

Date:29th March 2012

Assessment Report

2012

[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the ISO standard and every criterion's have been in every effort taken to ensure the accuracy of the assessment and reporting produced. As the assessment is been carried out based on sampling, certain areas or processes may not be able to verified on its compliances.]

ISO 9001:2008



Company Name	NLY SDN BHD
Address	LOT 192, Jalan TUDM, Kampung Baru Subang, 40150, Shah Alam, Selangor.
Report No.	912S0039
Status of Audit	SAV 2

Assessment Report for SAV Main Assessment Visit (MAV) / Surveillance Assessment Visit (SAV) / Re-certification Assessment Visit (RAV)

General

Standard Assessed	ISO 9001:2008
Audit objectives	<p>To verify that the system initial implementation is in accordance to requirements of the standard adopted.</p> <p>√ To verify that the system implementation is continuously in accordance to the requirements of the standards adopted.</p> <p>To verify that the system implementation is continuously after and in third years of implementation is in accordance to the standards adopted.</p> <p>√ Please indicate with the tick</p>
Integrate Assessment	Yes / NoNo
Issue of certificate	Yes / No NO

Scope of Certification	
Scope of certification in English	THE MANUFACTURER OF POLYURETHANE (PU) FOAM/SPONGE
Other language than above	NA
Changes from Previous registration	No
Extension/changes of scope date	NA

Contact Details	
Management Representative	Mr. Frankie Koay
Alternate contacts	NA
Management Representative contact no.	012-2723536
E-mail address	frankiekoay@nly.com.my
Fax Number	03-7846 7892
Fixed Line Number	03-7846 8118

System Documentation Information	
Quality Manual Document Identification	NLY-QM rev. 0 Quality Manual
Last Management System revision date	1 st April 2009
Previous Management System date	NIL
Management Review Date	20 th FEB 2012
Internal audit Date	NOV 2011 for 2012 IA plan will be held May, Sept & Nov
Previous reference report Number	911S0039
Exclusion of ISO clauses(limited to clause 7 only)	7.3, 7.5.4

Section A

Summary of Area Audited						
BUSINESS AREAS		DETAILS OF AUDITED SUMMARY				
Opening Meeting and Closing Meeting	1)	Introduction of the team, roles and responsibilities of team leader and team member				
	2)	Explanation of the standard applicable and scope of registration, sites and management representative.				
	3)	Audit method; 3P				
	4)	Classification of finding				
	5)	Objective and explanation of audit plan				
	6)	Confidentiality of the audit				
	7)	Requirements of the audit environment including PPE				
	8)	Summary of findings and area for improvement				
	8)	Process of improvement plan				
	Lead Auditor	EK	Date	29/3	Time	0900

