

<b>KAIZEN ENGINEERS</b>	<b>QUALITY MANUAL</b>	<b>Doc. No.: QMS/QM/01</b>
		<b>Rev. No.: 01</b>
	Title: Organisation & its Context	<b>Eff. Dt.: 01.08.2019</b>
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#### **Clause No. 4.1**

#### **Understanding the organization & its context:**

**Kaizen Engineers** determines external & internal issues that are relevant to its purpose and its strategic direction and that affect its ability to achieve the intended results of its Quality Management system through tools like PEST & SWOT. The internal and external issues identified are live parameters that are continuously monitored and reviewed by the Management.

Presently such issues have been broadly classified as under:

Political Factors

Economic Factors

Social Factors

Technology Factors

Environmental Factors

**Kaizen Engineers** determines external and internal issues that are relevant to its purpose and its strategic direction and that affect its ability to achieve the intended result(s) of its quality management system through PEST and SWOT. The **external and internal issues** identified through PEST and SWOT are continuously being monitored and reviewed by Proprietor.

#### **PEST**

<b>Political Factors (P)</b>  <b>1 Political direction on Smart Cities</b>  <b>2 Allocation for Infrastructure</b>  <b>3 Skill enhancement in Automation Sector</b>  <b>4 Monetary policies</b>	<b>Economic Factors (E)</b>  <b>1 Growth of banks in rural areas</b>  <b>2. Funding of smart cities</b>  <b>3. Increase in vehicle park density</b>  <b>4 High GDP growth</b>
<b>Social Factors (S)</b>  <b>1 Increased literacy</b>  <b>2 Technological awareness</b>  <b>3 Banking on banks</b>  <b>4 Increased per capita income</b>	<b>Technology Factors (T)</b>  <b>1 Advancement in process design</b>  <b>2 Automation tools growth</b>  <b>3 High technology at low cost</b>  <b>4 Digital technology growth</b>

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<b>QMS Representative</b>	<b>Proprietor</b>

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### SWOT

<b>Strength (S)</b>  <b>1 Strong technology backup</b>  <b>2 Young and motivated team</b>  <b>3 Nil borrowing</b>  <b>4 Quick decision making</b>  <b>5 Strong customer focus</b>	<b>Weakness (W)</b>  <b>1 Very small team</b>  <b>2 Lack of experience</b>  <b>3 Weak marketing</b>  <b>4 High inventory</b>  <b>5 Limited customer base</b>
<b>Opportunity (O)</b>  <b>1 Lean organization leads to</b> <b>a Flexibility in products</b> <b>b Quick response to customer needs</b>  <b>2 Low level of competition</b>  <b>3 High growth potential</b>	<b>Threat (T)</b>  <b>1 High technology imports</b>  <b>2 Skill development velocity</b>  <b>3 Increased competition</b>  <b>4 Technology leakage</b>  <b>5 Attrition</b>

Below mention the **most important external and internal issues** identified for our organization

### Internal Issue

<b>Issue</b>	<b>Control established by Kaizen Engineers</b>
<b>Terminating</b> employees without signed records is a legal issue	Following HR policy & code of conduct by HR department
<b>Child Labour</b> - employing people less than 18 is a legal issue.	Declaration as per factory act
<b>Discrimination</b> - employing with regards to gender, ethnicity or age is a legal issue	Code of conduct followed by HR department, circulated to each employee at the time of joining.
<b>Sexual Harassment</b> -within company premises	Code of conduct signed by employees.

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<b>Illegal Labor</b> - allowing illegal labors/immigrants with falsified documents is a threat	Not permitted- HR policy
<b>Internal Communication</b> -not communicating the company's missions and its performance to all the workers is a threat	Communicated to everyone- weekly meeting & monthly meeting imparted. Training program to communicate missions & policy
<b>Employee Motivation</b> -not recognizing employees achievements is a threat of losing employees	Motivation through various incentive scheme.
<b>Technology</b> -not upgrading technology to the latest is a threat (maximize errors).	Special budget to upgrade technology.
<b>Media</b> -failing in advertising about the company in online portals, exhibitions is a threat	Company having own website & search engine.
<b>Research</b> -failing in researching about competitors, their products and pricing is a threat	Marketing department at HO has monitoring data & competitor's performance.
<b>Demand</b> -not monitoring the market demand of the product offered is a threat	Marketing department at HO has monitoring market demand & supply date.
<b>Worker union issue- Strike</b>	No worker union formed at Kaizen Engineers
<b>Cultural Differences</b> -peoples with different cultures doing business/working together is a threat	Friendly work environment & get together to reduce cultures differences.
<b><u>External Issue</u></b>	
<b>Media</b> -failing in advertising about the company in online portals, exhibitions is a threat	Company having own website & online portals
<b>External Communications</b> -interaction with customers/public impacts the company's image and therefore it demands review of the content well in prior before it is communicated	Competency of employees validated & further training imparted to improve communication skill.

