

City & Industrial Development Corporation Development Corporation Ltd.

Superintending Engineer (Quality Control)

5th floor, Raigad Bhavan, CBD Belapur, Navi Mumbai- 400614

CIDCO/SE (QC)/2023/69/E-178896

11.01.2023

CIRCULAR (Amendment)

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

The compliance to In House Quality Audit (IHQA) and Third party Quality audit (TPQA) observations are guided vide Circular No. CIDCO/SE (HQ)/2016/99 dated 06.06.2016 issued by SE (HQ).

In order to have uniformity in the compliance to the observations, some clarification / correction to the said SE (HQ)'s Circular dated 06.06.2016 are incorporated as modifications as approved by CE (NM) vide docket No.625/2022 of EE (QC).

It is observed that the various observations reports generated by In House Quality Audit (IHQA) and Third party Quality audit (TPQA) 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 noncompliance of various contractual conditions related directly to the works or various tender clauses:-
Action should be initiated as under for observations related to contractors.

CIDCO/SE(NM)	
E-TAP No: E-178896	Date (In): 01-2-2023
Date (Out):	

CIDCO/SE(HQ)	
E-TAP No: 178896	Date (In): 01/02/2023
Date (Out):	

CIDCO/CE(NM)	
E-TAP No: 178896	Date (In): 17/01/2023
Date (Out):	

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16.01.2023
SE(QC)



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Sr. No.	Observations	Period allowed for Compliance	Action to be taken in case of noncompliance	Remarks
1	Observations related to actual work - quality / quantity, etc.	The compliance should be made within seven working days or within reasonable time required to complete the process whichever is higher.	Action should be initiated as per compliance tender conditions.	In case of noncompliance regarding quality within prescribed time limit and 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 from participating bidding process.
2	Observation related to permits / insurance which are dependent on third party	The permits/ insurance, etc. should be provided within 15 days or within reasonable time (Justifiable time limit to be approved by Higher authority) after receipt of observations.	Equivalent amount for <u>non-covered period of insurance</u> plus Rs.10,000.00 should be deducted as penalty (non-refundable) from subsequent RA bill for each default and accordingly, the condonation is to be sought from competent authority.	
3	Miscellaneous observations related to other contractual conditions like vehicle / site office, site laboratory, etc.	The compliance should be made within fifteen working days or within minimum time required to complete the process whichever is higher.	Recoveries equivalent to cost for fulfilling the obligation should be for noncompliance of such observations for the period of noncompliance plus Rs.10,000.00 should be deducted as penalty (non-refundable) for each default.	

- 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.

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The reply should include reasons/ justification for the observations raised and period required to mitigate the same.

- 2) To avoid undue delay for compliance to 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 (TPQA) 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 TPQA auditor for not submitting the initial report and evaluation of compliance report within prescribed time limit. The TPQA 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 Amended Circular is issued as approved by CE (NM).

Encl. a/a

SE (QC)

S.G. Rokade / 22783

Separately to:

All EE/All SE

CC to:

SE(HQ)/ACE (I) /ACE (II) / ACE (III)/CE (NM) /CE (NMIA) /CE(SP) /CE (NT) - For information Please.

ANNEXURE - II

CHECKLIST OF PROCEDURE FOR COMPLIANCE OF O.M. OF TPQA TO BE FOLLOWED BY ALL ENGINEERS ..								
(Based on the minutes of meeting issued by SE(QC) dated 02/08/2021)								
Names of TPQA Auditor Concerned:						Date of site Visit:		
PROCESS NO	PROCESS STEPS	RESPONSIBILITY	TIME SCHEDULE	REMARKS	PLANNED DATE OF COMPLETION OF THIS PROCESS	ACTUAL DATE OF COMPLETION OF THIS PROCESS	TIME ACTUAL TAKEN IN DAYS	REASONS FOR DELAY IF ANY.
1	2	3	4	5	6	7		8
1	TPQA Auditor to Initiate proposal of Observation Memo after site visit & submit audit report to SE(QC) & SE(Concerned site) within 10 days after site visit	TPQA Auditor	Within 10 days after site visit	Ref. Note No. 2 as below				
2	SE(Concerned site) to forward the report to EE(Concerned site) within 3 days.	SE(Concerned site)	Within 3 days					
3	Forward the proposal to AEE(Concerned) within 3 days.	EE(Concerned site)	Within 3 days					
4	Preparation of proposal file of compliance & forward it to EE(Concerned site) within 21 days.	AEE(Concerned site)	Within 21 days					
5	Verification of the compliance and forward to SE(concerned site) within 3 days.	EE(Concerned site)	within 3 days					
6	Perusal of compliance & return to EE(Concerned site) with recommendation to forward the compliance EE(Concerned site) report to TPQA if satisfactory within 5 days.	SE(Concerned site)	within 5 days					
7	Forward the Compliance report to TPQA for verification	FF(Concerned site)	Within 7 days					
8	Verification of the compliance and forward the verification report to EE(Concerned Site) with remarks within 14 days.	TPQA Auditor	within 14 days					
9	Peruse the verification report of TPQA for closure. If some observations need further compliance shall be done and forward the compliance report in proposal file to SE(Concerned Site) for closure within 7 days.	TPQA Auditor	within 7 days	If Compliance is not acceptable then process No. 5 to 14 will repeat.				
10	Peruse and forward the compliance report with closure report of TPQA to SE(QC) through concerned ACE with recommendation for closure the TPQA report within 3 days.	SE(Concerned site)	within 3 days					
11	Forward Closure report to EE(QC).	EE(Concerned site)	within 3 days					
12	Propose compliance for closure to SE(QC) if acceptable otherwise return to SE(Concerned Site) for re compliance.	EE(QC)	Within 3 days					
13	Recommend proposal of compliance for closure if acceptable to CE(Concerned) otherwise return to SE(Concerned Site) for re compliance.	SE(QC)	Within 3 days					
14	After approval for Closure of report CE(Concerned) forward proposal to EE(QC) for issue of Closure certificate within 3 days.	SE(QC)	Within 3 days					
15	Prepare Closure certificate & forward to EE(Concerned) forward proposal to EE(Concerned) for record.	EE(QC)	Within 3 days					
Note No 1	To be filled up duly along with compliance report & enclose copy of evidence.							
Note No 2	If process No 1 & 7 are not completed within time then KPI of concerned Engineer as well as of agency shall be evaluated. It shall be recorded in CR of concerned Engineer & penalty for delay from agency for compliance shall be imposed as per contract condition							

