	Imperial Bio Solutions Pvt. Ltd.	Doc no.	IBSPL-CD-SOP-19
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Purpose

To define the process for auditing the client's management system against the requirements of the applicable audit criteria.

Scope

Pre-audits, document reviews, initial audits (registration in case of farming, certification audit and annual audit in case of processing and trading), surveillance, re-certification, special surveillance, extension, short-notice and transfer audits and all other type of audits. Applies to NPOP Organic certification audits.

Responsibility:

The Auditor(s) shall ensure audit is conducted in accordance with this process.

Input

Assignment letter

Output:

Audit report, Audit checklist and scope certificates

KPI

- Auditor performance
- Client Satisfaction data
- Results of technical review (# of defects report)

1.0 Audit Process

1.1 General

Once the assignment letter is received the Auditor shall prepare the audit plan in accordance with the requirements of NPOP Organic certification audits..

1.2 Opening Meeting

Upon arrival at the client's site or farm, the Lead Auditor shall chair the opening meeting; details are provided by work instruction;

1.3 Collecting and verifying information

During the audit, the team members shall collect and record objective evidence to demonstrate that the client's system is both implemented and effective. Information relevant to the audit objectives, scope and criteria (including information relating to interfaces between functions, activities and processes) shall be collected by appropriate sampling and verified to become audit evidence. Such evidence shall be obtained from interviews, review of documentation and records, observation of processes and activities and conditions in the processes audited. Records shall identify personnel interviewed.

1.4 Audit Progress Assessment and Exchange of Information

1.4.1 The Lead Auditor will ensure that there are regular meetings with the team throughout the

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course of the audit to ensure that issues identified are discussed and if necessary the course of the audit is modified to accommodate any changes necessary. These issues should be brought to the attention of the client's representative at the time that they are identified.

1.4.2 Where the available audit evidence indicates that the audit objectives are unattainable or suggests the presence of an immediate and significant risk (e.g. safety), the Lead Auditor shall report this to the client and to the Imperial Bio Solutions Pvt. Ltd. Office to determine appropriate action. Such action may include reconfirmation or modification of the audit plan, changes to the audit objectives or audit scope, or termination of the audit. The Lead auditor shall also:

- Maintain the information collected to this point in time;
- Provide the client with a finding report of non-conformity(ies) leading to the interruption of the audit, if applicable.
- Indicate in the finding audit report the reason for the interruption of the audit.

1.4.3 The Lead Auditor shall conduct a daily debrief meeting as necessary to discuss the progress of the audit and the concerns with the client. As a result of the meeting, the audit plan may be modified.

1.4.4 The Lead Auditor shall review with the client any need for changes to the audit scope which becomes apparent as on-site auditing activities progress and report this to the Imperial Bio Solutions Pvt. Ltd. Office.

1.5 Preparing the Finding Report

The finding report shall be prepared and issued by Auditors during the closing meeting; if no internet connection is available the report shall be prepared and issued off-line. The audit team may identify opportunities for improvement but shall not recommend specific solutions.

1.5.1 Audit Plan – As executed

As deemed necessary, the Lead Auditor amend the original version of the audit plan to reflect the real timing and sequence of the audit events

1.5.2 Nonconformities

1.5.2.1 General

- There are two types of nonconformities – Major and Minor
- Non-conformity shall be substantiated by objective evidence or absence of objective evidence such as: witnessed, recordable, verifiable, and quantitative collection of facts
- The Lead Auditor, shall review the findings and record them
- For each nonconformity, the author shall identify the following:
  - Finding: a clear description of the nature of the nonconformity; it could be in terms of insufficient implementation, unsuitability, inadequacy, ineffectiveness, etc. or in terms of lack identification of the evidence which conflicts with the requirement.
  - Requirement: The quote of the requirement of the audit criteria against which the nonconformity is being reported. This may include a reference to the audit criteria and/or the client's documentation. In the case of an Integrated Management System audit, it may refer to more than one audit criteria and/or other normative document
  - Objective Evidence: The objective evidence observed that supports the statement of nonconformity: the specific occurrence, supported by the

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identification of the evidence collected (e.g. - direct reference to the document being reviewed, the work station, etc.)