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<b>Economic Crisis</b> -not diversifying the offerings maximizes the impact during product crisis	Product segment diversify for minimum impact during product crisis.
<b>Income tax</b> -non payment of taxes is a big threat and it's a legal issue	Public limited company. Profit & loss account needs to demonstrate & publish on time.
<b>GDP &amp; Inflation rates</b> -not revising the product costs and wages accordingly is a threat	Engineering & HR team continually working on that & revising as appropriate.
<b>Environmental</b> -not adhering to regulations is a legal issue and the govt. can sue the company	Complying with the statutory and regulatory requirements defined time to time.  Renewal of licenses before due date
<b>Dissatisfied Customers</b> -losing customers is a threat to the business	Monitoring customer satisfaction level. Necessary action of customer dissatisfaction.

#### **Clause No. 4.2**

##### **Understanding the needs & expectations of interested parties:**

**Kaizen Engineers** has determined the interested parties who are relevant to the scope of the organisation's quality management system and the requirement of the interested parties in order to prevent the potential effect on the organisation's ability to consistently provide products & services which meet the customer and applicable statutory & regulatory requirements.

External Service Providers  
Customers  
Statutory and regulatory bodies  
Bankers/Financiers  
Employees

**Kaizen Engineers** has determined the interested parties who are relevant to the **Kaizen Engineers** Quality management system and the requirement of the interested parties in order to prevent the potential effect on the organization's ability to consistently provide products and services which meet the customer and applicable statutory and regulatory requirements.

<b>Interested parties</b>	<b>Requirements</b>	<b>Monitoring &amp; Review mechanism in KAIZEN ENGINEERS</b>
External providers	1) Specification communication	1) Defined in Documented

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(Supplier)	2) Payment as agreed 3) On time Supply of Input material (if any) 4) Technology support	information of External providers control 2) Review in Management review meetings
Customer	1) Quality of product & Service 2) Delivery of product on time 3) Response to complaint 4) Proper Communication channel	1) Defined in documented information of Marketing & Sales process 2) Review in Management review meetings
Employees	1) Motivation through incentives 2) Job assurance 3) Good work environment	1) Awarded by cash incentives & by group celebration 2) Suggestion schemes 3) Work environment audit by MDT 4) Various new products development for company growth
Owner	1) Profitability	1) Various new products development for company growth 2) New customers added for sales growth
Locality	1) No nuisance	1) Code of conduct for employees
Statutory & Regulatory Body	1) Complying with the statutory and regulatory requirements as defined from time to time.	1) Defined in documented information of Leadership 2) Review in Management review meetings
Bankers / Financiers	1) Updating of changes in the organization whenever it happened	1) Review in Management review meetings
Employees	1) Motivation through incentives	1) Awarded by cash incentives

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	2) Job assurance 3) Good work environment	& by group celebration 2) Suggestion schemes 3) Work environment audit by MDT 4) Various new products development for company growth
Owner	1) Profitability	1) Various new products development for company growth 2) New customers added for sales growth
Locality	1) No nuisance	1) Code of conduct for employees

#### **Clause No. 4.3**

##### **Determining the scope of the Quality Management system:**

At **Kaizen Engineers** the applicability of the QMS in the organisation has been determined keeping in consideration the various applicable contexts and the needs and expectations of interested parties as per the seven quality management principles.

The scope of the Quality Management System is applicable to the present site where manufacturing of customer specified production parts are carried on.

##### **Clause No. 4.3.1**

There are no other sites, either manufacturing or remote.

#### **SCOPE FOR CERTIFICATION – Kaizen Engineers .**

**For ISO 9001:2015**– Design, Manufacture & supply of Bus Seats, Press & Fabrication of sheet Metal Components

**& IATF 16949**- Design, Manufacture & supply of Bus Seats, Press & Fabrication of sheet Metal Components

#### **EXCLUSIONS**

There are no exclusions

Scope of applicability of the QMS is subject to the following boundaries in respect of the Context of the Organisation & Needs & Expectations of interested parties.

