



Apraava Energy Group Entities

Standard Operating Procedures

Procurement

Version	Effective Date	Due for review by	Prepared by	Reviewed by	Approved by
6.0	1-Jan-26	31-Dec-2029 or earlier	Manager Procurement	- Manager Procurement - Sr. Manager Procurement - DGM Procurement - Group Finance Controller	Director Operations

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Procedure Manual- Introduction

Purpose	This standard operating procedure document sets out the procedures to be followed by the staff of Apraava Energy Group of Companies in their conduct of operations for the Purchase function.
Scope	This manual applies to all business fully operational units operated by Apraava Energy Group but excludes projects of Business Development and Merger & Acquisition. Subject to the approval of the Chief Procurement Officer (CPO), the HOD Procurement to make exceptions or variations to the procedures within the manual. Any such exceptions or variation shall be recorded in 'Exception Matrix – Appendix - A' Exception Matrix – Appendix - A Section -1: Apraava Energy Group Entities Section-2: Procurement Process Simplification for Small Value PRs < INR 5 lacs & SVJ/OEM cases This document shall be accessible to all. All purchases must be made through purchase orders placed in accordance with this document.. The only exceptions are cash purchases, committee purchases the rules for which are set out at section 3.7 of this document. No commitment may be given to any vendor or supplier by Procurement team, without proper approval in line with this document.
Key Principles	The management recognizes the fact that procedures need to be evolved to address the changes in nature and scale of operations.

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Amendments to the Manual	Procedure for amendment: - Request for amendment in relevant section to be submitted by Procurement member.. - CPO shall check the applicability of proposed amendments. - Relevant section of the document shall be replaced with approved amendment. - The replaced sections will be archived for reference for a period of 3 (three) years. Numbering of Document - Document is numbered as follows: Version 6.0 / Apraava Energy /A - The “Version” number refers to the manual, If the CPO approves a significant amendment to the general part of the manual, the Version number will be changed. - The “Rev” number applies to the amendment in general part of the manual. If the CPO approves the amendment the Rev no. will be changed.

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1. Definitions and Limits:

i. Definitions

► The procurement levels with respect to value are categorized as under.

- **Low value Procurement:** Upto INR 1.0 Mn
- **Medium value Procurement:** Above INR 1.0 Mn to INR 5.0 Mn
- **High Value Procurement:** Above INR 5.0 Mn to INR 100 Mn
- **Significant Value Procurement:** Above INR 100 Mn

OEM procurement: Procurement from manufacturer of the equipment or distributor or dealer recommended by the manufacturer of the product in the region wherever applicable.

Single Source Procurement (SSP): Procurement from single vendor / single make (other than OEM)

ii. Limits for Single & Two Part Bidding

- Single Part Bid
 - Estimated PR Value Upto INR 5.0 Mn.
 - OEM or SSP
- Two Part Bid
 - Estimated PR Value Above INR 5.0 Mn

iii. Authority for PO Release (PO Landed value)

- AM/DM (Procurement): Upto INR 0.5 Mn
- Manager / Sr. Manager (Procurement): Above INR 0.5 Mn to INR 5.0 Mn
- HOD (Procurement): Above INR 5.0 Mn to INR 50 Mn
- Chief Procurement Officer (CPO): Above INR 50 Mn

iv. Exception Handling Purchase

- Low Value & Medium value Procurement: Manager / Sr. Manager (Procurement)
- High Value Procurement: HOD (Procurement)
- Significant Value Procurement: Chief Procurement Officer (CPO)

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v. **PO signing Authority (PO Landed value)**

- PO value Up to INR 0.5 Mn: AM/DM (Procurement)
- PO value Above INR 0.5 Mn to INR 5.0 Mn: Manager /Sr. Manager (Procurement)
- PO Value Above INR 5.0 Mn to INR 50 Mn: HOD Procurement (unit)
- PO Value Above 50 Mn: Chief Procurement Officer (CPO)

vi. **Authority to sign other Purchase/Contract related Statutory Document /Agreements**

Manager and above (Procurement) are authorized to sign the documents including but not limited to High Sea Agreement, Custom Clearing Documents, Road Permit.

