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 SHAKAMBHARI GROUP #SteelWithin	SHAKAMBHARI ISPAT & POWER LTD. (Formerly known as Ess Dee Aluminium Ltd.)		
STANDARD OPERATING PROCEDURE			
Title: Handling of Reject and Expired Material			
Page No. 1 of 3			
SOP No.	Version No.	Effective Date	Next review date
SIPL/WHS/008	00	07.07.2026	06.07.2028

1.0 PURPOSE

- 1.1 To define a procedure to identify, store and handle Reject and Expired Material in the Warehouse department.

2.0 SCOPE

- 2.1 This SOP applies to the Warehouse department.

3.0 REFERENCE(S) & ATTACHMENTS

3.1 References

- 3.1.1 In-house

3.2 Attachments

- 3.2.1 Attachment- I : Material Rejection Intimation Slip SIPL/WHS/008/F01/00

4.0 RESPONSIBILITY

4.1 Warehouse Department Person:

- 4.1.1 To prepare the SOP.
4.1.2 To prepare a list of the SOP in Warehouse Department.

4.2 Production Head:

- 4.2.1 To ensure the training of the SOP to all concerned department personnel involved in implementation of the SOP.
4.2.2 To ensure the implementation of the SOP after training.

4.3 Quality Assurance Person:

- 4.3.1 To check the SOP.
4.3.2 To maintain the original copy of the SOP.
4.3.3 To issue controlled copy of the SOP.
4.3.4 To maintain issuance record of SOP.
4.3.5 To retrieve the controlled copy of the SOP when it is superseded/obsolete and maintain its record.

4.4 QA Head:

- 4.4.1 To approve new or revised SOP.
4.4.2 To ensure the implementation of the defined system.

4.5 Plant Head:

- 4.5.1 To approve new or revised SOP.
4.5.2 To ensure the implementation of the defined system.

5.0 DISTRIBUTION

- 5.1 Quality Control
5.2 Production
5.3 Warehouse

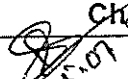
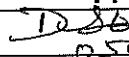
6.0 DEFINITION(S) & ABBREVIATION(S)

6.1 Definitions

- 6.1.1 Nil

6.2 Abbreviations

- 6.2.1 QC: Quality Control
6.2.2 GRN: Goods Receipt Note
6.2.3 RM: Raw Material

Prepared By:  05.07.2026	Checked By:  05.07.2026	Approved By:  05.07.2026
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7.0 PROCEDURE

7.1 Rejection of raw material can be due to:

- 7.1.1 Damage during transit.
- 7.1.2 Non-conformance to the specification at the time of receipt.
- 7.1.3 On-line rejections during issuance/manufacturing.
- 7.1.4 Non-conformance to the specifications under retesting.
- 7.1.5 Expired approved raw material during storage.

7.2 Handling of material rejected due to damage during transit:

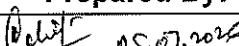
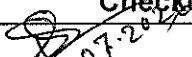
- 7.2.1 Keep transit-damaged material on a separate pallet in the quarantine area. Intimate QC for inspection.
- 7.2.2 After inspection, if QC gives rejection of the transit-damaged portion, get the Interim Rejection Report and ensure rejected labels are affixed on each roll/box/container. Shift it to the rejected area.
- 7.2.3 The store person intimates the Accounts department for insurance survey with the damage report. After the survey, if the insurance company advises, destroy the material and hand over the material to the scrap vendor after verification by Quality Control and Plant Head.
- 7.2.4 In case the material is to be taken by the insurance company for settlement of the insurance claim, send the material through the company's standard Non-Returnable Gate Pass in favour of the insurance company, along with the Quality Control Rejection Report.

7.3 Handling of material rejected due to non-conformance to the specification:

- 7.3.1 In case the material does not conform to the specifications, Quality Control rejects the material and issues a Rejection Report to the Warehouse department.
- 7.3.2 Ensure that the Quality Control person has pasted the "Rejected" labels on each roll/box/container.
- 7.3.3 Transfer the material from the quarantine area to the rejected material storage area.
- 7.3.4 Intimate the Purchase department. As per the advice of Purchase, rebook the rejected materials through suitable documents like Excise Invoice or Certificate along with the lorry receipt in favour of the particular supplier.

7.4 Handling of on-line rejected material during slitting, printing & despending:

- 7.4.1 On noticing the defective material, keep the material aside on a separate pallet and inform the QC department immediately.
- 7.4.2 The QC person inspects the materials. After inspection, if QC gives rejection, get the Rejection Report and ensure rejected labels are affixed on each roll/box/container.
- 7.4.3 The Store Supervisor / Production Supervisor prepares the material return note to the stores for the defective quantity.
- 7.4.4 If QC rejects other quantity of the same GRN No. lying in the stores, the Store Supervisor transfers the rejected material into the rejected area.
- 7.4.5 Inform the Purchase department to obtain the decision for returning the material to the supplier.

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7.4.6 In case the material is to be destroyed, raise the write-off proposal and hand over the material to the scrap vendor after verification by Quality Control and Plant Head.

7.5 Handling of material rejected on retesting due to non-conformance to the specifications:

7.5.1 If material is rejected during retesting, get the Rejection Report and ensure rejected labels are affixed on each roll/box/container.

7.5.2 Raise the write-off proposal and hand over the material to the scrap vendor after verification by Quality Control and Plant Head.

7.6 Handling of expired approved raw material during storage:

7.6.1 While taking physical stock every month, generate the list of raw materials that are going to expire in the next 100 days.

7.6.2 Intimate the Quality Control and Quality Assurance departments by giving one copy each of the list of raw materials which are going to expire in the next 100 days.

7.6.3 After crossing the expiry date of any material, get the Rejection Report and ensure rejected labels are affixed on each container.

7.6.4 Raise the write-off proposal and hand over the material to the scrap vendor after verification by Quality Control and Plant Head.

7.6.5 Ensure that expired materials do not get issued to the Production department in any case.

8.0 REVISION HISTORY

Revision No.	00	Effective Date	07.07.2026	CC No.	NA
Details of revision: New SOP					

Prepared By:	Checked By:	Approved By:
<i>[Signature]</i> 05.07.2026	<i>[Signature]</i> 05.07.2026	<i>[Signature]</i> 05.07.2026