#### **Quality management system and its processes**

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**Kaizen Engineers** has determined the processes needed for the quality management system and their application throughout the organization in **Process map & Interactions of processes Annexure A**.

a) Has determined the inputs required and the outputs expected from each process in individual process map addressed in documented information of each process.

b) Has determined the sequence and interaction of the processes in **Process map & Interactions of processes Annexure A**.

c) Has determined and applied the criteria and methods (including monitoring, measurements and related performance indicators) needed to ensure the effective operation and control of these processes in **documented information of each process**.

d) Has determined the resources needed for these processes and ensure their availability in documented information of Support **process**.

e) Has assigned the responsibilities and authorities for each process

f) **Kaizen Engineers** has addressed the risks and opportunities – Ref. Risk Analysis QMS/F/21

g) **Kaizen Engineers** has been evaluating these processes and implementing any changes needed to ensure that these processes achieve their intended results and improve the processes and the quality management system.

**Kaizen Engineers** is also maintaining documented information to support the operation of its processes and retaining documented information to have confidence that the processes are being carried out as planned

Legal context:

The incorporation of the company is subject to the legal environment in India, as per the provisions of the Companies Act. It is ensured that all business activities are carried on are complaint to the statutory & regulatory requirements applicable to the site, eg., GST, Maharashtra Pollution Control Act, etc.

Economic Context:

While the goal of the Management is to operate a profitable enterprise, it is ensured that sufficient resources are allotted to provide for the protection of human rights, safety & working environment as per the provisions of the Factories Act and other applicable legislations.

Political Context:

Also, as per the policy of the organisation, there is no provision to align towards any person or body or group of persons with political interest in the country.

Technology Context:

The company is well equipped with all the facilities. It is the utmost endeavour of the company to ensure that the installed machinery and equipment are in line with the current technology in the industry within the permissible limits of the costs of operations.

Interests of Customers:

The organisation strives to ensure a high level of orientation towards customer requirements and customer focus to achieve a maximum level of customer Satisfaction. It is a constant endeavour of the

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company to meet customer expectations with customer focused attitudes and continuously try to satisfy its customers with supply of quality products at a competitive price.

Interests of External Service providers:

In respect of any other organisation providing service or business support to **Kaizen Engineers** it is ensured that adequate opportunity will be provided for such entities to achieve progress along with us in matters of business operations.

Interest of employees:

Highly experienced and professional staff manages all the operations. The Management of **Kaizen Engineers** recognises that its employees are the key strength of the organisation, as well as partners in progress and will strive to ensure adequate support to them within the framework of its business operation in order to maintain the highest level of motivation and morale to support performance.

#### **Company Profile:**

**M/S. Kaizen Engineers**, an SSI unit, established in year 2000, is engaged in the manufacture of pressed and welded assemblies, for automobile and other engineering industries.

The unit is located in MIDC, Ahmednagar

This area has good infrastructure of roads, telecommunication & regular supply of electricity.

It has well trained manpower supported by established systems and procedures.

**Products manufactured:** We manufacture pressed, welded, Fabricated Assemblies products like –

- Automobile seating system , components.
- Fabricated Packing Cases for Electric Motors.

**Facilities and equipments:** Major machineries as below & other as per List of Machinery ( MNT/F/01 )

- 1) CO2 Welding machine -----55 Nos.
- 2) Press Machine -----22 Nos.
- 3) Drilling machine ----- 20 No's
- 4) Tube Cutting Machine ----- 06 No.
- 5) Shearing Machine ----- 01 No ( cutting capacity 0 to 3 mm)
- 6) Pipe Bending Machine ----- 02 Nos.
- 7) Pneumatic Bending Machine -----06 No.
- 8) Milling Machine -----01 No.
- 9) Plastic Molding Machine -----02 No.
- 10) Hydraulic Shearing Machine-----01 No. (Cutting capacity up to 0 to 8 mm)

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11 CO2 WELDING ROBOT -----06 No.

**2. Total area is around 20,000 sq. ft**

#### **OUR CUSTOMERS:**

Following are the some of our major Customers,

- M/s. Automobile Corporation Goa Ltd. - Goa
- M/s. Ashok Leyland Ltd. ( Alwar . Rajasthan & UAE )
- M/s. GTVS , Tamilnadu
- M/s. Azad Coach , Rajasthan
- M/s. Mahindra & Mahindra , Zahirabad.
- M/s. Bharat Coach , Patalganga, Mumbai
- MSRTC - Pune , Aurangabad , Nagpur.
- M/s KMS Coach Pvt Ltd & IMAC Coach Pvt Ltd, Bangalore.
- CG Power Solutions & Industries Ltd, Ahmednagar

Highly experienced and professional staff manages all the operations. The company is well equipped with all the facilities and with customer focused attitudes.

The company has been meeting the customer expectations and continuously trying to satisfy its customers with supply of quality products at a competitive price.