vii. **Committee formation for Purchases**

- Procurement value up to INR 20K: Committee not required (Cash procurement by user)
- Procurement value > INR 20K and up to INR 2.0 Mn subject to approval by HOD (Procurement) & HOD (User) i.e. DGM (User) & above
- Procurement value > INR 2.0 Mn and up to INR 5.0 Mn subject to approval by CPO and SVP
- Committee shall include one user, one finance & one commercial representative

Record for the committee purchase will be maintained by Procurement department

viii. **EMD applicability**

- EMD to be applicable only for open tenders.

ix. **Vendor Performance Evaluation**

Vendor evaluation shall be taken up based on purchase /contract value in previous calendar year (January to December)

Service Vendors:

- Annual Service Contract Value > INR 5.0 Mn
- All AMC service vendors where vendor /sub-vendor staff are deployed at site on permanent basis to execute the contract

Supply Vendors: Annual Purchase Contract value > INR 10.0 Mn.

- x. I. The authorization levels for procurement member can be changed / defined with the approval of CPO.

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- xi. **Authorization for PR release/approval in ERP:** The PR must be approved as per hierarchy specified in Section 2
- xii. The approving authorities mentioned in this document indicate minimum approval requirements. In case the approving authority is not available or in absence of requisite relevant delegation, approval from next higher authority shall be sought.

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2. Procurement Planning

Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	2.1 <u>Approach Note</u>							
	An approach note for individual purchases (based on estimated PR value> INR 10.0 Mn) to be prepared (excluding OEM & SSP). The approach note will define the strategy for such procurement. All procurement of value INR < 10.0 Mn shall be done as per procurement process. For Significant value procurement / contract (except OEM & existing vendors) Procurement department along with user may visit vendor works / customer references as per due diligence matrix (Appendix B).	Before sending RFQ		Procurement Strategy	Procurement	HOD – Procurement (Unit) HOD User	Upto Rs 15 Mn- CPO & VP (User) and Above Rs15 Mn CPO & Location Head / SVP (for Corporate & RE)	Approach note format Form 10

3 Procurement Process

Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	3.1 <u>Purchase Requisition</u>							
Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	

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	a) The User Department will generate purchase requisition (PR) containing information as per manual PR form/system PR along with complete specification / final scope of work.	Need basis	User needs	Approved PR	User	As per the Release strategy	Final approving authority as per Section 2 (b)	PR Material / Services (To be raised in ERP after enclosing all relevant document in system itself).
	3.2 <u>Issue RFx (Request for quotation)</u>							
	a) Procurement Department will determine the option/s to be taken for the procurement interface with vendors. Possible options might be: - Issue EOI (Expression of Interest) query to potential vendors - Issue RFI (Request for Information) i.e. a vendor qualification questionnaire, an intermediate step before RFP/RFQ, to aid vendor selection and/or to narrow the field in case of a wide range of potential suppliers. Although RFI responses would not be formal offers, they may contain price-sensitive data: therefore, their receipt and evaluation	As and when	PR/approach note/user requirement	RFx	Procurement	(FOR RFP) Cross-functional team comprising of user & Procurement		System RFQ/manual RFx

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Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	should be treated in a similar manner to RFP/RFQ. - Issue RFQ – Request for Quotation – for procurement of relatively standard, straightforward products or services where only a price or simple proposal is required. - Issue RFP – Request for Proposal – for complex procurements requiring detailed proposals. Above options are just brief definitions & are not exclusive, and one or multiple of these options may be utilized based on requirement						Procurement team	
	b) Preparation of RFx: For conversion of PR to RFQ/RFP Procurement Department to ensure that enquiry/tender contain followings as applicable: - - Appropriate Conditions of purchasing and contracting - Safety Health and Environment (SHE) Guidelines - Statutory Compliances - Details for EMD, if required (To be decided by HOD- Procurement) - Supplier Code of Conduct - Scope of work and/or technical Specifications as applicable		Approved PR	RFQ/P	Procurement			

