taken into account:-

i) Initial cost.

ii) Depreciation.

iii) Escalation

iv) Usability

v) Any other relevant factor

I. Complete Equipments with their Spares:-

a) For complete equipment with their spares upto a value of Rs. 20 lakhs (historical/original value), the reserve price shall be determined by the Unit Level Committee depending upon usability, material of construction, vintage etc. Where ever the value of item is more than Rs. 20 lakhs, the value shall be got assessed through an outside Engineering Valuer.

The Reserve Price from the Unit Level Committee / outside valuing Agency shall be received in a sealed covers. For the cases where the historic/original value of individual equipment along with it's spares is more than 20 lakhs, Reserved Price from Outside Agency shall be received in separate sealed cover for each item so that sealed envelope could be opened only in those cases where response through bids has been received.

b) Spares :

Value of spares having per item value more than Rs. 10 lakhs shall be got assessed through independent agency (Outside Engineering Valuer).

II. Other Items:-

- Materials like batteries, cells, tyres, used oil etc. shall be disposed off in accordance with the guidelines issued by MOEF/Pollution Control Board by the respective Unit by following the laid down procedure.

- Items having low shelf life or where the shelf life has expired shall be disposed off/destroyed in the presence of Unit Level Committee after segregating the saleable scrap. This is considered essential as the same goods if sold may find their way back in our Plant with manipulated shelf life.

29.07 Outside agency for determination of reserve price:-

Outside agency for determination of reserve price of items of inventory shall be lined up through Corporate Office, Materials Department. Unit shall forward the list of equipments with spares and other independent spares to such outside agency with copy to Corporate Office, Materials Department for fixing of reserve price.

The Reserve Price from the Unit Level Committee/outside Agency shall be received in a sealed cover by the Materials Department of the concerned Unit and shall be kept confidential/sealed till price bids are received. Price Bids so received shall be got opened after the approval of Reserve Price by the Competent Authority as per Sr. No.(29.08)below.

Two part bidding shall be done for all the cases where the historic/original value of individual equipment along with it's spares is more than Rs. 20 lakhs and for independent spares is more than Rs 10 lakhs. For such items for seeking approval of recommended Reserve Price given by outside agency, only those sealed covers shall be opened which contain items for which offer(s) have been received for disposal.

29.08 DISPOSAL:-

The Reserve Price so recommended by the Unit Level Committee or Certified Engineering Valuer and available in sealed covers shall be opened after receipt of Price Bids from parties. The same shall be got approved from Competent Authority as per the prevalent Delegation of Powers (Refer 30.12/30.13/30.14 as the case may be) for declaration and disposal of such items and fixed in advance before opening of Price Bids. After approval of Reserve Price, Price bids which are received prior to opening of sealed cover containing recommended reserve prices, shall be got opened. In cases where the highest rate received against the tender is equal to or more than the Reserve Price, the same shall be analyzed by the Unit Level Committee and shall be considered for disposal. In case if H rate obtained is less than the fixed reserve price, items will be re-tendered second time. In retendering if H 1 price is less by up to 20% of the assessed reserve price, the items can be disposed off on recommendations by Unit Level Committee, Concurrence of F&A Department and with the approval of Unit's Head. Where the H1 price is less by upto 30% of assessed reserve price disposal can be done with the recommendations of Unit Level Committee, concurrence by F&A Department and with the approval of Functional Director (FD). Where H1 price are upto 50% of Reserve Price, disposal can be done with the recommendations of Unit Level Committee, concurrence by F&A Department and approval by C&MD. In all such cases where the disposal is recommended below the reserve price, detailed justification on price reasonability will be recorded by the Unit Level Committee specifically considering the scrap value of material content. Items for which no offers are received/where H1 offers received are below 50% of reserve price, shall be disposed off as scrap after following the laid down procedure after forming identifiable lots based on material of construction with prior approval of C&MD.

30.0. SCRAP DISPOSAL

30.01 Scrap having reasonable salvage value should be returned to Stores. The scrap items should be stored category-wise to the extent possible. MOC/Purity etc. wherever applicable for costly items like platinum wire etc., as scrap is generally seen by the parties before submission of quotation, may be intimated by User Department.

30.02 The shifting of scrap from plant to scrap yard in stores shall be arranged by Materials Deptt. The scrap shall be received on usual Return Note, which shall be signed by the plant In charge after physically inspecting the scrap. In stores, the same shall be accepted by an officer of the Stores Deptt. Scrap which is returned on weight basis, weighment slip must accompany Return Note.

30.03 Depending upon trade practices, scrap of different varieties shall be separately stored for easy disposal at the best possible price.

30.04 Stores shall maintain transaction record for scrap in the same format as Stock Card. The Return Notes and sale documents shall be numbered and posted in the stock Card. The documents, however, shall be retained in the Materials Deptt. and the accounting entry in Finance shall be made as and when realization through disposal takes place.

30.05 Disposal of Scrap, Surplus equipment, spares etc. is to be carried out as per procedure approved by Corporate Office. However, presently NFL has entered into an agreement with M/s MSTC for disposal of Surplus & Obsolete material and all types of Scrap including Iron and Steel (Ferrous and non-ferrous) as well as equipments/machineries, Rejected & condemned assets, vehicles, MOVABLE / Immovable items, Hazardous items and redundant spares, Spent catalyst, used Oil Battery as Scrap and other saleable Industrial waste i.e. Fly Ash, Ash from Ash Pond etc.

Common guidelines for disposal of scrap, surplus equipment, spares etc. to be carried out in association with M/s MSTC Ltd.

The modalities and procedures which are to be adopted by Units on the above matter are as under:

1. All the Units should intimate their known vendors to contact MSTC Ltd and get themselves registered for any disposal activities which shall be carried out in future.

2. List of scrap materials, surplus spares / equipment / redundant spares etc. proposed shall be forwarded by Units to M/s MSTC. Complete details of equipment / spares with specifications and name of manufacturers need to be forwarded to M/s MSTC to get competitive bids before e-auction starts.

3. For redundant spares, details of equipment to which these spares pertain is to be indicated with the name of OEM. All these spares for particular equipment shall be disposed off on lot wise basis only. However, in the lot details, number of individual items of spares need to be indicated.

4. It may be noted that once the lots have been offered for disposal, then the same should not be disturbed under any circumstance.

5. Units may make arrangements for segregation of spares which are proposed to be disposed off in a separate area of the Stores so as to enable participating Tenderers to inspect the same before submitting their bids in case they so desire.

6. **<u>For Scrap</u>**:

   a) Lots may be drawn and approximate weight / numbers of such lots may be indicated.

   b) Unit may also indicate whether the bids are required to be submitted on weight basis or on lot / number basis.

7. In case if any special condition, i.e., "Cutting of Lots, Compliances of Safety Norms, Payment Terms, Time period of lifting, Scope of bidder" is required to be incorporated in the tender document, then same should be communicated by Units for incorporation by M/s MSTC in the standard tender document.

