OSTIA MANAGEMENT PVT. LTD.

ACCREDITED MANAGEMENT SYSTEM PROCESS

A. Purpose:

General Information about OSTIA Management Pvt. Ltd. Management System Certification Process

B. Scope:

Awareness about OSTIA Management Pvt. Ltd. Management System Certification Process

C. Responsibilities:

Nominated Representative / Head Office – OSTIA

D. Description:

OSTIA provides independent certification services for various management systems.

1. Management Systems Certification Scheme:

1.1 The scheme covers assessment by OSTIA for certification of various management system/s in accordance with the International Standards viz. ISO 9001, ISO 14001, ISO 45001.

1.2 Certificates are issued as per the following accreditations / certification schemes:

- QMS, EMS, OH&SMS under accreditation (as of now OSTIA will provide OSTIA accredited certificate after getting accreditation, accredited certificate will be provide).

1.3 Scope of Accreditation

The accreditation covers the quality system of the certifying body as well as specified certification scope in working areas described under different IAS code, or which the certification body is authorized to carry out assessment and issue of certificates of approval.

- For other information and list of clients; visit www.ostiamanagement.com
- OSTIA MANAGEMENT PVT. LTD. has made all the information on the website: www.ostiamanagement.com in which is informed to all clients during contract period and is made Policy on Impartiality i.e., information describing its audit processes and certification processes for granting, refusing, maintaining, renewing, suspending, restoring or withdrawing certification or expanding or reducing the scope of certification, and about the certification activities, types of management systems and geographical areas in which it operates. Also include on website, use of OSTIA's name and certification mark or logo including information available for handling request for information, complaints and appeals.

1.4 Scope of Assessment

These are the various activities carried out by the industry / organization, within the scope of the standard which appears in the certificate of approval issued to the organization by OSTIA after satisfactory assessment.

2. Management Systems as per international Standards

Certifications of following Management Systems Standards /Specifications are offered by OSTIA

2.1 Quality Management System (QMS) – ISO 9001

The International Standards specify requirements for quality management systems where an organization needs to demonstrate its ability to consistently provide product that meets customer and applicable regulatory requirements and aim to enhance customer satisfaction through the effective application of the system, including processes for continual improvement of the system and the assurance of conformity to customer and applicable regulatory requirements.

2.2 Environmental Management System (EMS) – ISO 14001

The requirement for an environmental management system is to enable an organization identify its significant aspects and their impact, to develop and implement policy and objectives, which take into account legal and other requirements to which an organization subscribes, and take decision to inform about significant environmental aspects to all the interested parties. It applies to those environmental aspects that the organization can control, that it can influence. It does not itself state specific environmental performance criteria. The extent of application depends on factors such as the environmental policy of the organization, the nature of its activities, products, services, location and the conditions in which it functions.

2.3 Occupational Health and Safety management Systems (OH&SMS) – ISO 45001

This standard gives requirements for an occupational health and safety (OH&S) management system, to enable an organization to control its OH&S risks and improve its performance.

This standard is intended to address occupational health and safety of personnel and processes, rather than product and services safety.

The standard is applicable to any organization that wishes to:
a) Establish an OH&S management system to eliminate and minimize risk to employees and other interested parties who may be exposed to OH&S risks associated with its activities.
b) Implement, maintain and continually improve the OH&S management system
c) Assure itself of its conformance with its stated OH&S policy
d) Compliance to legal and other requirements

3. Certification (Registration) of Management Systems

3.1 Application

Organization, intending to obtain management system certification from OSTIA, to fill up the questionnaire, indicating the scope of assessment (refer para 1.4) along with other details. An offer is made to the organization based on required man days calculated as per the details provided in the application form and after ensuring that the declared scope of assessment is within the authorization of OSTIA scope (refer para 1.3) accreditation.

3.2. Submission of Documents

Organization submits the Application Form (OSTIA-F003) indicating the scope of assessment (refer para 1.4) duly signed, for review by OSTIA. For Public Sector Unit i.e. PSU, which usually form a client base involved in tendering process, the issuance of Work Order / Purchase Order by these PSU's are considered equivalent document for Order Acceptance & deemed acceptance of the Terms & Conditions specified in Clause 4 of this document. In such cases details of certification requirements shall be provided through the document Accredited Management System Process.

