



EMERALD RESILIENT TYRE MANUFACTURERS PVT. LTD.,  
79 & 80, Export Promotional Industrial park,  
SIPCOT Industrial complex,  
Gummidipoondi.

DOC NO : QP/PUR /01  
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## QUALITY PROCEDURE MANUAL PURCHASE

### 1.0 PURPOSE:

This procedure documents the system adopted for procurement of raw materials and moulds as per the specified requirements.

### 2.0 SCOPE:

This procedure is applicable to purchase of all items, which have a bearing on product quality.

### 3.0 RESPONSIBILITY:

CEO / Purchase In charge.

### 4.0 AUTHORITY:

This procedure is approved by CEO and can be amended only by him.

### 5.0 DEFINITION: NIL

### 6.0 PROCEDURE:

To ensure that the purchased raw material, and moulds confirms to the specification / requirements, the same are purchased from approved vendors.

#### 6.1 EXISTING SUB CONTRACTORS / VENDORS HOW ASSESSED AND APPROVED.

6.1.1 All the sub-contractors/vendors supplying raw material are included in the approved vendor's list based on their past performance.

#### 6.2 NEW SUBCONTRACTORS / VENDORS HOW ASSESSED AND APPROVED.

6.2.1 Selection of new sub-contractors/vendors is made after thorough scrutiny of its organizational infrastructure, technology adopted, availability of plant and machinery, etc. Special emphasis is given to the following:

- ISO certification
- ISI mark (if any)
- Reputation (Dealership certification if any)
- Past performance
- Trial order
- Test certificate

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DEPT HEAD	CEO & JMD	Management Representative	REVISION DATE: --



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- 6.2.2 Questionnaire format are sent to the new vendors/subcontractors for obtaining technical and commercial capabilities.
- 6.2.3 Samples are collected from the new vendors and analyzed, in house/ external lab before approving them.
- 6.2.4 For new subcontractors, first job work is done on trial basis under follow up and assessment is made.
- 6.2.5 Purchase in charge forward the assessment to CEO for review. Based on the above he shall give the recommendation.
- 6.2.6 The new vendors recommended by top management are treated as approved vendors wherever applicable and the necessary documents will be prepared for vendor evaluation and approval

### 6.3 VENDOR EVALUATION, RATING & RE-EVALUATION

- 6.3.1 Vendor rating is done once in year by every January for all suppliers including sub contractors. Weightage for the different factors are as follows :

Quality 50 Points  
Contact facility 5 Points  
Delivery 35 Points  
Infrastructure 5 Points  
Certification 5 Points.

The rating for quality is based on performance in the past. The points in quality is awarded considering, a) the quality of materials (ie, if there were no rejection- 40 points) b) the test certification compliance(10 points).All vendors who gets total marks less than 70 points following the above procedure will be disqualified. If the quality is good, delay in delivery may not be considered for disqualifying the vendor.

#### 6.3.2 RATING GUIDANCE :

85 Points and above is good; 70 - 85 Points needs improvement  
Less than 70 Points needs investigation the supplier shall be disqualified.

**Vendor re-evaluation** is done on the following situations.

No orders on the evaluated supplier for more than 2 years or Vendor rating is below par for a given period or Supplier has undertaken a Corrective Action on our reported problem

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### **6.4 PURCHASING DATA-REVIEW AND APPROVAL**

- 6.4.1 Raw material stock is sent to purchase by stores, everyday. Based on the stock level, raw materials are procured by purchase. Requisition for moulds, can be initiated by Engineering department in the form of indents
- 6.4.2 The indent contains data clearly describing the product ordered, quantity etc. Engg.items are procured as per the min. stock level maintained by engg. Stores. Other items are procured based on the request from the user. The PO for RM purchase is approved by Top management through ERP system.
- 6.4.3 For the items, approved in the capital budget,
  - (i) If the purchase indent is given with negotiated quotation, purchase department places the purchase order.
  - (ii) If the purchase indent is not supported with quotation, the purchase department calls for quotation or personal enquiry with supplier and then places purchase order after negotiation and finalizing the quote
- 6.4.4 For the items which are not projected in the capital budget, purchase department places order after getting approval from the management
- 6.4.5 Orders for purchase of low value / non-critical items are placed verbally or on telephone or by fax or by e-mail in urgent cases
- 6.4.6 The purchase order is reviewed for the adequacy of specified requirements prior to release.
- 6.4.7 Test certificate is insisted with each supplies.

### **6.5 VERIFICATION OF SUB-CONTRACTED PRODUCT:**

- 6.5.1 On receipt of the material, inwarding is done by the stores department. If it is find visually ok, wherever applicable, the materials are unloaded. The unloaded materials are kept in RM storage area with the material identity card (UNDER INSPECTION tag). The samples are drawn and given to QA for inspection. The GRN is raised through ERP (SAP) system by purchase.
- 6.5.2 If the material is found meeting the specification the same would be accepted and GRN (through ERP) is approved by QA. Otherwise it is rejected and the intimation is given to stores through NCMN tag.
- 6.5.3 The stores will segregate the material and necessary action is taken for disposal.

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### 6.6 WORK ORDER/ OUTSOURCING:

- 6.6.1 The requestor who needs to execute the work order has to raise the request. The instructions/drawings/specifications/[requirements](#) / [standards](#) shall be sent to outsourcing party by the requestor.
- 6.6.2 Work order is prepared based on the requests from the users for jobs to be carried by outside parties.
- 6.6.3 Job instructions sent by requestor is clearly mentioned in the Work Order.
- 6.6.4 Progress/Inspection of the work shall be carried out at party's premises if required by the requestors/concerned.
- 6.6.5 [Outside mixing should be under our followup.](#)
- 6.6.6 Incoming inspection procedures shall be applicable for all jobs carried out through work orders.

### 7 RECORDS:

- 1. Approved vendor / sub contractors list (FT/PUR/02)
- 2. Sub-contractor /vendor rating form (FT/ PUR/03)
- 3. Vendor Questioner Form (FT/PUR/04)
- 4. Material Requisition Slip (FT/ ST/01)
- 5. Purchase order (FT/PUR/01)
- 6. Purchase requisition slip (FT/PUR/05)
- 7. Finished Goods Register (FT/ST/03)
- 8. Material specifications.
- 9. Stock Register (FT/ST/09)
- 10. Material Identity Card (UNDER INSPECTION tag)

### 8 REFERENCE:

- 1. List of packing materials with specifications.
- 2. List of critical machine spares with specifications
- 3. Party's quotation.

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