8. All items to be disposed are to be covered under two categories namely STA (subject to approval) or non STA.

   a. As per agreement signed by MSTC, cases NOT covered under STA does not require any approval from NFL for sale to be effected after conclusion of e-auction Sale order for NON STA cases shall be automatically generated if after conclusion of e-auction prices received are equal to or higher than that of "Reserve Price" which has been fed into e-commerce site one day prior to commencement of e-auction by the concerned Unit/office.

   b. For items which recovered under STA (subject to approval) after conclusion of e-auction, M/s MSTC shall upload a Comparative Statement for NFL to download the same for their approval. NFL shall ascertain the reasonability of highest rates received vis-à-vis the 'Reserve Price' determined by the 'Outside Engineering Valuer / independent registered valuer/assessor for immovable properties / assets etc. and / or as determined by Unit level Committee as per the extent procedure / guidelines under Stores Manual. M/s MSTC shall only issue Sale Order once they receive approval from NFL.

   c. In view of above details, for the items which are covered under STA (subject to approval) "Reserve Price" in sealed cover determined by unit level committee or outside engineering valuer is to be got approved from competent authority and opened after NFL downloads the comparative statement from e-commerce site of MSTC.

   d. After conclusion of e-auction, for all STA cases, the existing policy regarding disposal if the H-1 rates received are equal to or more than the 'Reserve Price' fixed in the sealed covers and re-tendering in case where the H-1 rates received are less than the 'Reserve Price' fixed in sealed covers, which has been mentioned as per clause No. 29.08 (disposal) of Stores Manual, shall continue to be followed.

9. As regards reserve price, following guidelines may be followed:

   a. As per the system developed by MSTC, the reserve price is required to be filled in one day prior to commencement of e-auction using the Login-ID/Password provided to each Units / Offices for all the cases.

   b. The said reserve price shall be determined considering all applicable taxes on lots / items offered for disposal.

In view of the same, reserve price as follows is to be considered to meet the requirement.

[A] FOLLOWING ITEMS SHALL NOT BE COVERED UNDER STA (Subject to Approval) BEFORE DISPOSAL:

a. **<u>For Scrap Items (MS, SS, CS etc)</u>** <u>(Net realisable value less than or equal to Rs. 2.00 lakhs)</u>

   1. In respect of scrap items where the rates are notified in local / national papers, the reserve price to be given for disposal should be the latest price available in any of the newspapers (local/national) one day prior to start of e-auction for disposal to MSTC.

   2. For items where the Price is NOT notified and the scrap consisting of basic metals like Nickel / Copper etc., Reserve Price shall be determined by Unit level committee considering the "Metal Content" of the offered items & prices as per latest Notifications issued from LME shall be considered while fixing "Reserve Price".

b. **<u>For scrap items where no such rates are notified</u>** <u>(Net realisable value less than or equal to Rs. 2.00 lakhs):</u>

   1. For fixing the 'Reserve Price' of such Lot, the last disposal rates for similar items / lots may be increased suitably considering the period of last disposal rates & after assessing the current market situation. In other cases, Unit level committee should assess the "Reserve Price" for feeding into the e-commerce site one day prior to commencement of e-auction by

respective unit using login ID/ password provided to each unit/offices.

c. The auction for Scrap items having Net realizable value more than Rs. 2.0 lacs may be conducted under STA category. After completion of e-auction, the unit level committee will re-examine the reserve price considering the latest market trend & saleability of items vis-a vis H1 rate received during e-auction and decision for disposal of items may be taken accordingly.

d. <u>For Movable Properties, used Old, Old Batteries etc.</u>

1. The 'Reserve Price' for disposal of Movable properties/ assets etc. shall be assessed through an independent valuer/assesser or through Unit level committee as the case may be.

2. 'Reserve Price' in case of Used Oil, Batteries shall be fixed by respective Unit level committee considering the prevailing market rates at that time and shall be fed into system one day prior to start of e-auction by respective Unit / office.

3. For disposal of Used Oil, Old Batteries etc, requiring special norms to be followed before they re disposed off, hence before recommending these items to be offered for sale through MSTC, NFL shall intimate to MSTC all types of Statutory compliances, which have to be done before allowing parties to participate in e-auction for these items. NFL should intimate MSTC to ensure participation of only those parties who have got valid Govt. clearances and shall be listed on Ministry of Environment and Forests/ concerned State Pollution Control Board etc. in the e-Auction of above listed items.

4. Concerned Unit / Office of NFL should specify and intimate MSTC, whether the items which are proposed to be disposed off fall under Hazardous or Non-hazardous category.

[B] FOLLOWING ITEMS SHALL BE COVERED UNDER STA (Subject to Approval) BEFORE DISPOSAL:

a. <u>For Surplus / Obsolete items / spares / plant equipment / machineries/ Redundant Spares to be disposed off.</u>

1. The reserve price for disposal of surplus / obsolete items shall be the historical / acquisition value of these items as per the books of accounts.

2. The above said Reserve Price shall has been determined shall be only for the purpose of fulfilling the requirement of system / portal which has been developed by MSTC. However, the existing policies for assessment of 'Reserve Price' shall be as per the guidelines issued vide Circular No. NFL/DT dated 16th March, 2007 and 'Stores Manual' clause 29.06.

3. As per the extant policy of disposal of (i) complete equipment & spares and (ii) spares where the value is upto Rs. 20 lakhs & Rs. 10 lakhs respectively, the reserve price is determined by the Units and for items more than Rs. 20 lakhs for complete equipment with spares & Rs. 10 lakhs for spares, it is being determined by the outside valuers. As per the present practice, the rates so determined by committee / Outside Engineering valuer may be continued to be kept in sealed cover and to be opened after downloading of comparative statement from e-commerce site of MSTC and approval from competent authority as per clause No. 29.08 (Disposal) of Store Manual.

b. For Spent Catalyst and other saleable industrial waste, ie., Fly Ash, Ash from Ash Pond, Hazardous items etc.

1. As these items / wastes are of critical in nature which requires special norms to be followed before they are disposed-off hence before recommending these items to be offered for sale through MSTC, NFL shall intimate MSTC, all types of Statutory requirements which have to be complied with before allowing parties to participate in e-Auction for these items. NFL shall intimate MSTC to ensure participation of only those parties who have got valid Govt. clearances and shall be listed on Ministry of Environment and Forests / concerned State Pollution Control Board etc. in the e-Auction of above listed items.

2. The reserve price for disposal of Spent Catalyst, and other saleable industrial waste i.e. Fly Ash, Ash from

Ash Pond, Hazardous items etc shall be assessed by unit level committee only considering the saleability of the items and prevailing market trend for disposal of such items. The above said Reserve Price which has been determined shall be only for the purpose of fulfilling the requirement of system / portal which has been developed by MSTC.

3. Concerned Unit / Office of NFL should specify and intimate MSTC whether the items which are proposed to be disposed off fall under Hazardous or Non-hazardous category.

c. **For immovable Properties / Assets etc.**

1. The 'Reserve Price' for disposal of immovable properties / Assets etc. shall be assessed through an independent 'Registered' valuer / assesser / Unit level committee, as the case may be.
2. However for the above said Reserve Price which has been determined shall be only for the purpose of fulfilling the requirement of system / portal which has been developed by MSTC.

Unit may also note following:

1. Disposal of small value items viz, Paper waste / Raddi Gunny HDPE, Wrappers / Scrap wood etc. shall be disposed off as per earlier procedure and shall NOT be done through MSTC.

30.06 All scrap shall be accounted for by weight. Major assemblies or items like drums etc. shall be counted in numbers.

30.07 For disposal of Waste Oil, Batteries, Non-ferrous waste particularly Lead, Copper, Zinc wastes etc or any other hazardous wastes, parties must submit Valid authorization from the State Pollution Control Board for handling of Hazardous Waste.