1.5.2.2 Major nonconformity

Major non conformity: failure to fulfil one or more requirements of the management system that raises doubt about the capability of the management system to achieve the expected outcomes or to effectively control the process for which it was intended.

Characteristics of a major nonconformity are:

a) An extensive breakdown or the absence of evidence of effective implementation of a process and/or documented procedure required by the applicable audit criteria and expected outcome.
b) Probable shipment of non conforming product to the client
c) The absence of, or total systemic breakdown of, a management system process 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.
d) 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.
e) If there is a significant doubt that effective process control is in place, or that products or services will meet specified requirements;
f) A number of minor nonconformities associated with the same requirement or issue could demonstrate a systemic failure and thus constitute a major nonconformity.
g) A situation that is a significant real or imminent threat to the environment
h) A situation that is a significant real or imminent threat to the to human health and safety
i) A situation that could lead to a major compliance issue (compliance processes compromised, resulting in fines and/or sanctions from regulatory agencies)

Note: A major nonconformity usually represents a material risk to product quality, human health and safety, or impact to environment, and raises doubt about the capability of the management system to achieve its policy and objectives.

1.5.2.3 Minor nonconformity

Minor non conformity: failure which does not impact the capability of the management system to achieve the expected outcomes.

Characteristics of a minor nonconformity are:

a) A failure to fully satisfy a requirement of the audit criteria with a documented procedure, when required.
b) a situation that is a minor real or potential threat to the environment
c) a situation that is a minor real or potential threat to the to human health and safety

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d) a situation that could lead to a minor compliance issue (minor issues not compromising overall compliance processes and resulting in no significant fines and/or sanctions from regulatory agencies)

e) A breakdown in the effective implementation of a documented procedure in isolated incidents.

Notes

- A minor nonconformity usually does not represent a material risk to product quality, human health and safety, or impact to environment, and does not raise doubt about the capability of the management system to achieve its policy and objectives.
- A number of minor non conformities associated with the same requirement or issue could demonstrate a systematic failure and thus constitute a major non conformity.

1.5.2.4 Opportunities for Improvement (OFI)

- Definition: an opportunity to enhance the existing work process/practice/method that conforms to the requirement of the audit criteria and/or of the organization, but may not represent the current state-of-the-art approach, or best practice, but may represent a potential for a nonconformity.
- The auditor should identify the area for improvement but cannot offer a specific solution
- Audit findings, however, which are nonconformities, shall not be recorded as opportunities for improvement.

1.5.2.5 Time line for submission of corrective action plans & implementation of corrective actions

1.5.2.5.1 Corrective Action Plans

All corrective action plans, including evidence of correction shall be submitted within 30 calendar days from the last day of the activity unless the client's certificate expires prior to that date; in such case the corrective action plan shall be submitted prior to certificate expiring.

1.5.2.5.2 Minor Nonconformities

For minor nonconformities, all corrective actions shall be implemented (including verification of effectiveness) within 90 calendar days from the last day of the activity. Effective implementation of corrections and corrective actions will take place at the next visit.

1.5.2.5.3 Major nonconformities

For major nonconformities, all corrective actions shall be implemented (including verification of effectiveness) within 30 calendar days from the last day of the activity unless the client's certificate expires prior.

An onsite special visit to close out majors will always be scheduled unless certificate authority has approved it to be

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offsite. The date for scheduling the special visit shall be within 90 days following the audit or prior to certificate expiry whichever comes first.

1.6.4 The findings are addressed in finding report IBSPL-CD-FR-26 and share with the client during the closing meeting for corrective action.

1.6.5 In case auditor is unable to provide the documented finding report during the closing meeting, the same will be sent with in 24 hrs.

1.7 Closing Meeting

Prior to the closing meeting, the audit team under the responsibility of the audit team leader shall:

a) review the audit findings, and any other appropriate information obtained during the audit, against the audit objectives and audit criteria and classify the nonconformities;
b) agree upon the audit conclusions, taking into account the uncertainty inherent in the audit process;
c) agree any necessary follow-up actions;
d) confirm the appropriateness of the audit programme or identify any modification required for future audits (e.g. scope of certification, audit time or dates, surveillance frequency, audit team competence).