3.3. Assessment of Documents

The assessment of the documents may be done prior to the scheduled Stage I audit or during the Stage I audit. It is preferable to receive and review the documents at least 4 days prior to Stage I audit to provide a better focus on the scope of audit. The adequacy of the management system documentation with respect to implementation is reviewed during the assessment and if found deficient appropriate comments are communicated to the auditee through Stage I report. The details of audit schedule are planned and these are submitted to the Organization.

3.4. Certification (registration) Assessment for the Management Systems is carried out in 2 stages.

a) Stage I
b) Stage II

The activities of each are described as below:

a) Stage I – The stage 1 audit shall be performed on-site to

- Audit the client's management system documentation;
- Evaluate the client's location and site-specific conditions and to undertake discussions with the client's personnel to determine the preparedness for the stage 2 audit;
- Review the client's status and understanding regarding requirements of the standard, in particular with respect to the identification of key performance or significant aspects, processes, objectives and operation of the management system;
- Collect necessary information regarding the scope of the management system, processes and location(s) of the client, and related statutory and regulatory aspects and compliance (e.g. quality, environmental, legal aspects of the client's operation, associated risks, etc.);
- Review the allocation of resources for stage 2 audit and agree with the client on the details of the stage 2 audit;
- Provide a focus for planning the stage 2 audit by gaining a sufficient understanding of the client's management system and site operations in the context of possible significant aspects;
- Evaluate if the internal audits and management review are being planned and performed, and that the level of implementation of the management system substantiates that the client is ready for the stage 2 audit. Stage 1 audit shall be carried out at the client's premises in order to achieve the objectives stated above.
- Stage 1 audit findings shall be documented and communicated to the client, including identification of any areas of concern that could be classified as nonconformity during the stage 2 audit.
- In determining the interval between stage 1 and stage 2 audits, consideration shall be given to the needs of the client to resolve areas of concern identified during the stage 1 audit. OSTIA may also need to revise its arrangements for stage 2.

b) Stage II – Audit

The purpose of the stage 2 audit is to evaluate the implementation, including effectiveness, of the client's management system. The stage 2 audit shall take place at the site(s) of the client. It shall include at least the following:

- Information and evidence about conformity to all requirements of the applicable management system standard or other normative document;
- Performance monitoring, measuring, reporting and reviewing against key performance objectives and targets (consistent with the expectations in the applicable management system standard or other normative document);
- The client's management system and performance as regards legal compliance;
- Operational control of the client's processes;
- Internal auditing and management review;
- Management responsibility for the client's policies;
- Links between the normative requirements, policy, performance objectives and targets (consistent with the expectations in the applicable management system standard or other normative document), any applicable legal requirements, responsibilities, competence of personnel, operations, procedures, performance data and internal audit findings and conclusions.

Stage II activity shall be scheduled within 90 days from the completion of the Stage I activity.

3.5. Outcome of certification audit (Initial/ Renewal):

The outcome of a certification audit or renewal audit is decided based on the audit findings including nature of non-conformities noted during the audit.

There are four possible outcomes:

1. Recommendation for certification
2. Recommendation for certification subject to corrective actions being implemented satisfactorily and / or effectively
3. Limited re-audit or follow-up visit at a later date
4. No recommendation for certification, which usually means that a complete re-audit is necessary.

For (3) and (4) above, additional fee and expenses will be charged.

Note: *The certificate cannot be recommended in case of any unresolved non-conformities identified during the audit.*

3.6. Non – Conformity

Non- conformities shall be categorized by the auditors into Major and Minor. Characteristics of a major nonconformity are:

- The absence of a documented procedure to address a requirement of the applicable audit criteria, when required.
- An extensive breakdown or the absence of evidence of effective implementation of a process and/or documented procedure required by the applicable audit criteria.
- An inability to demonstrate compliance with a technical claim relative to matters affecting product/service quality.
- The absence of, or total systemic breakdown of, a management system element specified in the applicable audit criteria; or any nonconformity where the effect is judged to be detrimental to the integrity of the product, processes, or service.
- The absence of, or failure to implement and maintain, one or more management system requirements; or a situation which would, on the basis of objective evidence, raise significant doubt as to the capability of the management system to achieve its policy and objectives.
- A number of minor nonconformities against any one requirement of the audit criteria represents a total breakdown of a system and therefore could collectively represent a major noncompliance. (Note: This condition usually represents 4 or more nonconformities.)

