CIRCULAR

Sub:- Compliance of Internal Quality Control Cell (IQCC) observations/Third Party Quality Audit (TPQA) observations.

It is observed that the various observations reports generated by Internal Quality Control Cell or Third Party quality auditors are not complied within prescribed time limit.

Hence to improve the compliance to the observations raised by Internal Quality Control Cell or Third party Quality auditor, actions as under should be initiated.:-

- 1) The observations should indicate whether it is related with contractor or CIDCO.
 - A. Observations related to **contractor** such as non compliance of various contractual conditions related directly to the works or various tender clauses:- Action should be initiated as under for observations related to contractors

Sr.	Observations	Period allowed for	Action to be taken	Remarks
No		compliance	in case of non	
i			compliance	
1	Observations	The compliance	Action should be	In case of non
	related to actual	should be made	initiated as per	compliance
	work-	within seven	tender conditions.	regarding quality
	quality/quantity	working days or	:	within prescribed
:	etc	within reasonable		time limit If similar
		time required to		observations are
		complete the		recorded for more
	: :	process whichever		than two works in
		is higher		CIDCO of the same

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agency, the agency should be warned and further proposal should be initiated to restrict the agency for six months from participating in bidding process.

				bluding process.
2	Observations	The permits/	Equivalent	
	related to	insurance etc	amount should be	
	permits/	should be	deducted from the	·
	insurance which	provided within 15	subsequent RA	
	are dependent	days or within	bill plus Rs.	:
	on third party	reasonable time	10000/- should	
		(justifiable time	be deducted as	
		limit to be	penalty (non	
		approved by	refundable) for	
		higher authority)	each default	:
		after receipt of		•
		observations		
3	Miscellaneous	The compliance	Recoveries	If similar
	Observations	should be made	equivalent to cost	observations are
	related to other	within fifteen	for fulfilling the	recorded for more
	contractual	working days or	obligation should	than three works in
	conditions like	within minimum	be recovered for	CIDCO of the same
	vehicle /site	time required to	non compliance of	agency, the agency
	office, site	complete the	such observations	should be warned
	laboratory etc	process whichever	plus Rs. 10000/-	and further
		is higher	should be	proposal should be
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deducted as initiated to restrict penalty (non the agency for six refundable) for months from each default. participating in bidding process.

- B. Observations related to **CIDCO** like inadequate paper work/ non issuance of drawings/or required permission from CIDCO etc.:For observations related to CIDCO, the concerned EE should submit the reply within 15 working days. The reply should include reasons/ justification for the observations raised and period required to mitigate the same.
- 2) To avoid undue delay for compliance of the observations additional controls as under should be adopted:-
 - A. The response in terms of time period taken by the contractor for compliance' should be reflected in his Work performance report. Action should be initiated if poor response is found as tendency of the contractor.
 - B. In case of non submission of 'timely reply to the observations/ action initiated against agency' explanation should be called of the concerned EE. Annual performance of EE should also be evaluated based on the nature of observations raised on the project/ its response time for reply/ and explanation to non submission of the reply within time frame.
 - C. The performance of third party quality auditor should also be evaluated based on observation report of actual work/ contractual conditions/ other issues and evaluation of the compliance report submitted by the concern EE for the same. Penalty equivalent to 25% of each visit fee should be imposed on third party quality

c/29

auditor for not submitting the initial report and evaluation of compliance report within prescribed time limit. The third party quality auditor having poor record and having recovered penalty for minimum three works should be removed from empanelled list of agencies.

- 3) Henceforth the compliance file of TPQA shall be routed through EE(QC) to review the compliance and its acceptance as per detail process attached as Annexure-A with this circular.
- 4) The checklist to be placed in compliance report file by EE of concerned site is enclosed as Annexure-B herewith.

This is issued as approved by CE(NM)

Encl. a/a

S.G.Rokade/22783

Separately to:

All EEs /All SEs

CC to:

ACE(I)/ACE(II) CE(NM)/CE(NMIA)/CE(SP)

For information Pl.

Annexure - A

THIRD PARTY QUALITY AUDIT

DETAIL PROCESS DESCRIPTION (Revision No. 3 As per approval of CE (NM))