30.08 Physical verification of valuable scraps (like copper, brass, platinum etc) shall be got done once in a year.

30.09 (i) In case where scrap material is to be lifted in lots, Stores Section shall intimate to F&A Department that final lot is being lifted by the party against Sale Order, so as to adjust the advance payment of bidder as well as release of balance payment to party.

(ii) Release of Security Deposit be allowed to the parties only, in case of completion of all statutory compliance as per terms of Sale Order.

(iii) Weighment slip (weighed on Weigh Bridge) of scrap sale must be signed by authorised official of Stores Department. However, in case of small quantity of scrap which is being weighed on small weighing scales, where there is no provision for print of weighment slip, the manual weighment slip will be prepared and signed by authorised official of Stores Department.

31.0. WRITE OFF OF UNSERVICEABLE/CAPITAL ITEMS

31.01 If any capital items or Tools & Plants (T&P) articles have become unserviceable due to normal wear and tear, this shall be communicated to the Material Deptt. for arranging their survey by a Survey Committee. The Committee shall consist of Asst. Manager (Mtls.), Asst. Manager (F&A) and an officer not below the level of Asst. Manager of the concerned Deptt. and shall meet once in six months. A schedule for the meeting of Survey Committee shall be prepared by Stores to enable the concerned department to have their items surveyed. Items like linen, cutlery, crockery, etc, issued to Hostels/Guest Houses, Canteens & Hospital shall also be presented to the survey committee for write-off. Further action on write-off shall be taken by concerned Stores Deptt. as the case may be.

31.02 Capital/T&P items like type-writers, PC, printer etc which are no more required being Surplus/obsolete, shall be written off from the books of accounts after recommendations of the unit level committee and approval of CA. Thereafter, the same shall be disposed off as Surplus/obsolete as per laid down procedure.

31.03 Accounting for items of fixed assets discarded/retired from active use and held for disposal

i. An item of asset with a Written Down Value (WDV) equal to or exceeding Rs. 50,000/- held for sale shall be separately disclosed in the fixed asset schedule. In fixed asset register, such asset shall be transferred to a special folio Assets held for disposal".

ii. No depreciation shall be charged on such fixed assets held for sale.

iii. As per AS-10, above assets shall be stated at lower of WDV or Net Realisable Value (NRV). The NRV of such asset shall be assessed through internal Technical Committee consisting of representatives from Technical Department, Materials Department and Finance Department. In case realisable value is found less than WDV, loss shall be immediately recognized in P&L.

The existing accounting practice in respect of fixed assets having WDV less than Rs. 50,000/- shall continue as such.

32.0. INDENTING OF STORES

32.01 The materials would broadly be classified into following types of items:

32.01.1.1 Specific Items (ST): Items for specific works, plant and machinery, equipment, etc. against the approved budget.

32.01.1.2 Regular Stock Items (RST): Items of normal requirement of recurring nature for operation, maintenance and other purposes. RST items shall be only those items, which are fast moving general consumable items and / or are used by more than one Department. The lists or RST items shall however be reviewed regularly at Unit level (i.e. at least once in a year).

32.01.1.3 Insurance Stock Items (IST): Items for use as replacement in the event of a possible breakdown.

These items are normally high value, long delivery, single in number and proprietary in nature.

32.02 Provisioning for stores falling under category (a) (ST) in the preceding paragraph will be done by the concerned user departments. Normally, the Departments should be able to assess these requirements and would include it in the Revenue/ Capital Budget for the year.

32.03 The indents for capital items should invariably be given the reference of the Capital Budget Item Number and the approved budget for the item. Administrative approval of the Head of the Unit should also be enclosed with the indent.

32.04 Provisioning of items under RST category, shall be done the Stores Section. Stores Section will monitor the stock position and place indent on the Purchase Section in accordance with the reordering levels. Stores Section will follow fixed period review system for RST items.

For Review of Stock Levels, the Stores Section, if necessary, will consult the user department and shall review, from time to time, the levels on the basis of the past consumption, trends in consumption and the future projections.

32.05 Regarding raw materials, feed stocks and bulk chemicals, etc., Production Department will give the projected requirement for the year to Stores Section and confirm the requirement on quarterly basis during the year. Similarly, user departments shall submit the yearly requirement of POL items i.e., oils, lubricants, etc.

32.06 Provisioning of stores falling under category (c) of paragraph 33.01 above (IST) will be done by the concerned user department on the same line as for ST items indicating i) The equipment/system for which the item is required ii) The quantity to be kept as insurance stock.

33.0. RESPONSIBILITY FOR RAISING INDENTS

33.01 The work of indenting and procurement follow-up shall be entrusted to Stores and various consumers on the following basis:

33.01.1 For Stock Items

The Indents for purchase of materials which have been declared as "Stock Items" will be raised by Stores Section after the quantity in stock has reached the "Re-Order Level" as determined for the respective items. Such indents/requisitions, amongst other particulars, shall also indicate:

33.01.1.1 Re-Order quantity.

33.01.1.2 Stock in hand.

33.01.1.3 Pending Purchase Order reference and quantity.

33.01.1.4 Consumption statistics.

33.01.1.5 Safety Stock etc.

33.01.2 For Other Items

The respective departments will raise all requisitions/ indents for purchase of materials/works and services. The requirements should not be intentionally bifurcated/split so as to avoid approval from higher authorities. One time purchase for projects or capital equipments/spares should be properly justified. Further, the obsolescence factor should also be taken into account, i.e., the equipment to be purchased should conform to the latest specifications and technology available in the market. The departmental head will ensure that the purchase requisitions must indicate:

a) Budget Provision.

b) Estimated value of the present requisition.

34.0. POWER TO RAISE INDENTS

34.01 The officers shall be free to indent within the approved budgetary limit in accordance with the overall policy norms and sub-delegation of powers.

34.02 With the implementation of Inventory Management System (IMS), on line processing of Indents has been started. Where ever applicable indenting shall be done through IMS as per the system already developed/implemented or amended in future. Under this system the details of stock position, past consumption, pending indents, codification etc. are available on line and individual indents are not to be sent to Stores section for these details. However, for approval of New codes electronic routing through Stores section shall be done as per the requirements of the IMS System. Process of purchase shall, be initiated by Purchase section on receipt of electronic indents by them and where ever feasible Enquiries shall be issued by Purchase section after taking a print out of indents received electronically through IMS. It shall, however, be the responsibility of the Indenter to make available the hard copy of indent (duly signed by Approving Authority of the indent) to the Purchase section within one week from the date of electronic approval of the indent.

Where detailed specifications, drawings and other documents forming part of indent are not received electronically through IMS, Enquiries shall not be issued unless these details/ documents are manually received in Purchase section along with the Hard copy of indent duly signed by Approving Authority of the indent. It shall be the responsibility of the Indenter to ensure that these documents are sent to Purchase section immediately after the date of electronic approval of the indent.

It shall be ensured by the indenter that all specifications and other columns of electronic indents are correctly filled through IMS and that there is no change in any specification/notes/ column/data etc in the signed Hard copy of Indent to be subsequently sent to Purchase section, so that the Enquiry earlier issued based on electronic Indent does not become redundant on receipt of signed hard copy of indent and/or no addendum/corrigendum to Enquiries is required to be issued to avoid extra expenditures as well as delay in placement of orders.

