



QUALITY MANAGEMENT SYSTEM PROCEDURE MANUAL

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Date : 01.10.2009

PURCHASE – RAW MATERIAL

1.0 PURPOSE

To establish and maintain a system for procurement of Raw Materials for Iron & Steel Zone.

2.0 SCOPE

Purchasing of Raw Materials for Blast Furnace, Sinter Plant, Coke Oven, DRI & SMS.

3.0 DEFINITIONS

HOD (MM) : Head Of Department (Materials Management)
HOD (IRON & STEEL) : Head Of Department (Production)
HOD (QA) : Head Of Department (Quality Assurance)
S/I -RM : Sectional Head – Raw Material Purchase
Iron Zone : Blast Furnace, Sinter Plant, Coke Oven and DRI
Steel Zone : Steel Melting Shop

4.0 RESPONSIBILITIES

- 4.1 HOD (MM) is overall responsible for the implementation of this procedure.
4.2 Individual responsibilities for specific activities are given below in description

5.0 PROCESS INPUTS

SL. NO.	DESCRIPTION	SOURCE	REF. DOC.
5.1	Annual /Monthly Production Plan from Iron & Steel Zone.	Plant Operation	
5.2	Specifications of all Raw Materials.	User department	
5.3	List of Approved Suppliers.	Within Deptt.	PUR / F 06
5.4	Quotation / Offers.	Supplier	

ISSUED BY: RAJNEESH JHA - MR

APPROVED BY: VIVEK TIWARI - HOD



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6.0 PROCESS DISCRIPTION AND INTERFACES

SL. NO.	ACTIVITY	RESPONSIBILITY	REF. DOC.
6.1	RAW MATERIAL PURCHASING (IRON ORE)		
6.1.1	As per the annual/monthly production plan, organising procurement to fulfill the requirement of plant.	HOD (MM)	
6.1.2	Preparation of approval, Purchase Order and its distribution.	S/I- RM	PUR/F08
6.1.3	Verbal/written instruction to Branch Office / suppliers to organize the dispatches as per time-to-time requirement.	-Do-	

6.2. FOLLOW UP

6.2.1	Day to day follow up with branch office / suppliers to get the details of dispatches and its timely delivery	S/I- RM	
6.2.2	Follow up with the Railway for the movement of rakes.	S/I- RM	
6.2.3	In case of rake movement, get the wagon unloaded at wagon tippler and obtain the weighment record by site office and inform the same to stores accordingly.	S/I- RM Shift In charge (R.M.H.S.) / I/c (Stores)	
6.2.4	Receive the Daily RM receipt report from the RM- Stores / user dept for each material	S/I- RM/ I/c (Stores)	STR/F08

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6.3. FERRO-ALLOYS / FLUX PURCHASING / PROCESS CONSUMABLE

SL. NO.	ACTIVITY	RESPONSIBILITY	REF. DOC.
6.3.1	Float the enquiry to vendors / approved vendors for the material to be procured.	-Do-	PUR / F 06
6.3.2	Receive quotations/offers from the vendors against enquiry for minerals.	-do-	
6.3.3	Prepare “Comparative Statement (CS)”	-Do-	PUR / F 02
6.3.4	Send the file for commercial approval. After getting approval, preparation of P.O. and its distribution	-Do-	PUR/F08
6.3.5	Inform suppliers for the delivery schedule if required .	-Do-	
6.3.6	Get the trucks/tippers unloaded in the raw material yard of user dept. / Stores with the consent of user dept.	S/I- RM/ Shift In charge (R.M.H.S.) I/c Stores	
6.3.7.	Receive “Stock Statement for Raw Materials” on daily basis from user dept..	S/I- RM/ Shift I/c (User Dept)	

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6.4 FOLLOW UP ACTIVITY

6.4.1	Review the pending report against the purchase order delivery date, if necessary follow up with the vendor for timely dispatch of the material.	-Do-	
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6.5 AMENDMENT TO PURCHASE ORDERS

6.5.1	In case of any amendments to the PO, prepare the Amendment Approval Note and get it approved from the designated PO approving authority.	S/I- RM	PUR / F 05
6.5.2	Send the approved Amendment note to the EDP dept. for the amendment in the same PO.	-Do-	
6.5.3	Get the PO Amended from EDP and inform the Vendor about the Changes / amendments.	-Do-	PUR/F08

7.0 PROCESS OUTPUT

SL. NO.	DESCRIPTION	TO	REF. DOC.
7.1	Enquiry	Suppliers	
7.2	P.O.	Suppliers	PUR / F 08
7.3	Amended P.O. (If any)	Suppliers	PUR / F 05
7.4	Receipt of Raw Material inside the plant	Plant Operation	STR/F08

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8.0 PROCESS MONITORING

SL. NO.	PARAMETER	ACCEPTANCE CRITERIA	RESPONSIBILITY	FREQUENCY	REF. DOC.
8.1	Stock level of Iron Ore, Coal/Coke, Fluxes & Ferro Alloys	As per set Target	HOD (MM)	Daily Basis.	PUR (RM)/OBJ-SI-3
8.2	Landed / Average cost of Raw Materias	-	HOD (MM)	Monthly	
8.3	Quality performance	-	HOD (MM)	Quarterly.	PUR/F01

9.0 QUALITY RECORD

- 9.1 PUR / F01 : Supplier Quality Rating
- 9.2 PUR / F02 : Comparative Statement
- 9.3 PUR / F 05 : Amendment Approval Note
- 9.4 PUR / F 06 : Approved Supplier List
- 9.5 PUR / F08 : Purchase Order
- 9.6 STR / F08 : Daily Issue and Receipt Summary Report

10.0 REFERENCES

- 10.1 BF/RMS : Blast Furnace Product & Raw Material Specification
- 10.2 DRI/RMS :DRI Product / Raw Material Specification
- 10.3 SMS/RMS :SMS Product / Raw Material Specification

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