J.o	Process steps	Responsibility	Time Schedule		Remarks
No.		· ·	1st Instance	2nd Instance	
1	Preparation of list of works to be taken up for Third Party Quality Audit (list includes the works for which administrative approval and award of work is accorded by MD or Board and those works which are directed by CE or MD)	SE(Concerned Office) & EE(Concerened Office) & SE(Concerned Site)	Within 1 month	of work order	
2	Finalisation of TPQA for particular through approved process	SE(Concerned Office) & EE(Concerened Office)	31 days from Process No.	1 or finalization of TPQA	
3	Appointment of Third Party Quality Auditor	SE(Concerned Office) & EE(Concerened Office)	14 days from F	Process No. 2	
4	Preparation of schedule for the site visits of Third Party Quality Auditors	Committee of SE(Concerned Office). EE(Concerened Office), EE(QC) and SE(D&QC)	Within 7 days afte	er process No. 3	
	revisit of site and submit observation memo in the form of report (6 Copies) .TPQA should hand over two copies to concerned SE(Site) & Four copies to CE's office	TPOA	ر. Within 10 days after v	risit (As per contract)	
6	Forward of report to SE(Concerned Site) for further needful and one copy to EE(QC), SE(HQ) & SE(D&QC) for needful.	EE(Concerned office) Within 7 days			
7	Forward of report to EE(Concerned Site) for Compliance	SE(Concerned Site)	E(Concerned Site) 3 Days		
8	Preparation of proposal file of compliance and forward it to SE(Concerned Site)		Period allowed for compliance	Action to be taken in case of non compliance	As per Cirular No. CIDCO/SE(HQ)/2016/ Dtd. 06.06.2016
a.	Observation related to actual work - Quality/ Quantity etc.		Within 7 working days or within reasonable time (to be decided by ACE/CE) required to complete the process whichever is higher.	In case of non compliance regarding quality within prescribed time limit If similar observations are recorded for more than two works in CIDCO of the same agency, the agency should be warned and further proposal should be initiated to restrict the agency for six months for participating in bidding process.	Action should be initiated as per tender conditions.
b.	Observation related to permits/ insurance which are dependent on third party.	EE(Concerned site)	Within 15 days or within reasonable time (justifiable time limit to be approved by higher authority i.e. ACE/CE) after receipt of observations.		Equivalent amount should be deducted from the subsequent RA bill plus Rs. 10000/- should be deducted as penalty (non refundable) for each default.
C	Miscellaneous observations related to other contractual conditions like vehicle/ site office, site laboratory etc.		Within 15 working days or within minimum time required to complete the process whichever is higher. (to be decided by ACE/CE)	If similar observations are recorded for more than three works in CIDCO of the same agency, the agency should be warned and further proposal should be initiated to restrict the agency for six months for participating in bidding process.	should be recovered for non compliance of such observations plus Rs. 10000/-should be deducted as penalty

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	Process steps		Responsibility	Time Sch	Remarks	
	11	Plocoss steps		4-thetance	2nd Instance	
	. [Perusal of compliance after site visited and give recommentations and forward the copy of compliance report to TPQA if satisfactory otherwise send back to concerned EE for needful.	SE(Concerned Site)	1st Instance	2 Days	If process No. 8 & 9 are not completed within time, then KPI of concerned Engineer as well as of contractor shall be evaluated. It shall be recorded in CR of Concerned Engineer & Penalty for delay from contractor for compliance shall be imposed as per contract conditions.
-	10	Verification of the Compliance and forward the verification report to	TQPA	Within 14 days from the recei	eipt of compliance report from erned Site)	
	11	SE(Concern site) with remarks. Perusal of compliance and recommentations along with pointwise review of TPQA and forward the file to EE(QC) otherwise send back to concerned EE for	0_(5 Days	2 Days	As per Cirular No. CIDCO/SE(HQ)/2016/ Dtd. 06.06.2016
	12	needful. Otherwise Perusal of compliance/ recommentations and if not satisfactory send back to concerned EE for needful. If satisfactory forward the file to SE(D&QC).	55 (00)	5 Days	2 Days	As per Cirular No. CIDCO/SE(HQ)/2016/ Dtd. 06.06.2016
	13	Verification of the compliance submitted by EE(QC). if no acceptable forward to SE(Concerned Site) otherwise to CE(Concerned) for acceptance.	sE(D&QC)	5 Days	2 Days	i) If not acceptable, then process No. 8 to 12 will repea
	14	Acceptance of compliance report file & forward to SE(Concerned office through SE(D&QC)	E) CE(Concerned)	7	Days	If not acceptable process No. to 13 will repeat.
	15	TE(Connected	ed SE(Concerned Office)	3	B Days	
	16	·	EE(Concerned office)	3	3 Days	
	17	EE(QC) for record.	LL(Contouring	3	3 Days	In the approved Format
	18	Preparation of Quaterly review reposummay			nuarterly	in the approved Format
Served by SE(HO)						

* Note- Sr.No.8 a,b,c is as per the circular approved by CE(NM) & issued by SE(HQ)

EE (PA & REGI)

SE (HQ)

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Annexure - B

THIRD PARTY QUALITY AUDIT

Check List to be placed in compliance report file by EE (Concerned site)

DETAIL PROCESS DESCRIPTION (Revision No. 3 As per approval of CE (NM))