No case shall be processed for Finance concurrence and/or for approval for placement of Purchase order/contract, unless the hard copy of indent (duly signed by Approving Authority of the indent) is placed in the file of Purchase section.

34.03 For approval of new codes, electronic routing of Indents shall be done through Stores Section as per the requirements of the IMS system.

34.04 Proprietary item indents: The proprietary items of any manufacturer means equipments/machinery or its components including spares having unique feature/specifications/ characteristics/patented under registered trade mark or brand name or tailor-made for specific application and cannot be substituted. Indents for proprietary items shall be approved by the competent authorities as per delegation of powers:

A certificate to the effect that the "item is of proprietary nature and has to be purchased from the manufacturer as this is the only manufacturer of the required equipment/machinery" shall be recorded on the indent by the Indenter.

34.05 The import indents shall be approved by the Competent Authority as per delegation of powers:

NOTE: All import indents must accompany "Technical Write up" and "Custom Assessment Certificate" four copies each Mode of despatch (whether air or sea) and approximate weight of the material involved should also be indicated.

35.0. SCRUTINY OF INDENTS

35.01 The indents would be raised in the prescribed proforma S-16. The indents should specify whether it is for 'Regular Stock' (RST). 'Specific' (ST) 'Insurance' (IST) as the case may be.

35.02 Indents for capital items should be raised only after prior concurrence from the Finance Department and approval for the General Manager/Executive Director at Unit Level and concerned GM/ED/Director at Corporate Office.

35.03 Indents would be raised through system and after approval of same one hard copy duly signed, will be sent to Purchase

Department for procurement action. However, after allotment of control no. to MI soft copy shall also be sent to indenting department for their record.

35.04 In filling up an indent form, particular attention shall be paid to the following:

35.04.1 The indents must be signed by competent authority and clearly marked "RST", "ST" or "IST".

35.04.2 All the columns of the indent form must be filled in.

35.04.3 It should be ensured that the requisition for purchase should be complete in all respects with regard to:

- Standard Nomenclature & description of the items/ material/equipment/scope of work, should be used. The terminology should be such as to show beyond doubt as to what exactly is required to be purchased. Detailed specifications, full particulars, drawings/sketches (if necessary), should be attached. Ten copies of such annexures to the indent should be attached and additional copies, as and when required, should be furnished by the indenter or arranged by the Materials Department.
- Standard codes such as IS, BS, DIN, ASTM, API etc., wherever applicable, should be adopted.
- Temperature/pressure/standard, if any, where applicable.
- Quantity and Unit of Measurement.
- When delivery of material/services is required. Definite required delivery date / period should be mentioned in the indent. For controlled items, if any, the Government Policy should be borne in mind by the indenting officers while raising the indents for such items
- Name(s) of vendor(s)/contractor(s) in case the item is of proprietary nature.
- Estimated value and budget head.
- Whether Pre-Dispatch Inspection (PDI) is required.
- Third Party Inspection (TPI), if required with scope and agency.
- Performance Bank Guarantee (PBG) required or not. If required,the amount (percentage) and period of guarantee must be recorded. Three months claim period

shall be added beyond the required validity of all Bank Guarantees.

- Last Indent/PO Reference. Previous Purchase Order reference, if item has been purchased earlier, should invariably be given in the indents.
- Likely consumption period.
- Present Stock Position and pending indents references.

35.04.4 Separate indents shall be prepared for each category of item.

35.04.5 Normally, suppliers will be required to despatch stores ordered by Road Transport for inland orders or by ordinary ocean freight in case of foreign orders. However, If the Indenting Officer desires that the stores should be obtained by other than the normal means, the mode of transport should be specified indicating the reasons thereof.

35.04.6 Placing of indents for stores of specific makes on grounds of suitability and past performance should, as far as possible, be avoided, as this does not permit enquiries of a wide nature. As far as possible complete specification to which the stores should confirm need be given and if such specifications cannot be given in certain cases then specific makes and models may be mentioned to permit the suppliers to quote for suitable equivalents. However, full justification therefore may also be furnished.

The above, however, does not apply to those cases where a particular plant or machine is patented or is proprietary under a particular name or when spare parts are needed for such plant and machinery.

35.04.7 All Indents for proprietary items should be counter-signed by DGM certifying that this is proprietary item and has to be purchased from the particularly manufacturer mentioned in the indent.

35.05 All indents must be firm. An indent will be treated as effective for procurement only from the date it is complete in respect of details at para 36.01 to 36.04.

36.0. EMERGENT INDENTS

36.01 Emergent indent should generally be raised for sudden unforeseen requirements and only in exceptional cases. The reasons necessitating the emergent purchase shall invariably be recorded on the Indent. Emergent Indents shall be approved as per delegation of powers.

36.02 All emergent indents must be signed by Head of the Deptt. concerned or in the event of his absence from Headquarters, by the next senior-most officer wherever such indents cannot wait till the return of the Head of the Department.

36.03 In all cases of emergency purchases, the Manager (Materials)/ Dy. Manager (Materials) shall be the sole judge to decide the mode of transport i.e. road transport, passenger train or special courier.

36.04 The departments who may need to raise Emergent Indents would be as under:

Item Category	- Department
Indent for specific items (ST)	- User Dept.
Indents for Insurance items(IST)	- User Dept.
Indents for regular stock items	- Stores section of Materials Dept.

37.0. PROCUREMENT TIME

37.01 Indenting officers shall be expected to familiarize themselves with the purchase procedure. While stipulating delivery time on the indent, the time required in placement of order as per Purchase procedure and the time required by the Suppliers and Carriers in shipping and transportation of material shall be taken into account. Any stipulation on delivery, which ignores this aspect, is likely to result not only in avoidable rush purchase but also in higher cost and lower quality. The indenting officers shall, therefore, plan their requirements well in advance maintaining adequate stock to cover the requirement during lead-time. They shall also lay down specifications, which are more broad based, and conform to standards and trade practices.

38.0. STOCK CONTROL & STOCK LEVELS

38.01 Head of the Materials Deptt. as Chief Custodian of Stores, shall not only regulate optimum inventory levels but also take steps to ensure elimination of practices resulting in waste and misuse of stores, e.g. issue against return of old stores wherever necessary, stamping of items prone to misuse, limited drawls at one time and fixation of quotas based on estimated requirements, in consultation with user or industrial engineering dept, etc.

38.02 MIs for Stock items are to be raised based on last 03 years consumption pattern instead of following Re-order level, Re-order Qty, Safety Stock etc. Considering various aspects like items where annual consumption value is low, demand for one year can be covered against one order. For high value items, the total yearly requirement can either be met through system of Rate Contracts with staggered deliveries or through multiple orders in a year. MIs having yearly consumption value up to Rs. 5.0 lacs shall be considered as low value.

38.03 The Insurance/specific machinery spares characterize themselves by the fact that their use may or may not occur specific machinery during the life time of equipment, but if it occurs, the production shall either get seriously affected or come to a halt. The guiding principle in storage of such components shall be that only one set/charge/ replacement shall be held and replenished.

The stock Card for insurance Spares will be marked suitably. It shall be ensured that individual items in this category should not value less than Rs. 20,000/-.