Characteristics of a minor nonconformity are:

i. A failure to fully satisfy a requirement of the audit criteria with a documented procedure, when required.
ii. A breakdown in the effective implementation of a documented procedure in isolated incidents.

Timelines for NC Submission and closure:

	Major NC	Minor NC	Observation
Submission of Corrective Action	15 days	30 days	30 Days

plan - Max			
Submission of Closures on Findings given by Auditor - Max	30 Days	60 Days	NA
Acceptance of CAP by OSTIA – Max	30 days after submission of closures	30 days after submission of closures	Next Surveillance Audit.
Follow up visit	Max 90 days from the date of Audit. If the follow up visit not done within time limit so again treated as fresh and start with Stage 1 Audit.	Nil or 90 days due to Severity of Non-Conformance to close onsite. If the follow up visit not done within time limit so again treated as fresh and start with Stage 1 Audit.	If the Observation will not close before next audit cycle than may be observation become Major or Minor as per severity of observation.
Verification & Closure	On site visit due to close the NC on verification on-site or Auditor's Decision or offsite documented closure or Auditor's Decision if the documented information sufficient to close the NCs off site.	Subsequent Visit subjected to severity of NCs. **Note:** Generally Minor Non-Conformance will close off site & its onsite verification will cover in next Audit cycle	Next Surveillance Audit.
NC during Recertification	Before Certificate expiry date		Next Surveillance Audit.
Extension of NC period - Max	30 days as per mutual understanding of Auditor/CB and Certification Committee		NA

3.7. Surveillance Audit:

3.7.1 Surveillance activities shall include on-site audits assessing the certified client's management system's fulfillment of specified requirements with respect to the standard to which the certification is granted. Other surveillance activities may include

1. Enquiries from the certification body to the certified client on aspects of Certification,
2. Reviewing any client's statements with respect to its operations (e.g. Promotional material, website),
3. Requests to the client to provide documents and records (on paper or electronic media), and
4. Other means of monitoring the certified client's performance.

3.7.2 Surveillance audits are on-site audits, but are not necessarily full system audits, and shall be planned together with the other surveillance activities so that the certification body can maintain confidence that the certified management system continues to fulfill requirements between recertification audits. The surveillance audit programme shall include, at least

1. Internal audits and management review,
2. A review of actions taken on nonconformities identified during the previous audit, treatment of complaints
3. Effectiveness of the management system with regard to achieving the certified client's objectives, progress of planned activities aimed at continual improvement,
4. Continuing operational control,
5. Review of any changes, and
6. Use of marks and/or any other reference to certification.

3.7.3 Surveillance audits shall be conducted at least once a year. The date of the first surveillance audit following initial certification shall not be more than 12 months from the last day of the stage 2 audit. The date of the second surveillance audit shall not be more than 24 months from the last day of the stage 2 audit.

3.8. Recertification Audit:

A recertification audit shall be planned and conducted on-site to evaluate the continued fulfillment of all of the requirements of the relevant management system standard or other normative document. The purpose of the recertification audit is to

confirm the continued conformity and effectiveness of the management system as a whole, and its continued relevance and applicability for the scope of certification.

3.8.1 The recertification audit shall consider the performance of the management system over the period of certification, and include the review of previous surveillance audit reports.

3.8.2 Recertification audit activities may need to have a stage 1 audit in situations where there have been significant changes to the management system, the client, or the context in which the management system is operating (e.g. changes to legislation).

3.8.3 In the case of multiple sites or certification to multiple management system standards being provided by OSTIA, the planning for the audit shall ensure adequate on-site audit coverage to provide confidence in the certification.

