
	E.I.D. PARRY (INDIA) LTD, PARRY NUTRACEUTICALS DIVISION, CORPORATE, CHENNAI.		 murugappa
	STANDARD OPERATING PROCEDURE		
Title:	Inventory management & Control (Finished Goods)		
SOP No.: 005/2022	Version No. 2	Page 1 of 4	
Effective Date	01-01-2022	Next Review Date	25-12-2022

1.0 Purpose:

- 1.1.1. To monitor the stock from salability point of view and manage the stock level.
- 1.1.2. To protect any probable revenue loss (in terms of written-off) in advance by putting proper planning and review system in place.

2.0 Scope:


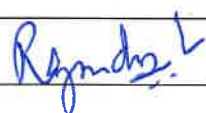
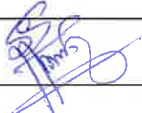
- 2.1.1. This SOP is applicable for the stocks stored at Oonaiyur Plant and for the products of Spirulina and Chlorella (SFG, FG & Outsourced powder).



3.0 Responsibility:

- 3.1.1. Responsibilities are vested with those are in-charge as stated below.

4.0 Abbreviations & Definitions:

- 4.1.1. COA - Certificate of Analysis.
- 4.1.2. FG - Finished goods.
- 4.1.3. PPA - Powder Processing Area
- 4.1.4. QC - Quality Control.
- 4.1.5. QA - Quality Assurance.
- 4.1.6. BMR - Batch Manufacturing Record
- 4.1.7. FIFO - First-in-first-out.
- 4.1.8. PSS - Pre-Shipment Samples.
- 4.1.9. IPQA - In Process Quality Assurance
- 4.1.10. RCA - Root Cause Analysis
- 4.1.11. CAPA - Corrective Action and Preventive Action
- 4.1.12. SFG - Semi Finished Good
- 4.1.13. TDS - Technical Data Sheet

			
Plant Finance	Head Quality	Production In-charge	Plant- Unit Head

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5.0 Procedures to be followed:

5.1.1. At Production:

- 5.1.1.1. After spray dryer 1,2&3- SFG Products is generated
- 5.1.1.2. After Powder Processing- FG Products is generated
- 5.1.1.3. Production of goods is declared in SAP and stocked at FG area
- 5.1.1.4. FG team should ensure the sampling activity is completed before moving/Receiving the material.
- 5.1.1.5. FG team shall ensure the declaration of production in SAP with physical Quantity moved from either Spray Drier or Powder Processing area.

5.1.2. At QC and QA.

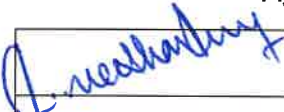
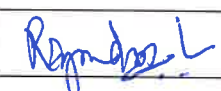
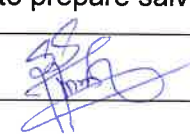

- 5.1.2.1. For SFG - Testing to be completed as per respective product specification. TDS shall be handed over to QA for further process.
- 5.1.2.2. For FG - Testing to be completed as per respective product specification. Results should be updated in SAP and TDS shall be handed over to QA for further Release.



5.1.3. Batch Selection Activity

- 5.1.3.1. For Internal processing – Based on the product, Quality parameters/Required Batch size material shall be selected by following FIFO or Customer specific requirement.
- 5.1.3.2. For Sales - Based on sale order, batches shall be selected from the released batch for dispatch by following FIFO or Customer specific requirement.

5.1.4. Treatment of Tail end batches and Ageing of Stock

- 5.1.4.1. For Tail end - Tail end batches are monitored and controlled monthly by production team as per procedure for handling of Tail end Batch (SOP – PNO/SOP/SAP/059 – 01)
- 5.1.4.2. For Ageing Stock - Once in a month finance shall update and circulate the Ageing stock and conduct meeting to prepare salvage plan.

			
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5.1.5. Other procedures:

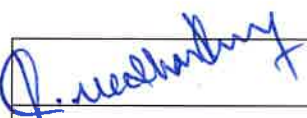
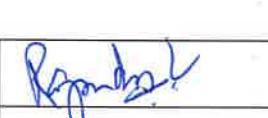

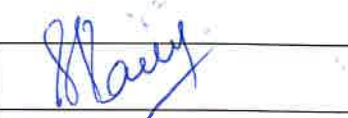
- 5.1.5.1. If inventory level is lying more than 3 months sales stock, reduction in acreage will be decided by Business Head based on the Finance Head recommendation.
- 5.1.5.2. Marketing point of view: Ageing for powder is restricted to 6 months and for tablets, it is 9 months. For value added products like Spirublu, Spiruzan, also not more than 9 months.
- 5.1.5.3. If these level cross beyond the prescribed, a separate material code for this must be created in SAP which can be sold in the different market i.e., Feed grade (non-organic) etc.,
- 5.1.5.4. Any stock returned by customer having lesser shelf life or any quality issue, with approval of Business Head, CFO based on the Finance Head recommendation, must be written off from the book, if that stock is not saleable in any of the markets.
- 5.1.5.5. Physical verification will be conducted using external auditors once a year. Any discrepancy between online and physical stock during such verification, and provision for obsolete stock noted is provided in the books post receiving approval from Business Head and CFO.



6.0 Reference:

- 6.1.1. SOP on Export order management
- 6.1.2. Monthly Operation review.
- 6.1.3. Procedure for handling of Tail end Batch

7.0 Exhibits / Formats:

Nil

			
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8.0 Change History

Version	Effective Date	Details of Changes
01	01-04- 2019	New SOP
02	01-01-2022	Modified version

Delegation of Authority for this SOP

S. No	Activity	Responsible
1	Moving of production into FG- PPA team	Production In-charge
3	Selection of batches for making into single batch for a customer order	Dispatch In-charge
4	COA preparation and reviewed by	QC In-charge
5	FIFO – Batch selection	Production & QC In-charge
6	FIFO authentication	QA In-charge
7	Write off / moving from Organic material code to low grade code in SAP	Plant Finance Head
8	Monthly Review of the inventory	HO-Finance Head

			
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