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Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	c) Vendor Selection for bidding: Procurement Department will determine the vendor list. Sourcing is not limited to the current vendor master: any new proposed vendors should be added to the master (Refer section 5 below) prior to issuing PO.		PR	RFQ/P	Procurement	AM/DM <= INR 0.5Mn Manager/Sr. Manager >= INR 0.5 Mn		
	d) Single Source Procurement (SSP): Approval for SSP must be obtained prior to commencement of procurement process. Approval Scenarios: i. All SVJ to be approved by respective SE except for departments where SVP reports to MD such SVP will approve such requests	As and when	SVJ	SVJ	User	HOD (User) along with HOD – Procurement for value < 2.5 Mn or CPO for value => 2.5 Mn	As per approval scenario (a) & (b) specified in procedure section	Justification Note Form 2 (SVJ)
	e) Sending RFQ/RFP The Procurement Department will populate the details from the PR and float enquiry for offers - Offer due date shall be decided by the Procurement Team - Offer shall be received in single part or two parts (Commercial & Technical) based on estimated PR value as per the limits defined under (Definitions and Limits) section 1. (ii) All offers shall be invited as per table in section 2 of Appendix A. Any exception to these shall be approved as per clause 1. (iii) (exception handling for purchase).	2-7 working days	PR	RFQ/RFP	Procurement		Procurement	

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					I	R	A	
	3.3 <u>Invite and receive responses to RFx</u>							
	a) Bid Receipt Procurement department shall keep all the bids on mail for record.	On or before Due Date		Bids from interested parties	-	Procurement		.
	b) Late Bid acceptance Late Bid acceptance approval applicable only for High & Significant value transactions and limited bidding of sale transaction. Late bid acceptance for OEM/SSP shall not require any approval			Acceptance of late bids	Procurement		As per Exception handling for purchases mentioned in section 1 (iv)	
	c) Bid extension: Approval for extension of bid shall apply only for open tender/auction. Extension to the due date of enquiry based on the written request from the bidders. The extension must be communicated to all bidders in writing.		Vendor request	Extended bid due date	Procurement		As per Exception handling for purchases mentioned in section 1 (iv)	

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					I	R	A	
	d) Bid Opening - The bids to be opened on or after due date jointly by Procurement & Finance representatives for cases like open tender, auctions, Scrap sale and asset resale, High and Significant value transactions(excluding SSP/OEM). All other bids will be invited on email ID as per table in section 2 of Appendix A. Bids called on single party basis and received before due date can be opened before due date - Commercial Department should capture details of bids opened and major deficiencies in bid content and non-compliance with the bidding procedure. The bids with major deficiency (that may have financial implications) in content and non-compliance with the bidding procedure can be disqualified with due approval. Commercial (Priced) bids to be opened only after technical evaluation of bids have been completed.	On or after Due Date	Bids		Procurement representative		Disqualification of bid: (1) for cases where jointly opened: Commercial approval based on procurement value and HOD Finance (2) for all cases other than mentioned in (1) above: HOD Procurement and HOD User approvals.	

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					I	R	A	
	3.4 Evaluation of Bids							
	a) Procurement strategy is to evaluate bids in two parts Technical and Commercial - Normally the evaluation criteria will be technically acceptable lowest basis. In case of change in the evaluation criteria, following shall be applicable. - The structure of the evaluation team, setting of evaluation criteria and procedure should be decided by the Procurement Team at the stage when the procurement strategy is being worked out, with all details being finalized before the price bid opening date. The evaluation criteria and methodology to be based on scope, objective and deliverables of tender/RFQ. - Finance involvement as per approved strategy and as and when required at discretion of Procurement	As and when	Bids	Bid Evaluation	Procurement / User		As per matrix below in this section 3.4	

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					I	R	A	
	b) Technical Evaluation of bids - Technical evaluation to be undertaken by Users according to their functional roles and specialties. - Any technical clarification issued having potential commercial impact or bid selection process such as scope, specification, delivery schedule, User shall communicate jointly with Procurement. - All verbal discussions and/or clarification meetings with the bidders deviating from the bidding scope to be documented by MOM or file note signed by individual concerned. All bidders must be given equal opportunity for clarification. Technical evaluation from User shall include any technical deviation accepted increase-decrease in scope.		Bids	Technical Evaluation (Comparative Statement)	User/Cross functional team decided at the time of formulating the strategy		HOD (User) (i.e. DGM & above) or their delegated authority	

