

QCS management Pvt Ltd board resolution Date: 7.10.2016 in line with Directives of JAS-ANZ governing board dated 30th of june 2016.

Implementation deadline – 15th July 2016 by the business associates or by QCS Management Pvt & JAS-ANZ.

The Direction is issued in line with condition of accreditation No. 3 under the terms of the Accreditation Deed. In line with Clause 19.1.1 of the Accreditation Deed, failure to meet the terms of a Direction from QCS & the JAS-ANZ Governing Board may be grounds to reduce the scope, suspend, withdraw or cancel office locations along with threat to accredited status of QCS .

Responsibility for Implementaion- Partha Ghosh, Quality Manager, . Risk category - high

Informative backgrounds & Objectives of directives- To change the systems of QCS as per Directives of JAS-ANZ governing board to stop malpractices & fraudulent activities in the market.

Informative Background:

The following **Directions of QCS in line with the directives of the JAS-ANZ Governing Board dated 30th june 2016** has been developed in response to several instances of malpractice in the following areas:

A. Marketing Practices & Administration of registration–

1. QCS will not compromise with the impartiality and neutrality of audit process
2. QCS will conduct thorough audits as per QCs audit policy & procedures before issue of any certificate which will be verified by JAS-ANZ during office audits at QCS H.O.
3. All records related to audit reports including auditor's files will be retained at QCS H.O for jasanZ auditor to check and verify during surveillance audits at QCS H.O
4. QCS will need to cancel all the certificates which is not in compliance with the conditions of accredited certification process mentioned in article 12 and article 13 of QCS revised certification contract annex 13 displayed in company website which can be downloaded and used with immediate effect
5. QCS will not be able to issue any certificate with incomplete audit reports along with the latest application and contract can be downloaded from company website duly sealed and signed from the client.
6. The client must retain a copy of the audit report along with certification scheme regulations, annex 15, application , contract- annex 13, and logo guidelines – annex 12. It may not be possible to individually send all the documents but all of them are available on company website which can be downloaded.
7. QCS is committed to register all certificates on JAS-ANZ register unconditionally within 12 hours from issue
8. As QCS will not hold back any certificates from registration on jasanZ web for non receipt of audit fees and also JAS-ANZ instructions to stop credit facilities so all audit fees to be paid in advance as per our commercial agreement in full & final settlement of our invoices before we can issue the final certificates.
9. There should not be any changes of approved certificate templates. Evidence of QCS approval should be retained in writings.

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10. QCS cannot show any other address on certificate than what is being registered on JA-SANZ Websites of any change in address and ownership or addition of new owners it should be immediately brought to the notice of QCS with objective evidences of changes to change the data already registered on QCS and JASANZ website
11. All office locations should be ready to conduct office witness audits and witness audit at clients place to evaluate auditor performance **by JASANZ within shortnotice.**
12. QCS will reserve the right to cancel the certificates if conditions of our certification audit contract (annex 13) are not complied with by the client or business associates
13. QCS also reserves the right to suspend any associates who have been found to indulge in malpractices or not fulfilling the directives within the specified deadline which will be treated as extension of our contract /agreement accepted by both parties before the commencement of our association.

Issuing Certificate

The certificate is granted to an applicant with a validity of three years) after the following conditions have been met by the applicant organisation:

1. Client has a documented management system that meets applicable standard or other normative documents.
2. One Internal Audit and Management Review cycle has been completed and Non-Conformities, if any, have been corrected.
3. The applicant meets the criteria of certification and all Major non-conformities found during Audit have been closed.
4. There are no adverse reports/ information/ complaints with the QCS about the applicant regarding the quality and effectiveness of implementation of certification system as per QCS certification criteria
5. The applicant has paid all the fees as per 'FEE STRUCTURE' in this contract.
6. The validity of the certificate will be subject to timely and successful conduction of surveillance audits, as per plan.

QCS shall review the result of corrective action(s) submitted by Client prior to granting its certificate. If QCS decides that the corrective action(s) taken or proposed by Client is (are) acceptable, the certificate will be issued. The date of issue shall be the date of formal decision by QCS.

Article 12.Suspension of Certification (After Granting Certification)

In the event that Client is not complying with followings, QCS may suspend Client's Certification.