This has been achieved by having thorough understanding of the customer requirements, adhering to process parameters and making sure of timely response to customers

This manual describes the Quality Management System (QMS) as adopted & implemented by **Kaizen Engineers** to demonstrate that organization meets the Quality policy & Objectives. The organization has referred *IATF 16949:2016* without Product design responsibility. It has been confirmed that the exclusion claimed from QMS would not affect the organization's ability or responsibility to provide product that meets customer and applicable regulatory requirements. This document together with the Operating Procedures, Process Module, Work Instructions, roles & responsibilities & Blank Formats-makes the organization's QMS. Together they ensure that the organization continuously improves & maintain the Quality of its products & the requirements of *IATF 16949:2016*. This manual & related document is applicable to the activities of Marketing, Materials, Manufacturing, Quality Assurance, Maintenance, Stores, Dispatch, Training, Internal Audit & Documentation requirements.

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#### **Clause 4.3.2**

To support the strategy of fulfilling customer needs & expectations, the Management of **Kaizen Engineers** has defined a method for capturing the customer specific requirements and incorporating the same into the QMS of the organization through one or more of the following sources of data & information:

- Manuals & other literature published by the customer
- Statements of Requirements provided along with requests for quotation
- Terms & conditions of Purchase Orders
- Other needs and expectations expressed via mails, letters or other appropriate verbal communications
- Any other relevant source from the customer.

The information obtained from sources as above is integrated into the QMS via the related system documentation.

In case the customer does not define any specific requirement, then **Kaizen Engineers** uses AIAG Manual for reference & review in own CSR format.

#### **Clause 4.4**

Keeping in mind the need for achieving customer satisfaction and continual improvement, the Management of **Kaizen Engineers** has taken the decision to establish, implement, maintain and continually improve a quality management system, including the processes needed and their interactions, in accordance with the requirements of IATF 16949:2016 International standard.

#### **Clause 4.4.1**

With this objective in view, **Kaizen Engineers** has determined the processes needed for the quality management system and their application throughout the organization as follows:

- a) The inputs required and the outputs expected from these processes;
- b) The sequence and interaction of these processes;
- c) Application of the criteria and methods (including monitoring, measurements and related performance indicators) needed to ensure the effective operation and control of these processes;
- d) The resources needed for these processes and ensure their availability;
- e) Assignment of the responsibilities and authorities for these processes;
- f) Addressing the risks and opportunities;
- g) Arrangements for evaluation of these processes and implementation of any changes needed to ensure that these processes achieve their intended results;

The arrangements determined as per above are given in the Annexure-A (Process Mapping), and organisation for meeting the requirements for (d) above in Annexure-C (Organisation chart).

#### **Clause 4.4.1.1**

At **Kaizen Engineers** it is ensured that all applicable products & processes, including services and products which are outsourced are conforming to applicable customer, statutory, and regulatory requirements & specifications.

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Outsourced process as on date

SR#.	OUTSOURCE PROCESS.	CONTROL ON OUTSOURCE PROCESS.
01.	Calibration of gauges / instruments.	Traceable to national / international standards OR market reputed.
02.	Material Testing	Traceable to national / international standards OR market reputed.
03.	Powder coating	Monthly performance monitoring, Incoming material check, Periodic Supplier Audits, Test Report
04.	Zn plating	Monthly performance monitoring, Incoming material check, Periodic Supplier Audits, Test Report
05	Seat Cover Stitching	On Going Verification
06	PU Foam	On Going Verification
07	Bus Passenger Seat Testing	Certified testing Bodies like CIRT, ARAI

#### **Clause 4.4.1.2**

At **Kaizen Engineers** it is ensured that the manufactured product is safe for use by the customer subject to due diligence being exercised as per the applicable practices for these types of products.

The procedure for ensuring the same is given in Annexure B (Product Safety)

#### **Clause 4.4.2**

In order to demonstrate that the processes determined as above are being operated according to the planned arrangements, it has been decided to maintain records of conformance to the same, i.e.

- A) Maintain documented information to support the operation of these processes;
- B) Retain documented information to have confidence that the processes are being carried out as planned.

**Records:**

Sl.No	Record Title	Format No	Retention period	Retention Resp.	Indexing method	Disposition
01	Risk & Opportunity Analysis	QMS/F/21	Till Rev.	QMSR	File/ Computer	Delete / Shredding
02	Customer specific Requirements	MKT/F/06	Till Rev.	Mkt. Head	File/ Computer	Delete / Shredding
03	Product Related Safety Requirements	QA/F/38	Till product exist + 1 Year	Quality Head	File/ Computer	Delete / Shredding

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