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					I	R	A	
	c) Revised Price Bid - Price implications based on technical discussion, if any, to be submitted by the party indicating the revision reference - Revisions to price to be considered by Procurement Department after technical approval. - In case of change in scope / specification from user / Procurement: All bidders shall be given an opportunity to submit the revised price bid on email referred during enquiry/secured fax/sealed envelope. - In case variations in scope / specifications is identified during evaluations/ clarifications, revised price bid shall be obtained from relevant vendor/s only	As and when	Revisions to offer	Revised Price Bid	Bidder	Evaluation Team	To be Included in CMAM approval	
	d) Commercial Evaluation Commercial (Priced) bids to be opened (As per Ref 1.ii) only after technical evaluation of bids. Commercial evaluation to be undertaken by Procurement team.		Technical recommendation	Techno-commercial evaluation (Comparative statement)	Procurement			

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Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	e) Negotiation - Negotiations should be carried out if necessary, to bring the selected bidder's proposal into a suitable form to be converted into an acceptable contract. For Low & Medium Value negotiation shall be carried out by Procurement and if required they will take help of cross functional member. For High and Significant value the negotiations must be carried out by a cross-functional team of two (2) or more members of which one (1) must be from Procurement team - A written negotiation plan must be capture in approach note	Within one week after bid evaluation	Techno Commercial Evaluation	Negotiated Proposal	Procurement with cross functional team			Minutes of Negotiation Meetings Form 4
	f) <u>PO Placement Approval</u> Approval should be obtained as per CMAM and delegation manual prior to placing the purchase order. Approval process to be coordinated by the Procurement team.	After receipt of technical approval	Techno Commercial Evaluation	Approved Bids	Procurement	User	As per CMAM	CMAM Approval note Form 5

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					I	R	A	
	- Note: Deviation Approval- For cases like non acceptance of ABCD clauses by vendor and CBSS (competitive bidding ended with single source) cases etc., approval shall be sought as per CMAM - Legal may be consulted in cases where there is a need to use non-standard terms and conditions or contract forms							
	3.5 <u>Place Purchase Order</u>							
	a) Upon receipt of approval, PR/RFQ is converted into PO by the Procurement Department. PO to be created by compiling appropriate details from RFQ/Tender and the modifications subsequent to negotiations and, by attaching appropriate commercial terms with it	After Receipt of CMAM approval	PR & RFQ	PO	Procurement		PO release in ERP as defined in Section 1 (iii)	Purchase Order (To be prepared in ERP)
	b) Procurement Department to then forward the authorized POs to the vendor through courier/ fax/ e-mails, obtain acknowledgement / acceptance from the vendors for >INR 5 Mn value contracts.	After release of PO			Procurement			-
	c) Procurement Dept. may advise unsuccessful bidders, if required (a simple notice that contract has been awarded to others. No details of evaluation shall be revealed).				Procurement			

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					I	R	A	
	3.6 Global Blanket Purchase Agreement (GBPA)/ Blanket Purchase Agreement (BPA) A Global Blanket Purchase Agreement or Blanket Purchase Agreement is an agreement established with a supplier for the supply of goods and/or services for a specified time period without any commitment to total volume or value. Commitments for specific quantities and deliveries are made by the raising of release orders.							
	3.6.1 Creation of Global Blanket Purchase Agreement							
	For repeated nature of procurement, User may raise PR for rate contract agreement or Procurement can take call to create Outline Agreement for such material/services. Procurement process shall be as normal procurement process. Raising PR shall not be mandatory for setting up Global Blanket Purchase Agreement or Blanket Purchase Agreement in case Procurement decide to enter into GBPA. Global Blanket Purchase Agreement or Blanket Purchase Agreement executed by CLP –Group can be extended to Apraava Energy -India business with due approvals CMAM approval. No formal bidding process shall be followed for creation of such GBPA/BPA	As and when required		OA with Vendor	User/ Procurement	Manager / HOD Procurement	As per CMAM or delegation authority	

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Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
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	3.6.2 Use of GBPA/ BPA							
	a) User shall raise PR for materials/services to be procured through GBPA/BPA	As and when	Approved GBPA/BPA	Approved PR	User		As per Release Strategy defined in Section 2 (b)	
	b) Procurement to release PO.	After approval of PR		Release PO	Procurement		As per release strategy defined in Section 1 (iii)	
	c) Items covered in the framework but not included in GBPA/BPA, will require HOD Procurement approval for amendment. This may happen due to non-inclusion, upgrade, etc.	As and when			User/ Procurement		HOD (User) & HOD (Procurement)	
	3.7 Procurement without PO placement (All purchases must be made through PO placed by Procurement department, except purchases which may be made under following categories)							
	a) Cash Purchase by User Purchase of Non-stock items/ urgent requirement of stock items not having adequate stock in Store and non-regular services/items limited to Rs. 20k as defined in Clause 1 (vii). - User shall take judgment on reasonableness of purchase price. However, this shall not require multiple quotes. - Material received shall have proper gate entry number on back of the challan or invoice	Immediate			User		As per CMAM	