Prior to leaving the client's site, the Lead Auditor shall undertake the closing meeting where audit findings are shared with the client, details are provided by work instructions.

2.0 Additional requirements

2.1 Registration audit

2.1.1 Registration audit is performed on farming as per NPOP standard and includes the collection of basic information regarding the testing of plant material, seed, soil, water and product.

2.1.2 The audit shall include:

- The review of the client's status and understanding regarding requirements of the standard, big picture about their commitment towards organic standards, in particular with respect to the identification of key performance or significant aspects, processes, objectives and operation of the management system;
- The audit of the client's farm documentation;
- The evaluation of the client's location and site-specific conditions;

2.1.3 The collection of the necessary information regarding the scope, site map, neighbors and their crops, water drift, air drift, low lying or high, buffer chemical at site, water source, storage, crops, crop rotation, use of compost, seed/ plant material sources and treatment, quantity reconciliation, people basis training, records of seed treatment, sowing, irrigation, harvesting and storage, farmer file, farmer agreement, package of practice and sampling procedure.

2.1.4 The results of the this audit are required and noted in findings report.

2.1.5 After one year of registration audit, conversion audit (s), conversion audit 1 and/ or conversion audit 2 as required by applicable standards, will be planned at the time of harvesting and verify the stock reconciliation on the 2nd crop.

2.1.6 Based on the result of the registration audit and conversion audit (s), full organic audit is

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planned.

2.2 Certification Audit

2.2.1 For processing and trading, the Certification audit shall be carried out at the client's premises in order to achieve the objectives stated above. The evidence demonstrating that Certification audit objectives are fully achieved shall be provided. Exceptional circumstances can include very remote location, short seasonal production.

2.2.2 The Certification audit shall include:

- The review of the client's status and understanding regarding requirements of the standard, big picture about their commitment towards organic standards, in particular with respect to the identification of key performance or significant aspects, processes, objectives and operation of the management system;
- The audit of the client's management system documentation including purchasing records, transaction certificates, transport records, packing records and dispatch records; including stock reconciliation.
- The evaluation of the client's location and site-specific conditions;
- The collection of the necessary information regarding the scope, handling of material i.e. chain of custody, identification, segregation, change over procedure in case of parallel production, packing, storage and dispatch including container fumigation, pallet fumigation; testing of the product in approved lab.

2.3 Annual/ Survelliance audits

Imperial Bio Solutions Pvt. Ltd. has maintain certification based on demonstration that the client continues to satisfy the requirements of the Organic Standard. It may maintain a client's certification based on a positive conclusion by the audit team leader without further independent review and decision, provided that:

a) For any major nonconformity or other situation that may lead to suspension or withdrawal of certification, the certification body has a system that requires the audit team leader to report to the certification body the need to initiate a review by competent personnel and different from those who carried out the audit, to determine whether certification can be maintained;

b) Competent personnel of Imperial Bio Solutions Pvt. Ltd. monitor its surveillance activities, including monitoring the reporting by its auditors, to confirm that the certification activity is operating effectively.

c) Annual activities shall include on-site auditing of the certified client's management system's fulfilment of specified requirements with respect to the NPOP standard to which the certification is granted.

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2.4 Unannounced Audit

Unannounced audits may be required to be conducted to investigate complaints or in response to the changes or as a follow up of suspension of certification.

In these cases, no advance will be given to the client. Also, additional care is taken in the assignment of the audit team because of the lack of opportunity for the client to object to audit team members.

Investigation audits

Investigation audits are on-site audits, but are not necessarily full system audits, and shall be planned together with the other activities so that the certification body can maintain confidence that the certified client continues to fulfil requirements.

2.5 Audit Report Package

The audit team leader is responsible for the preparation of report's content as per the requirements. The audit report shall provide an accurate, concise and clear record of the audit to enable an informed certification decision to be made. The audit team leader need to submit an accurate a audit report along with the audit checklist, audit notes, any collected evidence or sample etc. as audit report package to the office of certification body for technical review and certification decision.

Records:

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