<p>Top Management</p>	<p>Documentation: The QM – NLY-QM rev. 0 dated 1/4/2009 is approved by top management. Scope and exclusion defined as above. Exclusion: 7.3 & 7.5.4; the permissible exclusion was verified, justified and found to be accepted. The QM covers all area of ISO 9001 -2008 requirement. Mandatory procedure requirement is addressed. Control of document procedure is maintained. Approval of document, issuance of document, distribution of document and method of obsolete document is implemented according to procedure.</p> <p>Management review: The management review conducted on 20/2/2012.Review input includes results of Internal audit and Quality Policy, Quality objective and etc. Review output is in progress. Quality policy established and approved by top management. Compliance to ISO and customer requirement and commitment for continual improvement requirement addressed. Communication of Quality Policy through deposing the document, briefing and found to be adequate.</p> <p>Quality Objective has been established for organization. 1) < 5 rejection case on wrong density/year; target achieved 2) 100% of FG/year; target achieved. 3) < 2 customer complaint/month; target achieved. 4) < 2 cases of wrong cutting; target achieved 5) < 1 case for block foam damage/month; target achieved. 6) < 2 cases on late delivery/month; target achieved.</p> <p>Internal audit Internal audit has been conducted on 25/11/2011. Seen evidence of audit schedule, audit note. Verified the impartiality of the audit and found Mr. Frankie and Mr. Chong were involved. A total of 0 NCR and 2 obs. has been raised in Marketing and Admin area. The IA found to be reliable and satisfied.</p> <p>Corrective and preventive action Audit finding, customer feedback, internal reject are the most common tool to initiate the CAPA. However for 2011 year there was no CA raised. Nevertheless several PA initiative has been in place as per MR meeting and still in progress.</p> <p>Responsibility and authority Organization chart has been established to describe the reporting structure. The Roles and responsibility has been described in the Job description. The roles and responsibility established for various function without considering the category of staff such as Manager and executive and etc.</p> <p>Data Analysis and improvement Data analysis and improvement discussed during routine monthly management meeting. Seen data analysis being performed for quality objective trend and customer satisfaction survey. This data analysis being reviewed during management review.</p> <table border="1" data-bbox="432 1328 1453 1361"> <tr> <td>Auditor</td> <td>EK</td> <td>Date</td> <td>29/3</td> <td>Time</td> <td>0915</td> </tr> </table> <p>Clauses applicable: 4.1,4.2,5.1,5.2,5.3,5.4,5.5,5.6,6.1,8.0,8.1,8.2,8.3,8.4,8.5</p>	Auditor	EK	Date	29/3	Time	0915
Auditor	EK	Date	29/3	Time	0915		
<p>Production/Services</p>	<p>The marketing executive will receive a sale order then issue Customer Order/ Cutting Instruction to Cutting Department and Delivery Department. Verified the Product Code and Quality in Customer Order/ Cutting Instruction dated 27/3/2012, 26/3/2012 is terry with P/O P009437 and P/O: 021/3/12. The inspection plan defined the process control flow chart from incoming (During receiving – Chemical, Plastic Bag, Carton Box, Paper Cores, Glue, and Color Pigment, WIP (Before cutting & After Cutting) to ensure effective process implemented for product conformity. The critical processes are defined as follow with relevant control point defined in the QM; incoming, formulation, foaming machine, cutting, curing, storage and delivery. Production record is daily updated in the Production & Inspection Record to monitor the progress of each work order. Verified the daily maintenance checklist for Machine M12, M2, M13, m14 and M7 was carried out accordingly.</p> <table border="1" data-bbox="432 1686 1453 1720"> <tr> <td>Auditor</td> <td>RN</td> <td>Date</td> <td>29/3</td> <td>Time</td> <td>0930</td> </tr> </table> <p>Clauses applicable: 7.1,7.5,8.3,8.4,8.5</p>	Auditor	RN	Date	29/3	Time	0930
Auditor	RN	Date	29/3	Time	0930		
<p>QA/QC</p>	<p>Verified the density checking for Work Order 5744.12 dated 14/3, 5689.12 Dated 22/2 and 5687.12 Dated 21/2 is done accordingly to Specification Registration List (Vertimax Foaming) and recording in the Production & Inspection Record for Box Foaming & Continue running. Final QC, verified to have performed to the criteria defined at inspection plan to the product overall thickness, size, qty. and appearance. The record of inspection is recorded in the FG Inspection Record. Verified the following final inspection QC for dated 29/3/2012, 27/3/2012 and 26/3/2012 found to be satisfied.</p> <table border="1" data-bbox="432 1933 1453 1966"> <tr> <td>Auditor</td> <td>RN</td> <td>Date</td> <td>29/3</td> <td>Time</td> <td>1100</td> </tr> </table> <p>Clauses applicable:8.1,8.2,8.3,8.4,8.5</p>	Auditor	RN	Date	29/3	Time	1100
Auditor	RN	Date	29/3	Time	1100		

Purchasing	The re-evaluation has been done on 10/2/2012 for 15 suppliers. The overall result of the re-evaluation showed that most of the suppliers were scored 70% and above and recorded in the Re-evaluation for Approved Supplier; NLY-F10. Verified the following supplier to be accordance to NLY requirement; Aurora Chemicals SB-80%, BASF-82%, BP Plastic-78% & Cosmo Polyurethane-82%. Approved supplier list registered 24 suppliers. Noted there is 1 new suppliers appointed in 2012 named Polygreen Chemical SB on March 2012. Evaluation of new supplier is base on the quality, price, delivery & service and recorded in the New Supplier Selection and approved by MD. There is no supplier de-register from the re-evaluation exercise. The purchasing information is completed with product specification, delivery date, QTY, term of payment etc. Verified also the receiving at store have verification to the purchased product/part against the supplier's DO and records of acceptance is sighted on the DOs.					
	Auditor	EK	Date	29/2	Time	1300
	Clause applicable: 7.4					
Calibration	Equipment Master list registered 3 weighing scale in NLY that includes Nagat KW-100, Snowrea PS-30 and Excell BH-3000. Verified the following equipment to be at good condition, calibrated by the external calibration body and kept in the good condition. Three equipment's have calibrated by Pro Weight Sdn Bhd on 23/3/2012 and calibration reports are provided by them as well.					
	Auditor	RN	Date	29/3/2012	Time	1500
	Clause applicable: 7.6					
Sales and marketing	Customer complaint: Record showed ZERO complaint received for yr 2011 Customer satisfaction: Seen organization made an attempt to get response from customer on the satisfaction. The survey was conducted on 20 regular customers and the result was less favorable due to the increase in pricing of raw material.					
	Auditor	EK	Date	29/3	Time	1130
	Clause applicable: 7.2,8.1,8.2,8.5					
Training and Competency	There were 8 new recruitments for 2011 for machine operators. Employee Training Record for new operator named Bahadur, Kalantho, Dhan, Ram were in evidence. Generally, the induction training and packaging skill have been given to them. The evaluation process is still on-going for these new operators.					
	Auditor	RN	Date	29/3	Time	1400
	Clause applicable: 6.1, 6.2					
Store and Shipping	NA					
	Auditor		Date		Time	
	Clause applicable:					
IT/MT	MT schedule list registered 14 cutting mc, 1 foaming, 3 forklift. Verified a maintenance schedule established to have included maintenance of all machine. Verified the maintenance of cutting & foaming machines to have accordance to the schedule and done accordingly.					
	Auditor	RN	Date	29/3	Time	1330
	Clause applicable: 6.1,6.3,6.4					
Design and development/ Engineering	NA					
	Auditor		Date		Time	
	Clause applicable:					