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	Purchase through committee as per clause 1(vii) - For procurement of Non-standard, Non-routine, Non-stock, emergency procurement, a committee (Cross-function team consisting of minimum one Procurement member one user, and one finance) shall be formed for finalizing such procurement. - Such procurement can preferably be made from Reputed Shops/ Authorized dealers / e-portals. PO can be issued as and when required.	As and when			User	Manager / HOD Procurement	Financial Approval as per CMAM or delegation authority	

4 Contract Management

Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	4.1 General Contract Administration							
	For works/Service contract a) Check for compliance with contract / PO terms and conditions, schedule etc. to ensure proper performance by the contractor.	As appropriate	-	-		User Team with inputs from HR/ Procurement if required		-
	b) Check for compliance to all Statutory Rules and Regulations, Safety, Health and Safety and Environment Practices by the Contractor.	As appropriate	-	Safety Compliance Report	User Team/HR/ SHE		HOD (User)/HOD (HR)/SHE	-
	c) Inspection of the work / services / delivery completion	As appropriate	-	Report	User		HOD (User)	-
	For PO: Ageing analysis a) Procurement Department to generate report of open PO with ageing and value/ Service PO along with validity before closure of Pos** (Material / Services PO). Procurement Department to obtain user's feedback / approval for forced closure of long pending deliveries (requirement may not exist) ** closure of PO for short quantities (up to 10% shortfall) will not require approval	Annually	PO	Open PO Reports	Procurement	Procurement /user	HOD Procurement	

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					I	R	A	
	4.2 Shortages & Quality Inspection Management (Only applicable for stores under Procurement control)							
	a) Procurement department to follow up with vendors for rejections/ short supplies/ material returns and material complaints.	Within a week after intimation by the user	Summary of rejections, short supplies and material returns		Procurement		Manager/Sr. Manager (Procurement)	-
	b) Procurement Team to determine action plan for resolving specific cases	1 week			Procurement		HOD Procurement (Unit)	-
	4.3 Handling Contract Claims							
	a) Procurement Team shall act as the coordinator for handling contract claims.	As and when required	-	-	User/Stores	Procurement		
	b) User must forward claims from suppliers to Procurement; User should inform Procurement in case a claim should be raised against a supplier				User			
	c) Procurement team, in conjunction with Legal and User as necessary, shall formulate plan for dealing with and/or prosecuting claims. Appropriate procedures set out in this document shall be followed, e.g., and 4.4 for issue of Amendments & Variations to settle claims. Approvals as per CMAM shall be sought.				User / Procurement (for Stores)	Manager/Sr. Manager (Procurement) / HOD Procurement	As per CMAM or delegation authority	

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	4.4 Amendments / Variations							
	4.4.1 EOT: Extension of time for supply/service orders Commercial shall update the contract completion date in the system/issue amendment effecting EOT.							
	(a) EOT of contract having no LD clause		EOT Request from Vendor/User		User	HOD User & Manager Procurement /Sr. Manager Procurement	HOD Procurement	
	(b) EOT of contract having LD clause but LD is not applicable as delay is not attributable to the contract agency		EOT Request from Vendor/User		HOD(User)/	HOD Procurement	Location Head	
	(c) EOT of contract having LD penal clause and LD applicable		EOT request from Vendor/User		HOD(User)/	HOD Procurement	Location Head	
	(d) EOT of contract with LD waiver (part or full)		EOT request from Vendor/User		HOD(User)/	HOD Procurement	As per CMAM	