The recertification audit shall include an on-site audit that addresses the following:

1. The effectiveness of the management system in its entirety in the light of internal and external changes and its continued relevance and applicability to the scope of certification;
2. Demonstrated commitment to maintain the effectiveness and improvement of the management system in order to enhance overall performance;
3. Whether the operation of the certified management system contributes to the achievement of the organization's policy and objectives.

When, during a recertification audit, instances of nonconformity or lack of evidence of conformity are identified, the OSTIA shall define time limits for correction and corrective actions to be implemented prior to the expiration of certification.

3.9 Special audits

i. Extensions to scope

OSTIA shall, in response to an application for extension to the scope of a certification already granted, undertake a review of the application and determine any audit activities necessary to decide whether or not the extension may be granted. This may be conducted in conjunction with a surveillance audit.

ii. Short-notice audits

It may be necessary for the OSTIA to conduct audits of certified clients at short notice to investigate complaints, or in response to changes, or as follow up on suspended clients. In such cases:

- OSTIA shall describe and make known in advance to the certified clients the conditions under which these short notice visits are to be conducted, and
- OSTIA shall exercise additional care in the assignment of the audit team because of the lack of opportunity for the client to object to audit team members.

iii. Suspending, withdrawing or reducing the scope of certification

OSTIA has a policy and documented procedure(s) for suspension, withdrawal or reduction of the scope of certification, and shall specify the subsequent actions by the certification body.

OSTIA shall suspend certification in cases when, for example,

1. The client's certified management system has persistently or seriously failed to meet certification requirements, including requirements for the effectiveness of the management system,
2. The certified client does not allow surveillance or recertification audits to be conducted at the required frequencies, or
3. The certified client has voluntarily requested a suspension.

Under suspension, the client's management system certification is temporarily invalid. In case of suspension the client refrains from further promotion of its certification. OSTIA shall make the suspended status of the certification publicly accessible and shall take any other measures it deems appropriate. Failure to resolve the issues that have resulted in the suspension in a time established by OSTIA shall result in withdrawal or reduction of the scope of certification.

Note: In most cases the suspension would not exceed 6 months.

OSTIA shall reduce the client's scope of certification to exclude the parts not meeting the requirements, when the client has persistently or seriously failed to meet the certification requirements for those parts of the scope of certification. Any such reduction shall be in line with the requirements of the standard used for certification.

3.10 Documents Issued to the Organization:
Stage I Audit:

- Audit plan
- Stage I audit report including areas for concern and comments on manual
- Non-conformity Report
- Invoice

Stage II / Renewal / Surveillance Audit:

- Audit plan •
- Audit report
- Objective evidence report
- Non-conformity report
- Invoice

On recommendation for grant of certificate of Approval, it is issued from Head Office along with covering letter addressing excluded clauses and the logo artwork along with Usage of Logo guidelines.

4. General Terms and Conditions
4.1 Responsibility of OSTIA

It is the responsibility of OSTIA to provide Assessment and Certification in accordance with the current issue of OSTIA "Accredited Management System Process". Please note that in meeting its Policy of continual improvement of service, OSTIA reserves the right to modify the contents of "Accredited Management System Process"

4.2 Responsibility of Auditee Organization

- It is the responsibility of the organisation to provide OSTIA with all documents, information, facilities and changes as and when it takes place as necessary to enable OSTIA to provide the services under these terms and conditions.
- It is the responsibility of the organisation to provide accreditation bodies of OSTIA with all documents, information and visits as necessary to enable verification of audits carried out by OSTIA.
- It is the responsibility of Client Organization to visit OSTIA website www.ostiamanagement.com on the updation of the Accredited Management System Process.