Observation for Improvement

Name	Observation
Erwan	1) It was noted that the customer survey result is not only due to the pricing issue but it also concern on meeting of customer delivery. So it is advisable to carry out improvement and preventive action pertaining to this issue. 2) It is recommended to develop a yearly training plan. 3) Maintenance Checklist should be updated to include CNC-OFS-HE3 (new CNC machine)
	1)

During the assessment 0 nonconformities were identified. (refer to attachment)

Section B (For Recertification only)	
Internal Audit & Mgt. Review	IQA conducted on _____ and MRM on _____
Review of actions taken on NC from previous audit	There is _____ NC(s) raised on previous visit

CAR and PAR including customer complaints	
Effective of QMS regards to company's objective.	
Progress of continual improvement	
Continuing operational control	
Review of any changes in QMS.	
Use of marks and logos	

Section C Audit Matrix

Next Audit Matrix (legend "✓" plan to cover, "Done" for covered and blank for uncover)

Planned Month Clause	03/11 2 md	03/12 2 md	02/13 2 md			
4. Quality Management System						
4.1 General Requirements	Done	Done	✓			
4.2 Documentation Requirements	Done		✓			
5 Management Responsibility						
5.1 Management Commitment	Done	Done	✓			
5.2 Customer Focus	Done	Done	✓			
5.3 Quality Policy	Done	Done	✓			
5.4 Planning	Done	Done	✓			
5.5 Responsibility, authority and communication	Done	Done	✓			
5.6 Management review	Done	Done	✓			
6 Resource management						
6.1 Provision of resources	Done	Done	✓			
6.2 Human resources	Done	Done	✓			
6.3 Infrastructure	Done	Done	✓			
6.4 Work environment	Done	Done	✓			
7 Product realization						
7.1 Planning of product realization	Done		✓			
7.2 Customer-related processes	Done	Done	✓			
7.3 Design and development	NA	NA	NA			
7.4 Purchasing	Done	Done	✓			
7.5 Production and service provision	Done	Done	✓			
7.6 Control of monitoring and measuring equipment	Done	Done	✓			
8 Measurement, analysis and improvement						
8.1 General	Done	Done	✓			
8.2 Monitoring and measurement	Done	Done	✓			
8.3 Control of nonconforming product	Done	Done	✓			
8.4 Analysis of data	Done	Done	✓			
8.5 Improvement	Done	Done	✓			

(Tab for additional rows)

Organisation / Management Review	Done	Done	✓			
Management System & Changes	Done	Done	✓			
Internal Audits	Done	Done	✓			
Corrective Action including Customer Complaints	Done	Done	✓			
Use of logo	Done	Done	✓			
Re-certification			✓			

For above please indicate "Done" for completed and "✓" for plan

Conclusion

Congratulation! The system implementation has been verified and was found to be complies with the requirements of the specified standards applied for.

"NLY SDN BHD would recommend for the continued certification of the ISO 9001:2008 and the certification will be valid until next scheduled assessment".

Note :

The assessment was based on random samples and therefore nonconformities may exist which have not been identified. All the pages should be attached if the organization wishes to copy and delivered to the interested party.

Number of Employees (covered by scope of registration) 45 - reduced compared to 2011

CCI Assessors	Companies personnel
Team leader : ERWAN Team member : R.NAZREL Trainee auditor : KAREN TEO Observer :	1. Frankie Koay – QMR 2. Timmy Tan – supervisor 3. Teo Cheng Keh - FM

Company Information if different from above

Invoicing address if different from above	
Alternate contact (if applicable)	

Acknowledge receipt of this report:

	Signed for on behalf of CCI	Signed for on behalf of the client
Signed		
Name	Erwan	
Date	29/3/2012	
E-mail	wankartika@cciglobe.com	
Fax No	03-8073 2688	