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	4.4.2 Amendment in Supply /Service Order other than EOT							
	a) Requirement for amendment / variation notified by User to Procurement b) Liaise / negotiate as required with the supplier / contractor and obtain concurrence for the variation c) Check whether the new value of the contract is within the contingency limit. If not, then take approval for the same as per CMAM Amendments to contracts and Variation orders may be issued only by Procurement Team. To the extent that it follows, the appropriate variation procedure set out by the individual contract. The same general control and approval principles apply to amendments and variations as apply to the original contract / PO.	As and when required	Requirement from User	Amendment	User	HOD Procurement	CMAM Approval- If within earlier approved CMAM value -Change in Scope: HOD (User) -Change in Terms and Conditions: For <3.5 Cr only HOD (Procurement) and for >3.5Cr HOD (Procurement) & GC If beyond the earlier approved CMAM value - As per CMAM	

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	4.5 Contract Closure							
	Service Contract a) Service contract closure to be done in system for service contract value > INR 1 Mn	Based on Ageing analysis report.	-	-	Procurement	User/HR and finance	HOD Procurement	
	b) Procurement Team to prepare and give completion certificate on request from vendor with inputs from User	On completion of the contract	-	-	Contractor	user	HOD Procurement	Completion certificate Form 11
	4.6 Termination/Cancellation of PO							
	a) Cancellation of PO in case of non-requirement fulfilment/non-compliance identified by User and, agreed by Vendor/vendor's inability to deliver right product and agreed by User and having no commercial/legal implications		Procurement Department, User	Cancelled PO	User/Procurement	Finance	HOD (Procurement)	
	b) For proposal of Cancellation of PO which have not been agreed by either User/Vendor and having legal/commercial implications, Subject to approvals, Procurement Department to cancel POs in system	Immediate	Procurement Department, User	Cancelled PO	User/Procurement	HOD (User) / Finance	As per CMAM or delegation authority	

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5 Vendor Management

Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	5.1 New vendor master (code) creation / Update Vendor Information							
	a) Initiate the vendor registration process by filling up the “New Vendor Identification form” for new registration.	As and when	Information about vendor	Approved “New vendor Identification form	Procurement	HOD (User), & HOD Finance	HOD (Procurement) or for Corporate & RE, Sr Manager & above	New Vendor Identification form Form 8
	b) Register Vendor in the database as per approved New Vendor Identification form while ensuring no duplicate code is added in the system. However as per GST compliance Vendor shall be created state wise in accordance with vendor's GST Registration	As and when	Approved New Vendor Identification form	Vendor registered in the system				
	c) Update vendor information e.g. address change, telephone numbers, contact person, communication details, product range, web-site, e-mail for the registered vendor in the database	As and when	Information about vendor based on written communication from vendor with necessary back-up document	Updated vendor data in the system	Procurement Member		HOD Procurement & For Corporate & RE, Sr Manager & above	

Process: Procurement	
Standard Operating Procedures	

Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	5.2 Review of masters (periodically)							
	a) Review vendor master to clean out duplicate vendors.	every three year	Review of the database	List of vendors to be blocked	Procurement	(User) if required, HOD Finance	CPO	
	b) Unblock vendor in the vendor master	As and when	Input from User /Procurement/ Finance	Updated database	User / Procurement / Finance	Procurement Member	CPO	
	5.3 Evaluate vendors (periodically)							
	a) vendor performance evaluation as per clause 1 (viii)	Annual Frequency	List based on applicable criteria as per clause 1 (ix)	Approved Vendor Evaluation	Procurement	User	HOD (User) and CPO,	Vendor evaluation Form Form 6 VEF Supply Form 7 VEF Service
	b) Evaluation team performs vendor evaluation and record observations in the vendor evaluation form.	As applicable	Vendor Evaluation Form	Approved Vendor Evaluation Form	Evaluation Team		HOD –User /HOD Procurement	
	c) Communicate the evaluation results to vendor if required and discuss the improvement areas in case of unsatisfactory rating	As applicable	Vendor Evaluation results				CPO	