Site Engineers	Signatures
AEE(Concerned Site)	
EE(Concerned Site)	

TPQA Auditors	Signatures

[Signature]

ANNEXURE - D

CHECKLIST OF PROCEDURE FOR COMPLIANCE OF O.M. OF IHQA TO BE FOLLOWED BY ALL ENGINEERS								
(Based on the Circular issued by SE(QC) bearing No.CIDCO/SE(QC)/2021/44363, dated 09/07/2021)								
O. M. No.								
Names of AEE(QC)'s Concerned:								
PROCESS NO	PROCESS STEPS	RESPONSIBILITY	TIME SCHEDULE	REMARKS	PLANNED DATE OF COMPLETION OF THIS PROCESS	Date of site Visit:		
						ACTUAL DATE OF COMPLETION OF THIS PROCESS	TIME TAKEN IN DAYS	REASONS FOR DELAY IF ANY.
1	Initiate proposal of Observation Memo after site visit	Concerned AEE(QC)'s	Within 7 days after	Ref. Note No. 2 as below				
2	Forward proposal to SE(QC)	EE(QC)	Within 3 days					
3	Forward proposal through CE(Concerned) to SE(Concerned site)	SE(QC)	Within 3 days					
4	SE(Concerned site) issue letter to concerned agency and EIC for Compliance. Also put flag through SAP to suspend payments to agency regarding items pertaining to EE(QC)'s observations	SE(Concerned site)	Within 3 days					
5	Forward proposal to EIC for compliance	SE(Concerned Site)	within 3 days					
6	Forward Proposal to AEE (Concerned site) for Compliance.	EE(Concerned site)	within 3 days					
7	Initiate detailed compliance of OM with evidence. Ref. Note No 1 & 2 as below.	AEE(Concerned site)	Within 15 days					
8	Verification of compliance and forward to SE(Concerned site)	EE(Concerned site)	within 3 days					
9	Verification of Compliance and Recommend for Closure through ACE(Concerned Site) to SE(QC)	SE(Concerned Site)	within 3 days					
10	Peruse Compliance and forward to EE(QC) for verification.	SE(QC)	within 3 days					
11	Verify compliance and forward proposal for verification to AEE(QC) concerned.	EE(QC)	within 3 days					
12	Verify the compliance and submit the proposal to EE(QC)	AEE(QC) concerned	Within 7 days					
13	Propose compliance for closure to SE(QC) if acceptable otherwise return to SE(Concerned Site) for re-compliance	EE(QC)	Within 3 days					
14	Recommend proposal of compliance for closure if acceptable to CE(Concerned) otherwise return to SE(Concerned site) for re-compliance.	SE(QC)	Within 3 days					
15	After approval for Closure of OM by CE(Concerned) forward proposal to EE(QC) for issue of Closure	SE(QC)	Within 3 days					
16	Prepare Closure certificate & forward to EE(Concerned site) and record original proposal in EE(QC) office.	EE(QC)	within 3 days					

Note No 1 To be filled up duly along with compliance report & enclose copy of evidence.

Note No 2 If process No 1 & 7 are not completed within time then KPI of concerned Engineer as well as of agency shall be evaluated. It shall be recorded in CR of concerned Engineer & penalty for delay from agency for compliance shall be imposed as per contract condition

Site Engineers	Signatures
AEE(Concerned Site)	
EE(Concerned Site)	

QC Engineers	Signatures
AEE(QC) concerned	
EE(QC)	

[Signature]