Standard Operating Procedure (SOP): Return and Refusal Process for Non-Compliant Deliveries

This SOP details the **return and refusal process for non-compliant deliveries**, including identification of non-compliance criteria, documentation requirements, communication protocols with suppliers, handling and segregation of non-compliant goods, return authorization procedures, and proper record-keeping for tracking returned shipments. The goal is to ensure efficient handling of deliveries that do not meet quality or contractual standards, minimizing disruptions and maintaining supply chain integrity.

1. Identification of Non-Compliance Criteria

- Inspect all deliveries upon receipt for compliance with quality, quantity, and contractual specifications.
- **Non-compliance criteria** may include but are not limited to:
    - Incorrect product or quantity
    - Damaged, defective, or expired items
    - Incomplete or missing documentation
    - Non-conformance with purchase order details or regulatory standards

2. Documentation Requirements

- Record all identified non-compliance details on the delivery receipt and inspection report.
- Take photographs of non-compliant goods wherever possible.
- Retain copies of purchase orders, delivery notes, and any supplier correspondence.

3. Communication Protocols with Suppliers

- Notify the supplier immediately of non-compliance via email or other agreed-upon communication channels.
- Provide detailed information, including evidence and supporting documentation.
- Request instructions for return or refusal as per contractual terms.
- Escalate unresolved issues to the procurement manager or designated authority.

4. Handling and Segregation of Non-Compliant Goods

- Isolate non-compliant goods in a designated area to prevent accidental use or mixing with conforming items.
- Label and secure items clearly as "Non-Compliant" pending return authorization.

5. Return Authorization Procedures

- Obtain written return authorization from the supplier before dispatching any goods.
- Coordinate with the logistics team to arrange shipment and document all returned items.
- Ensure all return paperwork is completed and included in the returned shipment.

6. Record-Keeping and Tracking

- Maintain detailed records for all non-compliant deliveries, including:
    - Inspection reports
    - Supplier communications

- Return shipment tracking
- Credit notes or replacements received

- Periodically review return data for supplier performance analysis and process improvement.

7. Revision and Review

- Review this SOP annually or following significant process changes.
- Update as necessary to ensure continued effectiveness and compliance.

Note: All employees involved in the delivery, inspection, and procurement process must be trained on this SOP.