6 Surplus Assets or Scrap Disposal

Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	6.1 Identification of Scrap/Surplus-Retiring Assets							
	a) Users to identify the Scrap on ongoing basis and move it to stores where applicable(after obtaining approval from their respective HOD). For Surplus-Retiring Assets, User shall take approval as per Fixed Assets Manual before moving for disposal.	As and when			User		HOD (user)	
	b) To make entries in 'manual stock registers' for receipt of waste/scrap from User The scrap should be segregated based on its realizable value/usage to ease the disposal process	As and when	Segregated Waste/Scrap by user department Verification by User or Store Officer	List of items to be disposed off	User / Store Officer		HOD (User) / HOD Procurement (only where Store officer exist)	
	6.2 Sale of Scrap/Surplus-Retiring Assets							
	a) Procurement department to initiate the sale procedure, based on estimated quantities. Where an annual rate contract exists, the scrap/Surplus-Retiring Assets to be disposed to approved dealer at approved rates. In case such contract does not exist, Procurement department to initiate a sale process and sell the scrap/Surplus- Retiring Assets to the highest bidder	As and when required	List of scarp items	Order to the vendor for the removal of scrap	Procurement (For the intermittent stages viz. bidding, negotiations etc. approval as per standard procurement process)		As per CMAM	

Process: Procurement	
Standard Operating Procedures	

Sr. No	Procedure	TAT for Action	Input	Output	Approval/Responsibility			Forms and templates
					I	R	A	
	6.3 Dispatch of Scrap/Surplus-Retiring Assets							
	a) Scrap/Surplus-Retiring Assets to be quantified and certified based on sale order	As and when	NA	Actual quantity of Scrap	Store officer/user		HOD Procurement (only where store officer exist) / HOD (User)	
	b) Where applicable, Stores to prepare a non-returnable gate pass for dispatch of material out of the plant, Stores to ensure that the entire value of the scrap is received prior to preparation of the non-returnable gate pass	After Issuance of Sale Order	Sales order	Scrap dispatch documents	Store Officer		HOD Procurement	

Process: Procurement	
Standard Operating Procedures	

7 Forms / Templates

List of General Formats /Templates are given here under. However, each Business Units can use system-based formats/templates and also modify the formats based on the site specific requirements.

Category	Name	Type	Number	Purpose
Vendor Development, Registration and Management	New Vendor Identification Form	Form	8	Identification and evaluation of new vendor
Tendering and Vendor Selection	Annual Procurement Plan	Form	1	Prepare and approve annual procurement plan
	Justification Note	Form	2	Single Party Procurement Justification Note
	Approach Note	Form	10	Approach note to define the procurement strategy
	Approval Note	Form	5	Techno-Commercial Approval Note
	Minutes of Negotiation Meeting	Form	4	Document price negotiation as a part of 'Negotiation Strategy'
Contractor Performance Monitoring System	Vendor Performance Evaluation form (Material Supply)	Form	6	Performance Evaluation of Vendors
	Contractor's Performance Evaluation form (Services)	Form	7	Performance Evaluation of Contractors
Completion certificate	Completion certificate to vendors	Form	11	Completion certificate on vendors request

Process: Procurement	
Standard Operating Procedures	

8 MIS / Reports

General List of MIS Reports is given hereunder. However, Business Unit can decide the requirements of MIS reports in consultation with CPO.

Category	Name	Type	Purpose	Frequency	Generated By
Procurement Analysis	Pre-order Status	Report	Status of requirement prior to placement of order	Monthly	Procurement
	Post-order Status	Report	Status of requirement post placement of order	Monthly	Procurement
	Procurement Monthly Report	Report	Management Information	Monthly	Procurement
	Vendor Evaluation Summary	Report	Progressive Status of vendor evaluation	Yearly	Procurement

Process: Procurement	
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Abbreviation	Description
ABCD	Anti-Bribery, Business Ethics, Confidentiality and Drug & Alcohol policy
AMC	Annual maintenance contract
CAPEX	Capital Expenditure
CB	Competitive Bidding
CFT	Cross Functional Team
CMAM	Company Management Authority Manual
CPO	Chief Procurement Officer or Designated Chief Procurement Officer
DGM	Deputy General Manager
EMD	Earnest Money Deposit
EOT	Extension of time
GRN	Goods Receipt Note
HOD	Head of the department (which is DGM and above level)
I, R, A	Initiate, Review and Approve
MD	Managing Director
MIS	Management Information System
Mn	Million
MOM	Minutes of Meeting
OA	Outline Agreement
OEM	Original Equipment Manufacturer
PO	Purchase order
PR	Purchase Request
RFP	Request for proposal
RFQ	Request for quotation
SE	Senior Executive
SOP	Standard Operating Procedure
SSP	Single Source Procurment
SVJ	Single Vendor Justification
SVP	Senior Vice President
TA	Technical Approval