		DETAIL PROCESS DESCRIPTION (Revision No. 3 As per approval of CE (NIII))							Actual Date		
1,5	e	Process steps	Responsibility	Time Sche	dule	Remarks	lanned Date of Comple. of his Process.	of Complen. of this	Resons for Dely (If any)		
NO.				1st Instance	2nd instance			process			
1	take (list adr wor and	paration of list of works to be en up for Third Party Quality Audit includes the works for which ninistrative approval and award of it is accorded by MD or Board of those works which are directed CE or full)	SE(Concerned Office) & EE(Concerened Office) & SE(Concerned Site)	Within 1 month o	f work order						
2	Fin	alisation of TPQA for particular ough approved process	SE(Concerned Office) & EE(Concerened Office)	31 days from Process No. 1	or finalization of TPQA						
3		pointment of Third Party Quality ditor	SE(Concerned Office) & EE(Concerened Office)	14 days from Pr	ocess No. 2						
4	Previs	eparation of schedule for the site sits of Third Party Quality Auditors	Committee of SE(Concerned Office). EE(Concerened Office), EE(QC) and SE(D&QC)	Within 7 days after	r process No. 3						
	in- IT 10 3	sit of site and submit observation emoin the form of report (6 Copies) PQA should hand over two copies concerned SE(Site). & Four copies (CE)s once.	TPQA	Within 10 days after vi	isit (As per contract)						
	S to	onvard of report to SE(Concernedite) for further needful and one copy of EE(CC), SE(HQ) & SE(D&QC) folloadful.	Y FF(Consormed office)	Within 7 days							
	7 F	orward of report to EE(Concerne lite) for Cumpliance	SE(Concerned Site)	3 Da	ays	As per Cirular No.		-			
	c	Preparation of proposal file of compliance and forward it to SE(Concerned Site)		Period allowed for compliance	Action to be taken in case of non compliance	CIDCO/SE(HQ)/2016/ 9 Dtd. 06.06.2016			-		
	а.	Observation related to actual work - Ouality/ Quantity etc.		Within 7 working days or within reasonable time (to be decided by ACE/CE) required to complete the process whichever is higher.	In case of non compliance regarding quality within prescribed time limit if similar observations are recorded for more than two works in CIDCO of the same agency, the agency should be warned and further proposal should be initiated to restrict the agency for six months for participating in bidding process.	Action should be initiated as pe tender conditions.	r				
	į	Observation related to permits/ insurance which are dependent on third party.	EE(Concerned site)	Within 15 days or within reasonable time (justifiable time limit to be approved by higher authority i.e. ACE/CE) after receipt of observations.	1	Equivalent amount should be deducted from the subsequer RA bill plus Rs. 10000/- shoul be deducted as penaity (non refundable) for each default.	at T				
	C.	Miscellaneous observations related to other contractual conditions like vehicle/ site office, site laboratory of the contractions of the contracti	*	Within 15 working days or within minimum time required to complete the process whichever is higher. (to be decided by ACE/CE)	If similar observations are recorded for more than three works in CIDCO of the same agency, the agency should be warned and further proposa should be initiated to restrict the agency for six months for participating in bidding process.	be recovered for non compliance of such observations plus Rs. 10000 should be deducted as penal (non refundable) for each default.	/- ty				
	9	Perusal of compliance after site and give recommentations forward the copy of complia report to TPQA if satisfac otherwise send back to concer EE for needful.	and icne itory		2 Days	If process No. 8 & 9 are no completed within time, then k of concerned Engineer as w as of contractor shall be evaluated. It shall be record in CR of Concerned Enginee Penalty for delay from contractor for compliance she imposed as per contractor conditions.	ed er&				

	- 3	/ <u>/</u>						0/2/	1
•	// 3.	Process steps	Responsibility	"Ţime \$	Schedule	Remarks	Planned Date of Compln. of		F
/ - 1,	· •	<u> </u>		1st Instance	2nd Instance	+	this Process.		1;
		Verification of the Compliance and forward the verification report to SE(Concern site) with remarks.	TQPA	Within 14 days from the rec SE(Conc	ceipt of compliance report from cerned Site)			process	+1
		Perusal of compliance and recommentations along with pointwise review of TPQA and forward the file to EE(QC) otherwise send back to concerned EE for needful. Otherwise	SE(Concerned Site)	5 Days	2 Days	As per Cirular No. CIDCO/SE(HQ)/2016/ 9 9 Dtd. 06.06.2016			
		Perusal of compliance/ recommentations and if not satisfactory send back to concerned EE for needful. If satisfactory forward the file to SE(D&QC).		5 Days	2 Days	As per Cirular No. CIDCO/SE(HQ)/2016/ Q q Dtd. 06.06.2016			
		Verification of the compliance submitted by EE(QC). if not acceptable forward to SE(Concerned Site) otherwise to CE(Concerned) for acceptance.	SE(D&QC)	5 Days	2 Days	i) If not acceptable, then process No. 8 to 12 will repeat.			
		Acceptance of compliance report file & forward to SE(Concerned office) through SE(D&QC)	CE(Concerned)	7 0	Days	If not acceptable process No. 8 to 13 will repeat.			_
	-	Forward the file to EE(Concerned office) for issue of closure certificate	SE(Concerned Office)	3 D	Days				_
-		Issue of Closure Certificate	EE(Concerned office)	3 Days					— İ
Ŀ	*	Forward file with closure certificate to SE(QC) for record.	EE(Concerned office)	3 Days					
	18 F	Preparation of Quaterly review report summay	EE (QC)	Quar	rterly	In the approved Format	, — —		

EE (PA & REGI)

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