1. Client does not accept on-going surveillance visit within the time agreed.
2. QCS determines that Client does not have resources or organization to satisfy with requirements of standard applied, or the certified system does not exist.
3. Client lost its confidence as a result of claims raised by interested parties and social conflicts.
4. The required actions against the changes of Certification system or requirements have not been taken by Client during the specified period.
5. Client failed to correct the nonconformities found at on-site Audit within the time agreed.
6. Client failed to timely correct nonconformities, caused by misuse of certification mark, within one (1) month.
7. Client didn't pay QCS for Certification activities as per the agreed fee structure in time.
8. QCS determines that Client didn't comply with obligation as defined in Article 6 of this contract.
9. Client used and applied the certificate (certification) to out of its scope.

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10. It is proved that the information and/or materials provided by Client during Audit are misleading.
11. Client does not comply with article 8 "Notification of Client's Change and Audit for Confirming Change" of this contract.
12. QCS determines that Client does not comply with the contract(s) and/or contract(s) concluded with QCS.
14. QCS determines that Client does not comply with "Obligations of Certified Client"

Note: Following suspension of certification QCS at its sole discretion can refuse, renew and restore a certificate as per accreditation body guidelines and QCS audit principles & procedures.

Article 13: Withdrawal of Certification (After Granting Certification)

In case, Client is not complying with followings, QCS may withdraw Client's Certification.

1. Failure to correct the reason for suspension within three months
2. Client's request
3. Client discontinues the activities (manufacturing, installation, etc.) related to the scope of certification.
4. The certified Client is no longer identified because of its dismantlement or communication disconnecting, etc
5. The suspension of Client's Certification is more than 3 times during the term of validity of its Certification.
6. After receipt of QCS' request to return the certificate(s), Client didn't return its certificate(s) to QCS within one (1) month.
7. Failure to make payment of any audit activity in due date.

Article 6. Rights & duties of Client

Client shall;

1. conforms to the requirements of QCS when making reference to its certification status in communication media such as the internet, brochures or advertising, or other documents,
2. not make or permit any misleading statement regarding its certification,
3. not use or permit the use of a certification document or any part thereof in a misleading manner,
4. upon suspension or withdrawal of its certification, discontinues its use of all advertising matter that contains a reference to certification, as directed by QCS,
5. amends all advertising matter when the scope of certification has been reduced,
6. not allow reference to its management system certification to be used in such a way as to imply that the QCS certifies a product (including service) or process,
7. not imply that the certification applies to activities that are outside the scope of certification, and
8. not use its certification in such a manner that would bring QCS and/or its certification system into disrepute and lose public trust.
9. not use certification mark on laboratory test, calibration or inspection reports
10. not use certification mark on a product or product packaging that may be interpreted as denoting product conformity.
11. record and address complaints, report complaints to QCS
12. notify QCS within 30 days of changes to Client's quality system or changes significantly affecting Client, such as a change of ownership, change in key personnel or facilities, which call "change" from now
13. allow QCS to conduct special audits at short notice to investigate complaints, or in response to changes, or as follow up on suspension.
14. not expose auditors or others representing QCS to unsafe working conditions or environments, and to provide all auditors and others appropriate protective equipment,
15. pay QCS for the Certification Activities as per the Fee Structure as annexed

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B. Responses to show cause

Franchisees will not shift the blame on any third party like their sub-contractors, agents and staff and any third party and will be solely accountable to QCS for their conducts and performances in case of any complaints from their clients to QCS and or JAS-ANZ. QCS will adopt the following procedure in handling appeals and complaints from external stakeholders of the company unlike JAS-ANZ & clients

1. If Client has appeals, complaints and disputes relating to Certification Audit and/or certification process, They should submit the appeals, complaints and disputes in writing to QCS and/or JAS-ANZ if they are not satisfied with solutions of QCS then they can approach JAS-ANZ for arbitration and settlement.
2. If complaints are received by QCS directly from JAS-ANZ from clients referred by the associates related to any deviations from a directive mentioned in this document then the franchisee will be immediately suspended leading to withdrawal of their approved location from QCS and JAS-ANZ register.
3. Franchisees on behalf of QCS is solely responsible to shall handle the appeals, complaints and disputes, filed by Client, in accordance with QCS appeals & complaints procedure (P05&P06) displayed and can be downloaded from QCS WEBSITE to bring an amicable solution within the shortest possible time.. The result shall be provided to Client and/or JAS-ANZ in writing..

