

CONSULTANCY & EHS AUDIT REPORT



EHS AUDIT DATES
21ST & 22ND JANUARY 2008



ABC MOTOR INDIA LIMITED
NOIDA, INDIA

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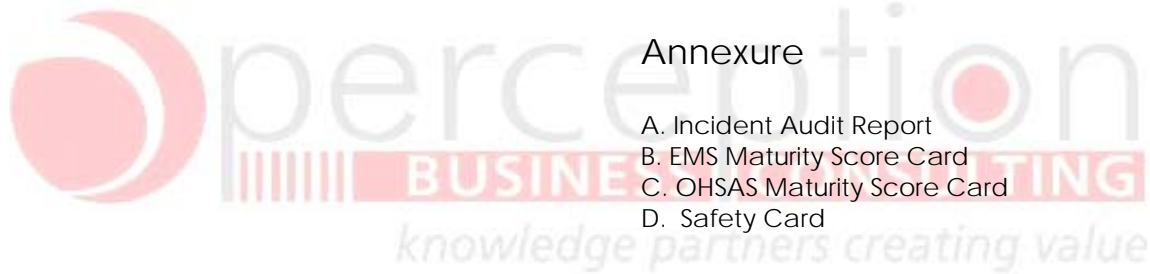
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EXECUTIVE SUMMARY

Preamble:

Perception Business Consulting Team conducted second party audit of EHS covering Environment Management System as well as Occupational Health and Safety Management System established in ABC Motors India Limited, Greater Noida plant on 21st January and 22nd January 2008 with an integrated approach. This two day (four man-days) audit covered virtually all functions across the client organization.

Audit Objective:

The sole objective of this audit is to analyze the gaps in existing EHS management system and form a strategy to improve these practices and implementation effectiveness leading to better EHS performance and overall environmental & OHS improvement.

Perception Audit Team Members:

1. Mr. Vinod K. Pandita

2. Mr. J. Jayabalan



ABC Audit Coordination Members:

1. Mr. PQR
2. Mr. ABC
3. Mr. XYZ

Audit Methodology:

A broad based check list approach was used to verify the adherence of established international standards across various functions coming under the purview of audit schedule.

Audit Synopsis:

1. *Opening Meeting (21st January 2008)*

*To communicate and clarify the scope
and requirements of audit.*

EXECUTIVE SUMMARY

2. *Audit (21st & 22nd January 2008)*

*On-site audit as per schedule designed
by ABC Coordination members*

3. *Closing Meeting (22nd January 2008)*

*To inform audit findings and areas of
concern to process owners and top
management*



AUDIT SUMMARY

Audit Report Classification:

Observation:

A system found to be in compliant wit EHS

Improvement:

A system found to be in weak compliance and needs improvement.

Non Conformity:

A system breakdown with regard to EHS

Performance and Reward



Total Audit Findings: 91

Total Non-compliances: 96

Total Observations: 18

Total Improvement Points: 44

The audit report is in the form of Incident Report, which describes the audit findings as noticed by audit team across function. This Incident Report is attached as Annexure-A with this report.

The audit findings are further classified into three categories.

Respective functional head needs to comply with the NC and Improvement findings along-with ensuring compliance to similar issues within that function.



SELF APPRAISAL AUDIT SCHEME

Two annexure (B&C) attached with this report are designed for EHS office to appraise functional performance towards EHS compliance.

The EMS & OHSMS Maturity Score Card shall be used for evaluating compliance status under three categories: Fully Compliant, Partially Compliant and Non-Compliant against the standard clauses.



*These score cards for EMS & OHSMS are separately designed for trend monitoring immediately after self appraisal (**Internal Audit**).*

Even though most of standard clauses are similar for both the standards but it is vital to look at each standard requirement separately. The integrated system design is always recommended which is already taken up by ABC Motors India.

Therefore, the Corporate EHS Management Representative Office shall make use of this score card to demonstrate the compliance trend to all auditee(s) for continual improvement in EHS performance.

Internal audit must be checklist based and shall lead to Improvement

Auditor's competency is vital

Management System adequacy is supreme

Only objective data can drive improvement

Engagement

Recommendations

ORGANIZATIONAL STRENGTHS

- FUNCTIONAL COMPETENCIES
- EHS MPs EVOLVED FROM MANAGEMENT OBJECTIVES
- WELL ESTABLISHED OCCUPATIONAL HEALTH CENTRE
- LEARNING ABILITY & POSITIVE ATTITUDE
- STRONG MIS SYSTEM
- GOOD LEGAL COMPLIANCE MANAGEMENT SYSTEM

ARES OF EHS CONCERNS

- EHS divisional documentation not in line with the system design
- EHS floor records not referenced in functional OCPs
- EHS evaluation criteria not designed separately for EMS & OHSMS under 5 each criteria method
- Inadequate functional layouts & poor Emergency Response Management System
- Non-standardized Waste Management System
- EHS Monitoring Control Plans not in place
- Low understanding of and inadequate Legal Compliance Evaluation System in departments
- Unplanned trainings without proper evaluation of training effectiveness

- Improvement Cell working in isolation of functional EHS MPs
- Poor Document Control Management

IMPROVEMENT RECOMMENDATIONS

- Awareness on EHS Requirements to the current organization through competence mapping & planning of training
- Development of EHS Internal Audit Checklist and integration with QMS.
- Evolving legal compliance as part of departments
- Age of employee should be considered while defining medical examination frequency

Perception recommends each functional head to adopt Safety Card attached as Annexure-D while evaluating Safety Output under following categories:

Near Miss (Learn from this)

Incident (Take Immediate Action and calculation Time Loss)

Accident (Evaluate Time Loss)

Finally, ABC Motors India to ensure EHS performance through prevention of pollution and containment of risk through EHS management system leading to EHS Excellence