Process: Procurement	
Standard Operating Procedures	

Exception Matrix – Appendix - A

Section -1: Apraava Energy Group Entity
For Store under control of Procurement

- 1. POI-1: For repairing services

Section -2: Procurement Process Simplification for Small Value PRs < INR 5 lacs & SVJ/OEM cases (applicable for all entities)

Section 2 (a of b) : Procurement Process Simplification for Small Value PRs <= INR 5 Lacs & SVJ/OEM cases

	As is Process	Proposed Process					
Activity	(SVJ/CB/OEM) for all limits	SVJ/OEM (No limit)	Scrap Sale, Asset Resale, Open Tender for sale	PR<= INR 5 lacs	PR>INR 5 lacs and up to INR 50 lacs	PR> INR 50 lacs	Committee Purchase
Approval of PR [Section 2 (b of b)]	✓	✓	× (In-principle approval)	✓	✓	✓	✓ (Pre-approval required)
Approval of Scope	✓	✓	✓	✓	✓	✓	✓ (As required)
Approval Budget	✓	✓	×	✓	✓	✓	✓
Approach note	For PR >INR 50 lacs	SVJ approval for SVJ case	×	×	×	✓ (only for value > 1Cr)	Committee
Enquiry/RFQ for bidders	✓	✓	✓	✓	✓	✓	×
Bid due date	✓	×	✓	×	✓	✓	×
Bids on Secured email	✓	×	✓	×	×	✓	×
Approval of late bids	✓	×	×	×	×	✓	×
Approval for bid due date extension	✓	×	✓	×	×	✓	×
Two part approval	Two part for > 10 lacs	×	×	×	×	✓	×
Joint bid opening (Commercial + Finance)		×	✓	×	×	✓	×
Technical approval	✓	✓	✓ (As applicable)	✓	✓	✓	Committee
Negotiation committee	CFT > 25 lacs	As per SOP	×	×	×	As per SOP	Committee
Approvals as per CMAM	✓	✓	✓	✓	✓	✓	✓
Release of PO/Contract	✓	✓	×	✓	✓	✓	PO/email confirmation

Note: **Committee*

a) All values shown above are exclusive of taxes

- 1) Those items or services for which scope of work or specifications are not clear and/or difficult to define or urgent requirements
- 2) Online purchase where required
- 3) Inviting vendors and receive quotations by committee
- 4) Pre-approval for committee formation as per section 1 (vii).

Section 2 (b of b) : PR approval Limits

PR Value (INR)	DGM	GM / VP	SVP	SE
<= 5 Mn	A			
5 Mn <= 15 Mn		A		
15 Mn <= 50 Mn			A	
Above 50 Mn			A ¹	A ²

¹ Applicable to departments where SVP (Senior Vice President) have delegated authority for SSP PR approval

² Applicable to all other department (other than mentioned above in point 1)

Due Diligence – Appendix – B

Level	Scope	Done by	Category of Vendors
	No Due Diligence		• Technical Service Providers • Legal Counsels • Public Sector Undertakings (PSUs) • Supply Items: Entities listed on Stock Exchange • Service Contractors: Value below Rs 50 M per project or aggregate contract value • Supply Contractors: Value below Rs 250 M per project or aggregate contract value
L1	Public domain checks (on entity and associated individuals) L1 scope is purely desktop review and does not include physical visits	Third Party	• Service Contractors: Cumulative value between INR 50 M and INR 100 M per project or aggregate contract value • Supply Contractors: Cumulative value above Rs 250 M per project or aggregate contract value
L2	L1 scope + Direct interviews with Vendor + Interviews with references provided by Vendor	Third Party	• Service Contractors: Cumulative value above INR 100 M per project or aggregate contract value • Third Party Intermediaries (TPI) • Vendors self-declaring/known to us Politically Exposed Persons (PEP)
L3	L2 scope + Site Visits + Discreet market enquires	Third Party	• Land Aggregators

- Vendor Due Diligence to be conducted every 2 years
- **Third Party Intermediaries (TPI):** Means a service provider, consultant, contractor, supplier, or any other third party, whether an individual or an entity who is employed on a contract basis, or retained to assist the Company in any functions of the business that require or involve interaction with any government department, ministry, regulators, government agencies or taxation authorities
- All Diligence to cover areas of fraud, corruption, money laundering and sanctions, at minimum