

<b>Internal Audits</b>
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**1.0 Purpose**

The purpose of this procedure is to define a method to verify whether the IMS activities are performed to comply with the requirements of ISO 9001:2008 and ISO 14001:2004, and to verify the effectiveness of the IMS by carrying out planned audits, and, to document the results of the audits.

**2.0 Scope**

Applicable to all areas, activities, operations and elements related to integrated management system at KSPHC.

**3.0 Associated and reference documents**

- a) ISO 9001:2008 clause number 8.2.2
- b) ISO 14001:2004 clause 4.5.4
- c) IMSP 02 Control of records
- d) IMSP 25 Environmental nonconformity and corrective and preventive action
- e) IMSP 27 Corrective and preventive action (QMS)
- f) IMSP 28 Management review

**3.0 Definitions**

**Audit** - systematic and documented process of for obtaining audit evidence and evaluating it objectively to determine the extent to which audit criteria are fulfilled

**Audit criteria** - set of policies, procedures or requirements used as a reference

**Audit evidence** – Records, statement of fact or other information, which are relevant to the audit criteria and verifiable. *Audit evidence can be qualitative or quantitative.*

**Audit findings** - results of the evaluation of the collected audit evidence against audit criteria

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**5.0 Responsibilities**

Sl. No.	Activity	Responsibility	
		Primary	Secondary
1	Planning internal audits	MR	HODs / EMS Coordinators.
2	Carrying out Internal Audits	Internal Auditors	MR / HODs
3	Documenting Audit Findings	Internal Auditors	-
4	Communicating audit findings to concerned employee / department	MR / HODs	-
5	Communicating audit findings to the top management	MR	HODs

**6.0 Procedure****6.1 Planning****6.1.1 Auditing personnel (Internal auditors)**

Audits are to be carried out by personnel independent of those having direct responsibility for the area being audited and if required, may be drawn from the other divisions of the company or from external agencies.

**EMR** MR shall ensure that the internal auditors selected to carry out internal audit have been trained (by a competent external agency or MR himself), and that they have a clear understanding of the following:

- ISO 9001:2008 and ISO 14001:2004 standards requirements
- Legal and other requirements applicable to the organization and its EMS activities

MR shall maintain a list of trained internal auditors.

**6.1.2 Planning for audits**

- a) The scope of the internal audit of IMS may include auditing to determine any or more of the following:

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- 1) Conformance of the IMS with management system standards;
  - 2) Extent of compliance to legal and other requirements;
  - 3) Extent of employee awareness on their IMS roles and responsibility and Quality and Environmental policy of the organization;
  - 4) Adequacy and effectiveness of the IMS training, documented procedures and OCPs to control and manage significant environmental Aspects.
  - 5) Progress on IMS Objectives & targets and management programs;
  - 6) Validity and accuracy of the monitoring and measuring results reported, and
  - 7) Emergency Preparedness and Response.
  - 8) The audit scope may include if found necessary by the MR, the effectiveness of closure of non-conformance from previous audits.
- b) MR shall prepare the **EMS** IMS internal audit calendar; this should indicate the KSPHC locations for which the audit is planned. Internal audit shall be conducted at least once in six months.
- c) Audit plan shall be prepared for each internal audit. Audit plan shall be prepared per location i.e. the internal audit plan should ensure all applicable elements in all areas are audited at least once in six months. The MR shall develop the audit plan in co-ordination with the IMS Coordinators and decide the scope of the audit plan and the frequency based on the results of the previous audits, the significance of the environmental aspects.
- d) The audit plan should further indicate, date and scope of audit, and it shall be sent to concerned personnel a week before carrying out the audit.
- e) MR shall ensure that selection of auditors and conduct of audit ensures objectivity and the impartiality of the audit process; auditors do not audit their own process / function.

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**6.2 Conducting audit**

The MR shall assure that the audit team is adequately prepared to initiate the audit. The team leader will develop the checklist in co-ordination with the audit team.

**Recording audit findings:**

An audit finding can be basically classified into following categories:

- a) Positive Observation (O+) – Conformance to the stated requirement
- b) Nonconformity (NC) – Non-fulfillment of a requirement
- c) Observation (OBS) – An observation is an apparent weakness in existing conditions that, in the auditor’s judgment, warrants further clarification or investigation in order to improve the overall effectiveness of the EMS
- d) Opportunity for Improvement: (OI) – It is not a non-conformance but an area where the auditor feels that there is a scope for improvement.

Audit findings should be recorded in **Audit Observation Sheet .....**; nonconformities should be recorded in the nonconformity report.

**6.2.1 Nonconformity Report writing**

**Nonconformity (NC)** – Non-fulfillment of a requirement i.e.,

- Non-fulfillment of audit criteria
- Procedures
- Requirements
- Stated and implied needs

Non-fulfillment of standard’s requirements implies that Intent has not been complied with. Non-fulfillment of requirements stated in IMS manual, procedures or Work Instructions or statutory and regulatory requirements implies nonconformity against implementation.

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Condition adverse to conformity with requirements indicates that though the system as documented is implemented, it is not effective enough to ensure achievement of pre-defined objectives.

Nonconformity is classified as MAJOR or MINOR based on the following criteria:

**Major Nonconformity:**

- 1) Requirement of the standard not being implemented
- 2) Lack of management system documentation to satisfy requirements established in the standard or the organization’s policy
- 3) Management system documentation not being implemented consistently throughout the organization
- 4) Numerous minor nonconformities that, collectively, indicate an overall weakness of the management system

**Minor Nonconformity:**

Management system is defined, and documented procedures exist. An acceptable level of implementation exists overall, but there are minor discrepancies or lapses in following the EMS requirements or documentation.

In case of any disagreement in the audit findings, the audit team leader should discuss the issue with the concerned auditee to agree on the finding. The MR shall arbitrate in the discussion with authority to decide on the final outcome.

**6.3 Reporting**

The audit team should confer prior to the closing meeting

- a) To review the audit findings and any other appropriate information collected during the audit against the audit objectives,
- b) To agree on the audit conclusions taking into account uncertainty inherent in the audit process,
- c) To prepare recommendations, if specified by the audit objectives, and
- d) To discuss audit follow-up, if included in the audit plan

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The audit team leader shall summarize the findings in consultation with the audit team and report the audit summary to the EMR.

#### 6.4 Communication of audit findings

MR shall ensure that the audit results are communicated to the concerned functional heads for initiating correction and corrective action without undue delay. MR shall communicate the audit results / conclusions to the top management through Management Review process.

#### 7.0 Records

Sl. No	Name of the Record	Custodian	Retention Period
1	EMS IMS Internal audit calendar	M.R	3 Years
2	EMS IMS Internal audit plan	M.R	3 Years
3	EMS IMS Internal audit observation sheet	M.R / Copy with Auditee	3 Years
4	Nonconformity report	M.R / Copy with Auditee	3 Years
5	Audit summary	M.R / Copy with HODs	3 Years
6	List of internal auditors	MR	3 Years

#### 8.0 Revision details

This document supersedes and replaces QSP 21 and EMSP 11. This document being part of the integrated management system, it is designated as IMSP 26 and the revision status is set to "0".

<b>Approved by : Chairman and Managing Director</b>
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