4.3 Fees & Expenses

- For agreements under Tender Documents: All terms & conditions will be applicable as per agreed tender documents.
- The fees payable and terms of payment are as detailed in OSTIA letter enclosing the quotation to the organisation. The basic charges for services requested are based on the assumption that the information supplied by the organisation was accurate and complete.
- Special Surveillance Visits will be charged as per prevalent fees applicable at that time.
- Travel and Incidental Expenses (All fees are exclusive of travel and incidental expenses which will be charged extra at actuals).
- Statutory Taxes – GST Applicable @ 18% extra in any Invoice
- All fees and expenses quoted are exclusive of any statutory taxes which will be charged at the current rate, if applicable.
- Invoices will be submitted as soon as practicable, after the completion of any assessment visit(s).
- **Payment:** All payments should be made in the name of "OSTIA Global Certification Services Pvt Ltd" preferably by local Cheque/demand draft within 7 days of receipt of the invoice. Amounts remaining unpaid for more than 30 days from invoice date will be liable to interest at the rate of 15% per annum.

Note: The Certificate(s) of Approval cannot be released until full payment has been received by OSTIA.

4.4 Termination

Either party may terminate this request for assessment:-

- By Notice

i. Three months written notice may be given by either party to the other.

- By default

i. Immediately upon either party being notified by the other of any material breach of this request for assessment.

ii. If either party goes into liquidation or a receiver or administrator is appointed for all or part of the undertaking thereof.

- In the event of request for assessment being terminated whether by notice, default or otherwise the OSTIA Certificate of Approval issued pursuant hereto shall forthwith become invalid and the customer shall cease to use the same and return to OSTIA all documentation and other matters issued pursuant thereto or bearing an indication of such Certificate of Approval.

4.5 Fundamental Term

- Organisation whereby warrants and covenants with OSTIA that it will at all times during the subsistence of these terms and conditions comply with all reasonable requirements necessary for the issuance of the Certificate of Approval including (but without prejudice to the generality thereof) all statutes, rules, regulations issued by any statutory or any other competent authority, all recommendations, codes and similar matters issued by any authority, pursuant to which or in compliance of which or for the purpose of which the Certificate of Approval is issued or such other reasonable requirements of OSTIA as are necessary to enable the Certificate of Approval to be issued and maintained in force in conformity with standards of high quality of certification.
- The organization hereby warrants the completeness and accuracy of all documents and accuracy of all information supplied to OSTIA for the purposes of these terms & conditions for assessment.
- Any changes in the accreditation rules affecting their certification
  - I. Any change in the standards
  - II. To make all necessary arrangements as per the requirements of OSTIA Certification Agreement & Rules
  - III. Accommodate Observers as needed by OSTIA
  - IV. OSTIA appeals and complaints procedure

4.6 Certificates and Use of Logo (s) and Complaints Procedure

- Upon successful completion of Initial Assessment OSTIA shall issue Certificate(s) of Approval to the organisation detailing the quality Standard(s) to which assessment was made, declaring the scope of supply. The Certificate(s) of approval is/are valid for a period of three years from the date of issue subject to satisfactory maintenance of the quality systems through surveillance audits.
- Certification under this scheme does not imply certification of the organisation's product or service and does not therefore exempt him from his legal obligations.
- For details of LOGO Usage, kindly refer OSTIA-Annex D supplemented with the certificate of Registration.
- The organisation undertakes to institute a system of registering all complaints received from any source. The corrective action(s) taken and review by Organisation Management of such actions shall be made available for verification. They will inform that the complainant can also write to OSTIA
- Use of logo not permitted on laboratory test, calibration or inspection reports, as such reports are deemed to be products in this context.

4.7 Liability

Whilst OSTIA Management Pvt. Ltd. Pvt. Ltd (hereinafter referred as OSTIA) and its Committees use their best endeavors to ensure that the functions of OSTIA are properly carried out, in providing services information or advice neither IRS nor any of its employees or agents warrants the accuracy of any information supplied. Except as set our herein neither OSTIA nor any of its employees or agents (on behalf of each of whom OSTIA has agreed this clause) shall be liable for any loss damage or expense whatsoever sustained by any person due to any act or omission or error of whatsoever nature and howsoever caused by IRS, its employees or agents or due to any inaccuracy of whatsoever nature and howsoever caused in any information or opinion given in any way whatsoever by or on behalf of OSTIA, even if held to amount to a breach of warranty. Nevertheless, if any person uses services of OSTIA, or relies on any information or advice given by or on behalf or OSTIA and suffers loss damage or expenses thereby which is proved to have been due to any negligent act omission or error of OSTIA, proved in a court of law or related jurisdiction its employees or agents or any negligent inaccuracy in information or opinion given by or on behalf of OSTIA then OSTIA will pay compensation to such person for his proved loss up to but not exceeding the amount of the fee charged by OSTIA for that particular service, information or opinion.

4.8 Indemnity

- The Organisation shall fully and effectually indemnify OSTIA agents all costs, claims, actions and demands arising from:

- The service provided by OSTIA save to the extent only that such claims arise from the neglect of OSTIA, its employees or agents.
- The misuse by the organisation of any certificate, license, mark of conformity provided by OSTIA in accordance with these terms & conditions.
- Any breach of these terms & conditions.

4.9 Force Majeure

OSTIA shall not be liable in any respect should be prevented from discharging such obligations as result of any matter beyond its control which could not be reasonably foreseen.

4.10 Confidentiality

- Except as may be required by Law, OSTIA and the Organisation will treat as strictly confidential and will not disclose to any third party without prior written consent of the other, any information which comes into their possession, the possession of their employees, agents or other by virtue of these terms & conditions.
- All information obtained during the course of audit shall be available for verification to OSTIA personnel (as part of internal Certification Process) & personnel from relevant accreditation body (as part of Accreditation Process). Auditee organization shall be informed in writing by OSTIA if the outcome of the review by internal personnel or Accreditation Body personnel influences the interest of the auditee Organization.

4.11 Law

These terms & conditions are governed by the law of India and the parties submit to the jurisdiction of the Courts of justice in New Delhi and all notices and proceedings served will be deemed to be duly served if send by pre-paid registered mail to the address of the party as herein above appearing or as may be subsequently notified by the other.

4.12 Arbitration

Any disputes or differences arising between the parties other than as the payments of OSTIA charges shall be determined by single arbitrator to be appointed by the parties in default of these terms & conditions.

5 Maintenance of Approval

Certificate of Approval is issued to the Organization on the understanding that the relevant Management system will be maintained at all times and for this purpose, OSTIA will conduct Surveillance Audits in accordance with the OSTIA Surveillance Plan which will be notified to the Organization along with his Certificate of Approval. During Surveillance audit, it is ensured that all the relevant Management system elements are examined at least once during the validity period of three years of the certificate of Approval. The intervals between the initial certification audit and the first and second surveillance audit shall not exceed one year from the last date of audit. At the end of three years duration, if the Organization desires to continue Certification, Renewal Audit shall be carried out.

6 Suspension, Withdrawal or Cancellation

The Certificate of Approval shall be suspended, withdrawn or cancelled if it is found that:

- The Organization does not agree for surveillance within the specified time frame
- The Organization does not complete corrective action within the agreed time scale
- The Organization fails to conform to the requirements of relevant standards
- The Organization fails to comply with the financial requirements of the agreement of Certification
- The Organization undertakes actions which may bring OSTIA into disrepute
- The Certificate or Logo is misused in any way.
- The organization goes to liquidation or ceases to exist or ceases its activities for which it has been certified.
- The activities of the organization are stopped by directives from court / statutory authorities.
- f the certification to one or more Management Standard(s) / Specification(s) is subject to suspension / reduction / withdrawal, OSTIA shall investigate the impact of this on the Certification to other Management System Standard(s) / Specification(s).

7 Appeals

It would be the Endeavour of OSTIA to provide efficient and satisfactory services as detailed in the Request Form. However, in case it is felt that any decision or the conduct of OSTIA is unjust and prejudicial to any party, which party can appeal to OSTIA and seek readdressed. These appeals are to be sent to OSTIA in writing.

8 Disclaimers

While this document is intended to provide guidance to prospective / existing clients of OSTIA and every effort is made to keep its content accurate and up to date, it should not be construed to be comprehensive or conclusive in its contents and applicability. Assessment audit / Certification / Surveillance being activities that always call for auditor's judgment based upon the facts and circumstances of each case / situations, this document cannot be construed to be binding OSTIA in the scope, interpretation and applicability of its certification activities.