39.0. NORMS OF INVENTORY HOLDING

39.01 The inventory level (inventory budget) shall be determined keeping the following norms of inventory holding in view:

a.	Coal	: 15 days consumption
b.	Packing material (bags)	: 15 days consumption
c.	Chemicals and Stores	: 2 months consumption
d.	Spares	: 22.5 months consumption

40.0. INVENTORY CONTROL

40.01 Stores Wing of Materials Deptt. shall take suitable steps for evolving methods and procedures aimed at control of inventories. These shall include:

40.01.1 An effective control on indenting so as to avoid increase in inventory holdings.

40.01.2 Preparation of Annual Maintenance Budget by F&A department in consultation with various departments and all the procurements are to be strictly made within the allocated budget.

40.01.3 Analysis of slow moving items and initiating steps to identify excess inventory and surplus inventory.

40.01.4 Monitoring of levels and reducing the same wherever possible.

40.01.5 Identifying more and more items for the purpose of procurement through rate contracts with staggered deliveries.

40.01.6 Increasing items on automatic replenishment system so that stocking policy becomes more sensitive to changes in consumption pattern and improvements in lead-time.

40.01.7 Identifying items which can be held jointly by different units of NFL to reduce the stock being held. To start with this concept can be applied to high value stores and spares.

40.01.8 Continuous procurement planning to reduce the lead time holding by systematic scheduling of supplies.

40.01.9 Segregating Insurance Spares and reflecting them separately for better appreciation of inventory holdings.

40.01.10 Standardization and variety reduction.

40.02 Review of inventory for replenishment/procurement action shall be carried out as follows:

40.02.1 High value/slow moving items shall be subjected to perpetual review.

40.02.2 Low value/fast moving items shall be subjected to periodic review.

40.03 Integration of functions of procurement / issues / indenting of spares and development of on-line computer programme for inventory control / procurement / indenting / follow-up etc. with vendors as well as within organization.

40.04 ABC Analysis of Stores shall be carried out both on consumption basis as well as Stock Balance basis with the help of the

Computer so as to have selective control on procurement and inventory holdings. All 'A' Category items shall be monitored by the Stores Incharge and 'B' Category items by the Dy. Managers/Managers. The Stock Cards will be suitably marked with the Category of the item and the Selective Control, which is required.

40.05 All items of Plant spares shall be classified as either vital, essential or desirable, so that stocking and re-ordering decisions can be taken rationally. This classification shall be carried out by the Maintenance Deptt. and fed to the Computer through Materials Deptt.

40.06 Similarly all items of spares shall be classified in one of the following categories and given corresponding codes for case of computerised analysis and reporting:

i)	Items to be kept in stock, having a re-order point (ROP) and following automatic replenishment system.	- 1
ii)	Items which are to be kept in stock but "not to be replenished" when the stock reaches zero level.	- 2
iii)	Items surplus to the requirement of the unit.	- 8
iv)	Plant Spares having 1-2 charges and declared as "Insurance Spares". as defined in Para 39.06	- 9

40.07 All high value items above Rs. 3 lacs (stock value) should be examined critically in consultation with User dept. with respect to:

40.07.1 Period up to which these items will be consumed.

40.07.2 Justification for purchase of items in case they are not likely to be used in next 1-2 years.

40.07.3 Whether these items are surplus/obsolete/ Insurance.

40.07.4 The above analysis should be done every year in the quarter ending September by Materials Department and report submitted to Unit Head for taking further decision at higher level.

40.08 List of major receipts, issue and return of items during the month having value more than Rs. 1 lakh and above shall be sent to Unit Head and also circulated to all HOD by Stores Department in the first week of preceding month to have check on inventory.

40.09 List of high value items more than Rs. 1 lacs procured against specific indents and not drawn for a period of six months should be brought to the notice of Unit Head on quarterly basis for analysis and HOD meeting/special inventory control meetings.

40.10 Shop floor stock needs to be reviewed at regular intervals and returned to the Stores Department within a reasonable period of time so as to avoid further indenting of material. The inventory lying on the shop floor/sub stores needs to be transferred back the main Stores Department at the earliest from the point of view of physically control/security and possible deterioration in quality of the material at the shop floor.

41.0. PHYSICAL VERIFICATION

41.01.1 Physical verification of inventories shall be carried out on perpetual inventory system. All the items need not be physically verified every year. Schedule of Physical verification for Stores & Spares Shall be as indicated below:

Category of Inventory	Stock Value	Periodicity of Verification
A Items	Rs. 1 lakh and above	Annual
B Items	Rs. 20,000/- to Rs. 1 lakh	Annual
C Items	Below Rs. 20,000/-	Once in 3 years i.e. 1/3 of the items each year.

41.01.2 Physical balances shall be noted in the stock taking sheet in triplicate (as per format S-21), which will be signed both by the stock verifier and representative of the concerned deptt. One copy of the stock-taking sheet shall be handed over to the Plant In charge; second copy shall be forwarded to the Accounts Deptt. and third copy shall be retained by the stock verifier.

41.01.3 Physical balances will be compared and reconciled with the records maintained by the Deptt. keeping the custody of assests verified, and also with the property ledgers maintained by the Accounts Deptt.

Stores In charge/Manager (Stores) will also identify items which are more susceptible to pilferage irrespective of value, which may be verified annually.

But the following fast consumable / valuable items should be verified every quarter:

41.01.3.1 Coal

41.01.3.2 Packing material

41.01.3.3 Bulk Chemicals

41.01.3.4 Petrol, HSD & Lubricants.

The shortage norms for Petrol and HSD as per Corporate Office's Circular/Guidelines is to be mentioned

41.01.3.5 Platinum, Rhodium Gauzes.

41.01.3.6 Any other valuable and attractive item.

41.01.4 FINISHED AND SEMI FINISHED GOODS

Items under this category will include Urea, Sulphur, Methanol and Ammonia. Physical verification of these items shall be conducted every quarter. Production Deptt. shall co-ordinate for physical verification of such items.

41.01.5 FIXED ASSETS

All moveable fixed assets shall be carried out at least once in a year. List of such items is placed at Annexure-VII. More items may be added in the list depending upon the acquisition of assets from time to time. Administration Deptt. shall co-ordinate for physical verification of such items.

41.02 The procedure to be followed for physical verification of raw-material, packing material, stores and spare parts will be as under.

41.02.1 The programme will be prepared in advance and it should be ensured that the work is completed according to pre-determined time schedule. The stock verifier will select confidentially a group of items to be verified by him on a particular day in conformity with the schedule prepared in advance.

41.02.2 It will be ensured that no item escapes physical verification. The verification will be done of all items available in the godown as above. The verifier will not take bin card balance before actual physical verification.

41.02.3 Before starting physical verification of particular code of material as per programme a red line will be drawn on the bin card leaving 4 lines under the last entry. This space of 4 lines will be utilised for the entries which are omitted in the bin card or to correct other clerical mistakes in balancing, etc.

41.02.4 During the process of verification of a particular category of stores no issue or receipt will be carried out without the prior approval of the verifier. Efforts will be made to keep issues receipts to the minimum during the period of verification of that particular code. In case the issues are unavoidable the vouchers will be passed on to the verifier who will mark it in red ink as After Stock Taking (AST) or Before Stock Taking (BST) and sign the same. AST would mean where the items has been counted and as such this voucher would be posted after the physical balance has been recorded, below the red line on the bin card. BST would mean the item has not yet been counted and the voucher may be entered above the red line.