Contract Interpretation and disputes settlement

In case(s) of dispute(s) which may arise between the parties in respect of the execution, interpretation and performance of this Contract, both parties shall do their best to settle in an amicable manner, otherwise it will be referred to arbitrator for arbitration who will be appointed with the mutual consent of both the above parties and his arbitrator decision shall be pending upon both the party and the provision of Indian Arbitration Act will be applicable on them. The provision of Indian Contract Act will be applicable if not mentioned in the contract.

Limitation of Liability

QCS liability in respect of any single event or series of events for breach of QCS obligations as per this Contract shall be strictly limited to the amounts received by QCS from the client in the last 12 months preceding the date of the event or events. QCS is not liable for any other liability (including any third party liability or loss of order, loss of tender) claim by the client. QCS is also not liable for any claims passed by its clients in case their products or services malfunction with their own clients or users. QCS is also not liable for failure of commitments made by any other persons/ parties made on behalf of QCS and not covered under this contract

Force Majeure

Neither party shall be liable to the other party for nonperformance or delay in performance of any of its obligations under this contract due to war, natural disaster, epidemic, go-slow, lockout or any other causes reasonably beyond its control or unforeseen circumstances.

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Trade mark & copy right

QCS has the ownership of certification documents, marks and audit reports. So long as Client maintains its status as being certified by QCS pursuant to the Client's Rights and Duties as above, Client will have the non-exclusive and non-transferable right to use the Certificate, the QCS Logo and any Accreditation Marks (except during Suspension as per Article 12 of QCS certification contract annex 13) in Client's advertising and marketing materials and campaigns.

QCS shall take actions as appropriate to deal with the incorrect references to certification status or misleading use of certification documents, marks or audit reports. Such action could include requests for correction and corrective action, suspension, withdrawal of certification, publication of transgression and, if necessary, legal action.

It will be strictly the responsibility of the business associates to protect the trade marks & copyrights of QCS management & JAS-ANZ logos from any misuse. Any misuse of logos of QCS and or JAS-ANZ by the business associate or their clients and subcontractors will be treated as a major nonconformity which will lead to immediate suspension of franchisee rights without any further notice followed with legal actions by QCS and or JAS-ANZ if immediate corrective actions to remove the offending portion from the publicity and promotional material including the websites, literatures, certificate templates is not undertaken by the associate. The associates are hereby instructed that they cannot use the logos of QCS and or JAS-ANZ on their websites publicity materials visiting cards etc and should immediately stop its use if in case they are using it. It is hereby instructed that if they do not stop their usage after this directives QCS will be completed to suspend their franchisee rights followed with legal actions as per the directives of JAS-ANZ governing board dated 30th June and board resolution of QCS dated 10th July 2016 which is in line with the directives. Please see our logo guidelines displayed on QCS website which should be strictly adhered to by the franchisee and also their clients which should be clearly explained to them during the certification process.

Transfers of Certification-

QCS will document and apply an operating procedure(s) for managing transfers where an accredited body has had its accreditation withdrawn or cancelled, that is consistent with the Accreditation Procedure set out in Annex 1. The documented procedure of JAS-ANZ is as follows

ANEX 1

Accreditation Procedure for Managing Transfers Step	Responsible	Action	Notes
1	Accepting Body	Validate the organisation	The identity of the organisation seeking transfer should be validated as follows: 1. Confirm the entry on the JAS-ANZ Register – if the organisation is not registered the transfer must be declined.

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			<p>2. Verify the Business registration details – if the business registration details are not valid then the transfer must be declined.</p> <p>3. Verify the physical location and management structure of the organisations – if the organisation fails to provide details or access to its physical location or details of its management structure then the transfer must be declined.</p>
2	Accepting Body	Advise JAS-ANZ	<p>The accepting CAB should advise JAS-ANZ of its intention to undertake transfer and provide details of the entity:</p> <ol style="list-style-type: none"> 1. Business registration 2. Physical location 3. Management structure
3	Accepting Body	Validate the management systems	<p>The accepting CAB must review and validate the existence and operation of a certified management system(s) that has the features and characteristics consistent with the certifications validated on the JAS-</p>