41.02.5 The stock verifier will physically count weigh the stocks for which required assistance will be given by store keepers and will record the same in physical stock taking slip (as per Format S-18). The stock taking slip will be prepared in duplicate and will be signed both by stock verifier as well as official in charge of the godown. Separate slip shall be made out for each item.

41.02.6 After the verification slips are completed for all items in a godown the stock sheet shall be prepared from these slips/bin card and physical balance as per the verification slip recorded on the stock sheet (as per format S-19). Simultaneously balance from the bin card will also be noted in the stock sheet and discrepancies will be worked out. The stock sheet will be prepared in triplicate. One copy of the stock sheet will be furnished to the officer Incharge of Stores Accounts Branch, other copy of DM (Stores) and third copy will be retained by the stock verifier. It will be the duty of the Store Keeper to sort out these discrepancies. In the case of Omission of any issue notes/receipt vouchers or clerical mistake in the bin card necessary corrections will be carried out in the bin card which will be initialed by Store Keeper and stock verifier.

41.02.7 A final list of shortages/excess will be prepared in the proforma as per Annexure-S-20) in triplicate which will be distributed as in the case of stock statement mentioned above. In the case of shortages if it found to be due to genuine mistakes or within the approved limits. Stores Incharge/Manager(Mtls.) will send to MFA Issue Vouchers along with a report indicating reasons for shortages for taking approval of competent authority and adjustments in price stores ledgers. Simultaneously entry will be made in the bin cards also.

41.02.8 In the case of loss not covered under permissible limits detailed investigation shall be conducted by Stores Incharge for the purpose of fixation of responsibility for the loss. In case where the responsibility for the loss is attributable to any person Stores Incharge shall take action for recovery. Where the responsibility for the loss could not be fixed to a person Stores Incharge will prepare the case for obtaining approval of the competent authority for write off and will forward the same to MFA deptt. for further necessary action. Stores Issue Vouchers for the shortage shall also be prepared and sent to the Accounts Deptt.

41.02.9 The stock verifier shall conduct a test check to see that maximum/minimum/re-ordering level are fixed realistically and are regularly observed.

41.02.10 While conducting stock verification stock verifier shall report on obsolete unserviceable/life expired items, if any included in the inventory.

41.02.11 In the case of stock of coal and finished goods it may not be possible to actually weigh the material. The physical verification in such cases will be done by the survey method with the help of a surveyor from Civil Engg. Deptt. The representative of the Production Deptt. shall also be associated with the physical verification in such cases where actual custody of the material is with the production deptt. The bulk density of each heap surveyed shall be determined by test checks of bulk density and the volume of the heap will be converted into weight based upon bulk density.

41.02.12 Certain materials are issued to the consuming Deptt. in full immediately on receipt and remain in the custody of the consuming deptt. These materials are methanol, LPG and HSD, etc. The physical verification of these items shall also be done and the representative of the Production Deptt. will be associated with the stock verification in such cases instead of the representative of the Stores Deptt. All other procedure as described above shall be followed in those cases also.

41.02.13 Norms for handling losses for Raw Materials and Finished Products.

a) Urea: Handling loss up to 0.3% to be adjusted in the stock of Urea in Silo/Warehouse.

b) Coal: Shortage norm of Coal up to 3%.

c) Petrol: Shortage norm of Petrol up to 1% as per M/s Indian Oil Corporation.

ANNEXURE-1

SUB-DELEGATION OF POWERS TO OFFICERS OF STORES WING OF MATERIALS DEPARTMENT:

S. No.	Nature of Powers	Delegation of Powers				
		H.O.D/ D.G.M/ CM(Mtls.)	Head of Stores	Manager	Dy. Mgr./ Sr. AM	Asst. Mgr.
1.	Approval of Indents for Stock Items	Full	5.00	Nil	Nil	Nil
2.	Inspection of General Stores and other stock items with association of indenter wherever necessary (for common & standardized items)	Full	Full	Up to 3.00 Lacs	Up to 2.00 Lacs	Up to 1.00 Lacs
3.	Approval of Receipt Vouchers i). For Bulk Items. ii). For other items	Full	Full	Up to 10.00 Lacs	Up to 5.00 Lacs	Up to 2.00 Lacs
4.	Freight Payments, Bills of M.H. Contractor & work orders etc. pertaining to Stores function i). As per Contracts. ii). For other items.	Full	Full	0.50 Lacs per G.R.	0.25 Lacs per G.R.	0.10 Lacs per G.R.
5.	Payment of wharfage & demurrage where there is no negligence on the part of Stores dept. staff *	0.25 Lacs	0.15 Lacs	0.05 Lacs	0.02 Lacs	0.01 Lacs
6.	Disposal of Surplus stores& Scrap items on recommendations of Committee and with financial concurrence	As per delegation of Powers				

* Subject to maximum limit as indicated in sub-delegation of powers

NATIONAL FERTILIZERS LIMITED

GIR REGISTER

GR Type	**GIR Date**	**Supl. No.**	**GR/RR Date**	**No. of Cases**	
Transporter		From	Material weight	Freight	
Supplier Name			Supplier City	Paid	To Pay
Challan No.	Challan Date	Credit Note No.		Credit Note Date	
Oct. Rct No.	Oct. Rct Date	P.O. No.	P.O. Date	P.O. Type	
MIS No.	MIS Date	SRV No.	SRV Date		
MIS Code	Description		Value		
Remarks					

NATIONAL FERTILIZERS LIMITED
STORE DEPARTMENT

Incoming Consignment Challan

S. No.	RR/GR No.	Rly. Mark	Name of Supplier	No. of Cases	Weight	GIR No.	M.I. Slip	Remarks

Signature of A.M.O.(R)   Total No. of cases delivered   Signature of the person delivering

Material Inspection Slip Cum Stores Receipt Voucher

MI Slip No.	Dtd.	P.O.Type	
P.O. No.		SRV No.	Dtd.
P.O. Dtd.	Supl. No.	OSRD No.	Dtd.
Supl Name		Cr. Note No.	Dtd.
		Frt. (PD)	
City		Dem/ wha (Days)	
GIR No.	Dtd. GIR Type	Amount	
GR/RR/PP No.	Dtd. Claim No. Dtd.	NFL (A/c) CC	Party
Inv./Challan No.	Dtd.	Misc. Expn.	
IC Gate Pass No.	Dtd	Payment Terms	
P.O. Terms .F.O.R./Ex-Works		Tpt.	
Indg. / Imp.	Indentor	Vehicle Type	Vehicle No.

Item Code	Description	U/M	Quantity				Rate	Amount
			Inv	Recd	Rejected	Accepted		

REMARKS:-

Signature I/C Receipt	Prepared By	Recorded By	Posted By	SRV Authorised By SR. AMM (R)	Amount	Freight

MO(Receipt)	Location	No. of Cases	Weight	Ins. Charges	Handling Charges	Octroi

Material unloaded by Rly / Tpt. And shifted by Carting Contractor

NATIONAL FERTILIZERS LIMITED

SRV CONTROL REGISTER

S.NO.	SRV DATE	SRV NO.	MIS NO.	MIS DATE

NATIONAL FERTILIZERS LIMITED

(A GOVT. OF INDIA UNDERTAKING)TELEX NO. 0395-7242 NFNG

MATERIAL MANAGEMENT DEPARTMENT FAX.NO. --1887-[illegible]

MATERIAL INSPECTION SLIP CUM RECEIPT VOUCHER (OSRD FORM)

Ref.No.		Date	
Party's Name & Address:-			
OSRD No.		OSRD Date	Indentor
P.O.No.			Supplier No.
P.O. Date			Date of Receipt
RR/GR/PP No.	Date	No. of Packages	F.O.R
Delivery Carrier			Payment Terms
Challan/Inv./Bill No.	Date	MIS No.	MIS Date

Sr. No.	Folio No.	Description	U/M	Quantity			
				Inv.	Recd.	Rejected	Accepted

REMARKS

TRANSPORTATION DEPARTMENT
WAGON SHEET

DATE:

RAKE NO.__________________ FROM__________________________ TO__________________
ARRIVAL DATE______________ TIME_______________ DATE OF LOADING__________________
CONTENTS____

S.No.	WAGON PARICULARS					S.NO.	WAGON PARTICULAR				
	RLY.	TYPE	NO		CC		RLY.	TYPE	NO		CC

SRV/Proforma 4

NATIONAL FERTILIZERS LIMITED

MATERIAL INSPECTION SLIP-CUM-RECEIPT VOUCHER

Suppliers : M/s.. Receipt Voucher No.............................Dt..................

Challan No. & Date .... Colliery..

Bill No. & Date.. Name of Indentor : Sr. Manager (P) S.G.P.

Description of Material	Ledger Folio No.	Unit	Quantity	Rate	Amount
Slack Coal Grade		M.T.			

Wagon No.	Carrying Cap.	R.R. Wt./ Fy. Wt. (M.T.)	R.R. No. & Date	Freight To pay Rs.	Received on	Wagon No.	Carrying Cap.	R.R./Wt. Fy Wt. (M.T.)	R.R. No. & Date	Freight To Pay Rs.	Received on

Remarks : 1. Wagan Nos..not received

2. Total underloading..............................M.T. Excess freight may be recovered.

3. Analysis report not received. Sr. Manager (P) SGP. may send it directly to Finance.

Received

Priced

Ledger

Ledger

Posted

P.V. Register

Bin Card

Materials Officer (RMC)

Accounts/Stores or RD.

SRV Proforma-B

NATIONAL FERTILIZERS LIMITED

UNIT)

MATERIAL INSPECTION SLIP-CUM-RECEIPT VOUCHER

Supplier : IOC. New Delhi

Receipt Voucher No..........................dt...................

Challan No. & Date.....................................

Refinery...

Bill No. & Date...

Name of Indentor : Manager (Production).....................

Description of Material	Ledger Folio No.	Unit	Quantity 15-°C	Qty Nat Temp.	Amount
RFO HPS/RCO/LSHS/Furance oil/Naptha					

As feed Stock/OTFS/Duty Paid

DETAILS

Sr. No.	R.R. No. & Date	No. of Wagons	Quantity in M.T.	Freight (Rs. P.)	C. Note No. & Date	Received on

Remarks : 1. Wagon Nos...

....not Received

AR-5 A.........................

Received	Priced	Postage
	Ledger	P. V. Register
Material Officer (Stores)	Ledger	Bin Card
Addl. Manager (Materials)	Accounts	Accounts Stores

Godown Copy

MATERIAL INSPECTION SLIP-CUM-STORES RECEIPT VOUCHER FOR BAGS [illegible]

MIS NO.: ______ DATE: ____________

P.O.NO.: ____________________________
P.O.DATE: __________
SUPPLIER:
M/S. ____________________

SRV NO.	DT.

D.O.DT: __________
VEHICLE NO: __________

TRANSHIPPED TO VEHICLE NO: __________

GR NO: ____
GR DT: __________

BILL NO. : _____
BILL DATE:

INDENTOR : PROD. BAGGING

DESCRIPTION	FOLIO	U/M	QUANTITY			AMT.
			INVOICED	RECEIVED	ACCEPTED	

SIZE: ______ MM

MESH: ______

WT.OF ONE BAG: ____ GRAMS

REMARKS: 1. TOTAL ____ BALES UNLOADED & STACKED BY OUR CARTING CONTRACTOR ON __________..
2. BALES RECEIVED SHORT :
3. BALES RECEIVED WET :
4. BALES RECEIVED DAMAGED:

LAB.REPORT-SAMPLE NO.

INITIAL SAMPLING	RETESTING
1.AV.WT.OF BAG:- 2.STRENGTH a) WARP (WIDTH): b) WEFT (LENGTH): c)BOTTOM SEAM: 3.BRANDING TEST OF THE SELECTED BAG:	
SIGN.(NAME/DESIG.)	SIGN.(NAME/DESIG.)

PROD.DEPTT'S REMARKS MEASUREMENT
(1)SIZE OF BAG: (2)MESH: (3)FOLDS:
(4)LESS STITCHES: (5)NO.OF BAGS RECEIVED SHORT: __________
CONSIGNMENT ACCEPTED REJECTED

SIGN.(NAME/DESIGN.)

CONSIGNMENT ACCEPTED BY THE INDENTOR & S.R.V. ALONGWITH LAB. REPORTS PASSED ON TO F&A DEPTT. FOR FURTHER NECESSARY ACTION AT THEIR END.

SRV AUTHORISED BY POSTED BY

LOCATION PREPARED BY
PROD.
BAGGING.

DY.M.M.(S) M.M.(S)

NATIONAL FERTILIZERS LIMITED

UNIT

MATERIAL INSPECTION SLIP-CUM RECEIPT VOUCHER FOR LIMESTONE

Suppliers : M/s.————————————————

————————————————————

P.O. No. & Date ————————————————

————————————————————

Challan No. & Date ————————————————

Receipt Voucher No.————— dt —————

GR No. & Date
Freight
C. No. & Date
} N.A.

Indentor :

Description of Stores	Ledger Folio	Unit	Quantity	Rate	Amount

Materials received in trucks, Period from.................................to.................................

Sr.No.	Stores Receipt No.	Truck No.	Net Wt.	Party's Challan No. Date	Sr. No.	Stores Receipt No	Truck No.	Net Wt.	Party's Challan No.

Balance Payment may please be released only on receipt of our letter.

Received

Priced
Ledger
Ledger

Posted

Bin Card

Dy. Manager (Mtls) Stores

Accounts/Stores

Book No.————— S. No.——————

WEIGHMENT SLIP

M/s.

G. R. No.	:	
Date of Receipt	:	
Truck/Tempoo/Trailor No.	:	
Name of the Driver	:	
Name of the Transporter	:	

Particulars of Material	
	Gross Wt.—————————— MT Tare Wt.—————————— MT Net Wt.—————————— MT Remarks :-

Weighment done by

Date——————— A.M.O.

NATIONAL FERTILIZERS LIMITED

Credit Note Report for Stores Department

Book No./Sr. No.

Manager (Tptn. CO.): Shri______________________________

Credit Note for the Consignment

Through:-		
From:-	To:-	
Consignor:-	GR No.	Date:
Description of Goods:-		
Weight:-	Value:-	
Freight (Rs.)	Dem amount:-	
Delivery Charges:-	Misc.	
F.O.R.:-	No. of Cases:-	
Total Charges	Rupees:-	
G.R. Register Sr. No.	LSC No.	
P.O. No.	Date	
Remarks		

STOCK CARD

NATIONAL FERTILIZERS LIMITED

UNIT

Location________________________

Description________________________

____

____

____

Material Code No.________________________

U/M________________________

LEVEL FOR STOCK ITEM

SS	ROQ	HOP

24 Character Nomenclature for Computer

	PROCUREMENT				NATURE OF ITEM			SURPLUS	
Indent No. & Date	Qty.	Deptt.	Receipt					Qty.	Authority
			RV No. and Date	Qty. Received	IMPORTED INDIGENOUS WKSP MANUFACTURED				
					INSURANCE ITEM				
					STOCK NOT BE REPLENISHED				
					CATEGORY				
					A	B	C		

Strike out whichever is not applicable

SOURCE OF SUPPLY

1.
2.
3.

Date	DOC No.			Supplier/ Consumer	Receipt	Issues	Balance	Intials of Store Keeper	Remarks
	SRV	R. No.	S. I. No.						

NATIONAL FERTILIZERS LIMITED

STORE REQUISITION (ISSUE NOTE)

(To be used for one category of Stores only)

← Code

Department.................................. .Requisition No.................................... Voucher No........................

Plant/Section.................................. Date... Dated...............................

Cost Centre..................................

Charge Head No..................................

Special remarks reg. Recovery........................

Free Issue to..

Loan Issue to..

Changeable to..

Name/Job No..

Estimate No..

DESCRIPTION OF MATERIAL	Material Code No.	U/M	Quantity		Financial Head	Balance in Stores After this issued
			Demand	Issued		

Requisitioned by
Name & Designation
Stamp

Received by
Name & Designation

Issued and posted by
MO/Store Keeper

Format S-13
(Refer Para 26.01)

National Fertilizers Limited

STORES RETURN NOTE

SR No.

Code (for one item only) Date:

Department.............................. .... Condition of Return

Section/Plant .... | Old but serviceable

Issue Note Reference | **O**ld duly repaired

1. Under which issued first No. ....dt...........New Returned Old duly Returned
2. Replacement Issue No................. dt.......... Strike out whichever is not applicable

Charge Account........................ Job S. No.........

Description of Material	Material Code No.	U/M	Qty.	% of Original/replacement recommended

Returned Received & posted Valued as per recommendation

(Financial Head

Plant/Section Head **Materials Head** **Stores Accounts**

Duplicate

NATIONAL FERTILIZERS LIMITED
TRANSFER NOTE

(S. No.. TN No...........................
(to be given by the transferee)

Date.. Date..............................

For used Articles, e.g. Office Furniture & Appliances, Residential Furniture, Electrical Equipment, Cycles, Guest House Articles like Crockery, Cutlery & rejected bags.

S.No.	Description of Material	Identification Mark	Material Code No.	U/M	Qty.	Original Issue Note Ref. No. & Date

Transferor

....
Plant Engr./Sectional I/c or equivalent

Transferee

....
Plant Engr./Sectional I/c or equivalent

For use in Finance Department

....
Receipt entered in.......................
Issue entered in..........................

JUSTIFICATION PERFORMA FOR MATERIAL INDENT

Sl. No.	Folio No.	Description	Last 3 Year Consumption			Current Year	Present Stock	Indented qty. to be used

REMARKS :-

NATIONAL FERTILIZERS LIMITED

UNIT

Deptt....................................	Purchase Indent................................	Material Indent No...........................
Ref. No....................................	Ordinary..	Date..
Dated	Emergent..	Delivery Date.................................

Required for...Type of Indent : RST/ST/IST/Capital

Mode of Transport :

S. No. & Mat. Code No.	Description of Material	Unit	Qty. requi-red	Estimated Value	Levels: Safety Stock	Levels: Reorder Qty.	Levels: Reorder Level	Pre sent stock	Last 12 months consum-ption	Previous PO Indent ref.
1	2	3	4	5	6	7	8	9	10	11

Indenting Officer	Approving Officer	Concurred by Finance for capital items only

Signature : Dated :

NOTE :— 1. Separate indent may be prepared for each category of item.

2. Mode of transport ordinary will be passenger train for inland/ocean freight in case of imports. If required to be transported by QTX/Air freight the same should be indicated with reasons.

3. For capital items, Indentor may give capital budget item reference.

Store M.I. No.........................

Dated.....................................

Passed on to Purchase Deptt. for Necessary Action.

Asst. Manager (Stores)

NATIONAL FERTILIZERS LIMITED

UNIT

Deptt.................................. | Purchase indent.......................... | Material Indent No.....................

Ref. No... .... | Ordinary.. | Date...

Dated.. | Emergent... | Delivery Date...................................

Required for ....Type of Indent : RST/ST/IST/Capital

Mode of Transport :

S. No. & Mat. Code No.	Description of Material	Unit	Qty. requ-ired	Estimated	Levels			Pre-sent stock	Last 6 months consum ption	Previous PO Indent ref.
					Safety stock	Reorder Qty	Reorder level			
1	2	3	4	5	6	7	8	9	10	11
	Reason for Emergency									
	Head of Deptt.									

Indenting Officer | Approving Officer | Concurred by Finance for capital items only

Signature : | Dated :

NOTE :—1. Separate indent may be prepared for each category of item

2. Mode of transport ordinary will be passenger train for inland/ ocean frieght in case of imports. If required to be transported by QTX/Air freight, the same should be indicated with reasons.

3. For capital items, Indentor may give capital budget item reference.

Store M I. No.—————

Dated—————————

Passed on to Purchase Deptt. for Necessary Action.

Material Officer (Stores)

NAME OF THE FIRM OF STOCK VERIFIER
PHYSICAL VERIFICATION SLIP NO.
GROUP ______________________________ LOCATION ____________________
DATE ____________________________

Category Code No.	Description	Accounts Unit	Qty.	Variation

Above Quantity has been found short/excess physical verification

Manager (Materials) Stores

NAME OF FIRM OF STOCK VERIFIER

Stores/ Stocks
Verified at____________

Sheet No.____________________________
No.____________________________

Item Code	Name of Article	Unit of Measurement	Actual Stock	Stock Card Balance	Discrepancy		Remarks
					Excess	Shortage	

Certified that all stocks of above items have been presented for verification and actual stocks recorded are Correct.

Certified that the actual stocks on physical verification have been checked from the stock card & initialled.

Manager(Mtls.) Stores

Stock Verifier

NAME OF FIRM OF STOCK VERIFIER:

REPORT OF DISCREPANCIES IN STORES STOCK VERIFIED AT ______________________________

DATE______________________

Stock Taking Sheet	Mtls. Code	Description Of Articles	U/M	Actual Stock	Book Bal. Stock Card Bal.	Discrepancy Excess/Shortage	Comments of Incharge Stores	Remarks

OFFICER INCHARGE
STORES DEPARTMENT

STOCK VERIFIER

National Fertilizers Limited..Unit.........................

STOCK TAKING SHEET OF FIXED ASSETS

Fixed Assets A/c................ Date of Verification

S.No.	Description of Article	Identification No. of item	Location	Actual Stock	Departmental Book Balance	Balance as per property ledger maintained by Accounts.	Discrepancy as compared to property ledger		Reason for discrepancy
							Excess	Shortage	
1	2	3	4	5	6	7	8	9	10

Certified that all items under the above assets account have been
Produced for physical verification as per quantity mentioned above.

(Officer-in-charge of Assets) (Stock Verifier)