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			<p>ANZ Register.</p> <p>If the features and characteristics of a certified management system(s) are not materially consistent with the expected certifications, then the transfer must be declined.</p> <p>A management system is validated through, as the minimum, the following:</p> <ol style="list-style-type: none"> 1. Review of documentation 2. Review of test reports 3. Observation of the application of management system procedure
4	Accepting Body	Make a Declaration	<p>The accepting CAB must make a Declaration to JAS-ANZ that it has undertaken a validation of the management system used by the transferring organisation.</p> <p>ONLY when the declaration has been lodged can the formal arrangements for transfer be initiated.</p>
5	Accepting Body	Obtain acknowledgments and undertakings	<p>The accepting Body must obtain a written acknowledgment as a strict condition of transfer that where</p>

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			<p>JAS-ANZ has grounds to doubt the implementation of the management system or the transfer process, then JAS-ANZ has the right to:</p> <ol style="list-style-type: none"> 1. undertake a validation visit at the cost of the transferring organisation 2. remove the certification from the JAS-ANZ register <p>The acknowledgments and undertakings will include an indemnification in favour of JAS-ANZ by both the accepting body and the transferring body against any claim arising from the failure of the accepting body to undertake the transfer effectively.</p>
6	JAS-ANZ	Include Declaration review and validation at next assessments	<p>Declarations are subject to testing during any surveillance activity undertaken by JAS-ANZ. CABs should ensure that full records are retained. Records that are not available on demand or which are inadequate to support the transfer are grounds to doubt</p>

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			the implementation of the management system or the transfer process.
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The documented procedure of QCS in line with Annex 1 are as follows;

ANEX-Q1 QCS operating procedure(s) for managing transfers where an accredited body has had its accreditation withdrawn or cancelled (in line with annex 1 of section management of transfer from directives of jasanZ governing board)

1. Name of the organization seeking transfer
2. Reason of transfer
3. Business registration number : a. valid b. Invalid (If not valid transfer must be declined)
4. Confirm entry on jasanZ register : Yes , No (If not Transfer to be declined)
5. Physical location :
6. Management structure (organisation chart)
7. Name of the top Management-
8. Mobile :
9. Email Id :

Note: If the organisation fails to give access to its physical location and do not provide Management structure, Transfer to be declined)

10. validation
11. QCS must review and validate the existence and operation of a certified management system(s) that has the features and characteristics consistent with the certifications validated on the JAS-ANZ Register.
12. If the features and characteristics of a certified management system(s) are not materially consistent with the expected certifications, then the transfer must be declined

	A management system is validated through, as the minimum, the following:	Remarks	Evidence/ ref
	Review of documentation		
	Review of test reports		
	Observation of the application of management system procedure		

Declaration for transfer

QCS has undertaken a validation of the management system used by the transferring organisation.

Recommend for transfer

Not recommended :

NAME AUDITOR :

Doc ref: QCSMPL/GBD/ 01.ISSUE DATE:6.7.2016. REV:OO, Issue no :01.

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SIGNATURE :

DATE:

Summary of The Directions of JASANZ governing board dated 30th June 2016

To address some of the immediate causes of the malpractice and fraudulent conduct the following conditions apply:

Action points by QCS

- 1. QCS will be liable for all entries and omissions from the register. JAS-ANZ will not accept as a valid reason for failure to upload certificate details any claim that the CAB has not received payment from its clients.**
- 2. All certificates details shall be uploaded to the register by QCS with no more than a 12-hour delay from issuing the certificate.**
- 3. QCS'S s management will remain accountable for the conduct of all CAB staff and contractors (including agencies). JAS-ANZ will not accept any excuses for malpractice or fraudulent conduct that involves blame shifting to internal staff or to other associated businesses which the QCS is obligated to have under control.**
- 4. QCS is responsible to adequately protect their certification mark and JAS-ANZ symbol. Any failure by the QCS to take adequate steps through issuing a 'cease and desist' demand and/or by undertaking legal action when a QCS'S trademark is misused will result in a 'show cause' letter as to why accreditation should not be suspended.**
- 5. QCS will document and apply an operating procedure(s) for managing transfers where an accredited body has had its accreditation withdrawn or cancelled, that is consistent with the Accreditation Procedure set out in Annex 1.**

Partha Bagchi
Managing Director,
For Board of Directors
QCS Management Pvt Ltd
Date : 6.7.2016

Acceptance of QCs business associate

"Yes we have noted the contents of the directives of QCS & JASANZ, understood its implications and agree to abide by it in letter & spirits"

Company Name of the business associate

Name of the authorized signatory:

Designation :

Signature :

office Seal :

Date: