



**Proceedings of the 20<sup>th</sup> Annual Meeting of QCI on September 5, 2018 (1100 hrs to 1330 hrs – Followed by lunch) Hotel The Royal Plaza, 'Royale' Conference Hall, 19, Ashoka Road, New Delhi – 110 003**

**a. Welcome**

The 20<sup>th</sup> Annual Meeting of QCI was held on 5.9.2017 at Hotel The Royal Plaza, 'Regal' Conference Hall from 1100 hrs to 1400 hrs.

The list of Members present during the meeting is placed at **Annexure-1**. Leave of absence was granted to the Members who could not attend the meeting. It was noted that there was quorum (one -third) for the meeting.

A short clipping on the ongoing significant achievements and activities of QCI and all Boards was shown to the members which was well appreciated and members got a close view of the ongoing and recent activities QCI is currently engaged with and the extent of impact it is able to create in the lives of citizens across the country.

Chairman in his opening remarks briefed the members how QCI was getting more and more visible and appreciated the hard work and efforts put in by each Board and Division. He further added, that a need is now felt to branch out in various States and catching up with State run schemes for benefit to people at large. He apprised the members about the young talent housed in Special Projects Division which is responsibly handling the projects under various Ministries adding to the distinctly varied and diversified outlook of QCI.

**b. Adoption of the Agenda**

Members adopted the Agenda as circulated.

**c. Confirmation of the proceedings of the 19<sup>th</sup> Meeting of the Council held on 15.9.17.**

Since 'No comments' were received on the circulated minutes of the 19<sup>th</sup> Annual Meeting of QCI held on 15<sup>th</sup> September, 2017 vide email dated 26.10.2017, the minutes were confirmed.

**d. Action taken on proceedings of the 19<sup>th</sup> Annual Meeting of the Council held on 15.9.17.**

Members approved Action taken on proceedings of the 19<sup>th</sup> Annual Meeting as circulated.



**20.1 ITEMS FOR APPROVAL BY THE COUNCIL**

**20.1.1 To approve the Annual Report of QCI for the financial year 2017-18.**

SG informed the members, the annual report for the year 2017-18 has been reviewed by the members of 52<sup>nd</sup> Governing Body Meeting held on 20<sup>th</sup> July 2018 and was also circulated to members by email on August 27, 2018. The same will later be placed in the Parliament through DIPP.

The Council approved the Annual Report for financial Year 2017-18.

**20.2 ITEMS FOR RATIFICATION BY THE COUNCIL**

**20.2.1 To ratify Annual Audited Accounts for the financial year 2017-18.**

SG informed that provisional un-audited Annual Accounts for the year 2017-18 had been reviewed by the members of 52<sup>nd</sup> Governing Body Meeting held on 20<sup>th</sup> July 2018 and it was resolved that the audited accounts be again referred to the Finance Committee and the reconciliation be looked into before finalization by the Governing Council.

The Annual Audited Accounts of QCI were now placed in the meeting and the Chairperson, (Finance Committee) apprised the members as compared to an increase in income by 38% in previous year 2016-17 it was 20% in the FY 2017-18. The accounts were then discussed and members were concerned about the writing off amount and recovery from debtors. It was suggested that Finance Committee may direct / suggest necessary steps and aging analysis or a mechanism may be created for the same.

As the statutory auditor could not attend owing to ill health, SG informed that during audit the Statutory Auditor had no observation and it was a clean audit as per Service Manual ratified by GB. With this clarification the auditors' report and management reply were approved. SG apprised the members, the filing of returns on Accounts of QCI to the Income tax department on or before 30.09.2018 will be complied with.

Acknowledging the role of Chairperson (FC) who would also function for the second term, the Chairperson, QCI mentioned that Finance Committee had made consistent efforts to set up processes which are now in place in the accounts with Nil observations precisely in the manner the organisation was growing. He further added, that the Finance Committee has extended to five members whereas earlier it was that of three members only. The Chairman also complimented smooth closing of accounts and efforts of everyone involved in completing the task.

The Council approved and ratified the audited Annual Accounts for financial Year 2017-18.



### **20.2.2 Budget for the financial year 2018-19.**

SG apprised the Budget proposals for QCI and its boards for the financial year 2018-19 which were also presented before the Governing Body in its 52<sup>nd</sup> Governing Body Meeting held on 20<sup>th</sup> July 2018 and approved. The members took a note of the projected income of Rs 232.50-cr and projected expenditure of Rs 175/- cr and ratified. Within the overall budget approved for each Board, the income expenditure may be controlled by respective Boards.

### **20.2.3 Performance of QCI & its Boards for 1<sup>st</sup> Qtr 2018-19**

Council noted the Quarterly performance of QCI from April 1, 2018 to June 30, 2018. The target for Income for all the Boards and QCI was Budgeted at ₹4650 lakhs (Being 20% of overall Budget for ₹23,250 Lakhs) and the expenditure for this period for Boards and QCI was budgeted at ₹3500 Lakhs (Being 20% of overall budget for ₹17,500 Lakhs).

The Boards and QCI have earned Income of ₹ 5075 Lakhs during the Quarter against the Budgeted Income of ₹4650 Lakhs which is 109 % of Budgeted Income and Expenditure is ₹ 2551 Lakhs which is 73 % of Budgeted expenditure of ₹3500 Lakhs.

The members noted the performance and the same was ratified.

## **20.3 ITEMS FOR INFORMATION OF THE COUNCIL**

### **20.3.1 Status of Income Tax Appeals before Commissioner –Appeal, Income Tax Department and before Income Tax Appellate.**

Chairperson (FC), informed the Council members the ITAT has decided all the four cases for the year 2010-11; 2011-12; 2012-13; and 2013-14 in favour of QCI. SG apprised as such QCI is placed at very comfortable position in income tax cases.

Council received the information.

### **20.3.2 Status of QCI's case before Customs, Excise and Service Tax Appellate Tribunal-**

Members were informed by the Chairperson, FC w.r.t demand raised by The Commissioner, Customs for service tax of Rs.1,02,40,938/- and also imposed as penalty for the same amount during the period from 2003-04 to 2007-08 treating Accreditation service as "Technical Inspection and Certification Agency services" that, a renowned firm of M/s Luthra and Luthra has been hired to look into the matter which is contesting that QCI only checks competence as it is an accreditation giving organisation. The



same has also been accepted by the Service tax tribunal and QCI is hopeful of getting back the funds as contingent liability.

Council received the information.

### **20.3.3 Appointment of Statutory Auditor's for QCI during the FY 2018-19.**

Members were informed that the term of the Statutory Auditors of QCI has ended in August/September 2018 and therefore QCI is in the process of releasing an advertisement for the selection of new statutory auditor. It would be a tender enquiry with the intent of hiring Statutory Auditors of Higher calibre and competence capable to handle the present robust financial structure of QCI.

The Council members received the information.

## **20.4 STATUS OF THE ACTIVITIES OF QCI AND ITS BOARDS**

### **20.4.1 Special Projects of QCI - A Presentation on update of activities as given in Annual Report was made by concerned Division Head for activities till Aug. 31, 2018.**

#### **1. Project Planning & Implementation Division (PPID) –**

Director, PPID presented the updates on the current projects and proposals submitted by QCI. PPID is one of the Division of QCI under the Special projects Group which provides various quality interventions to measuring & monitor quality in various sectors / initiatives in real time, fast and efficient manner. Various Ministries reach out to QCI for our inputs and mechanisms to monitor quality during launch and operation of Govt. Schemes. Citing example of ODF for UP, SG apprised that initially when QCI worked for the Swachh programme the framework was very basic in nature. Over the years the framework by the client has become more robust keeping various technical aspects in mind like illumination, pit, – personnel etc. to take care of sustainability as well as maintaining cleanliness and hygiene is concerned. The quality of construction of toilets is also being assessed now.

For one of the projects executed by QCI for COFMOW, the Chairperson, QCI apprised the members on the broad range of machines used and why- only two machines, EOT Cranes & Welding Machines were selected initially to assess their state of overall functioning & maintenance.

In another project executed by QCI under NULM, it was observed after assessment on-ground that 50% students as per records does not exist and that only less than 7% of them were actually placed.

Members agreed that there is a need to have a body that certifies based on a third-party assessment, and appreciated that QCI is able to fulfil this need as costs involved in implementation of a scheme is much greater than that which is spend on verification and third-party assessment

One of the member was of the opinion that QCI is having a diversified portfolio where skills need to be applied in a sustainable manner and as the scale of measurements done by QCI increases we will need to adapt technological solution rather than just scaling up manpower. Chairperson QCI also informed that the- rural area garbage disposal problem is entirely different, and QCI has submitted a proposal on 5-star rating for garbage free cities. - He stated that some progress is happening in this area in terms of ensuring- segregation of garbage waste and its monitoring.

Chairman QCI also briefed the members that the few ministries have also approached QCI to set up Project Management Units for them with the talent / resources of QCI.

### **2. Zero defect Zero Effect Division (ZED)**

Secretary General presented as Sr Director had to leave for an urgent meeting. SG apprised the members that the ZED scheme has been revised by the Ministry as many SMEs were not coming forward for assessment. Now in the upgraded version, before going for assessments Consultants would hand hold them. Six states have signed MoUs with QCI to include ZED in their industrial policy. Dy. Governor, RBI has made Bronze certified Gold certified SMEs as a differentiating factor in disbursing loans. With this lot of activities is being showcased in ZED as a lot of out-reach activities are going around and Associations of MSMEs have also been included to spread the word.

### **3. Project Analysis & Documentation Division (PADD)**

Head, PADD presented the updates and apprised the members about an upcoming event on The UN Platform for Private Sustainability Standard which is being hosted as the first international conclave in September, 2018 in India with an expected participation of many countries. Five UN agencies are supporting this initiative.

#### **20.4.2 National Accreditation Board for Testing and Calibration Laboratories (NABL)**

A Presentation on update of activities as given in Annual Report was made by Director, NABL for activities till Aug. 31, 2018.

It was suggested by the Board that although NABL is doing very well as a Board in reaching to larger cross section of the society, it needs to spend more in creating awareness. E.g. though the NABL accredited labs or collection centers may be geo-tagged but common man at large may not be aware. Therefore it was suggested to create awareness and build a connectivity with people. This would ensure that one does not get trapped at the wrong place while getting their diagnostics done. It was also suggested to expose the spurious centers and labs and NABL website should be more user friendly and regularly updated to enable a common man to reach. An app that allow's users to find nearby labs is being developed.



**20.4.3 National Accreditation Board for Education and Training (NABET)-**

A Presentation on update of activities as given in Annual Report was made by CEO, NABET for activities till Aug. 31, 2018. Members were also informed about the tangible improvements in NDMC project.

**20.4.4 National Accreditation for Hospital & Healthcare Providers (NABH)-**

A Presentation on update of activities as given in Annual Report was made by CEO, NABH for activities till Aug. 31, 2018.

**20.4.5 National Accreditation Board for Certification Bodies (NABCB) -**

A Presentation on update of activities as given in Annual Report was made by CEO, NABCB for activities till Aug. 31, 2018.

Few new schemes were also proposed such as AS 9100, GHG validation, develop a scheme for authenticating GI products.

**20.4.6 National Board for Quality Promotion (NBQP) -**

A Presentation on update of activities as given in Annual Report was made by CEO, NBQP for activities till Aug. 31, 2018.

**20.5 Any other item with the permission of the chair.**

Nil


Few Deliberations and outcome suggested-

Finance's of QCI	
Observation	Outcome suggested
<p>Chairperson, FC apprised the members that the turnover of QCI has grown to 160 crores on merger of NABL and one of the evidence is fatness of the Annual report. Hon'ble members should know it is non-profit organisation and activities matter rather than the profits. He added the turnover also included unclaimed amount of Rs. 9.3 crores –</p> <p>The unclaimed amount was a matter of concern for all and they were informed the following reasons: –</p> <p>1) The payments coming in directly on the portal through NEFT/RTGS sometimes,</p>	<p>Members were concerned about the amount to be reconciled and suggested that FC should put in place a methodology and ensure no further accrual should take place. And those of previous years pending should be reconciled taking help of the concerned banks.</p>



<p>the source of such funds is not known which remain unclaimed</p> <ol style="list-style-type: none"><li>2) customers who deposit the money directly to bank without proper information at times there is no invoice number and therefore unable to match it with Board or particular activity</li><li>3) 2 crores of unclaimed amount is with NABL itself</li></ol> <p>Chairperson, FC also apprised that the surplus generated goes to the corpus and has to be utilised in five years as per the rules of society registration Act.</p>	<p>Chairperson, QCI apprised QCI is aiming to get its own building so that we may have our own head-quarters as currently we are spread in five buildings except NABL having its own building in Gurgaon. The other way around is investment in quality, on capital or objectives which can substantially improve the quality of life of every citizen. Members were informed that QCI was no more taking money from DIPP to run the quality campaign and it is funded by QCI's own resources.</p>
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Meeting ended with a Vote of thanks to the Chair.

  
**(Dr. Ravi P. Singh)**  
**Secretary General**

  
**(Adil Zainulbhai)**  
**Chairman**

**Date: 5<sup>th</sup> September, 2018**  
**Place: New Delhi**



**List of Members attended  
19<sup>th</sup> Annual Meeting of the Council held on 5.9.18**

Sl.No.	Name	Designation / Organization
1	Mr. Adil Zainulbhai	Chairperson - QCI
2	Ms. Jaya Priyadarshni	Jt. Director, DIPP
3	Prof. Goverdhan Mehta	Chairperson, NABET
4	Prof. S K Joshi	Chairperson, NABL
5	Mr. Shyam Bang	Chairperson, NABCB
6	Dr. B.K.Rao	Chairperson, NABH
7	Mr. S. K. Sarkar	Chairperson, Finance Committee, QCI
8	Sh. C.N. Sinha	CII
9	Sh. Bejon Kumar Misra	Founder, Consumer Online Foundation
10	Sh K C Mehra	American Society for Quality (ASQ) India Pvt Ltd.
11	Sh P K Aggarwal	National President, NIQR
12	Ms. Anita Gupta	Director, IEEMA
13	Mr..V.Malhan	All India Food Processors' Association (AIFPA)
14	Sh. Dharmesh Makwana	Department of Consumer Affairs
15	Maj.Gen Mohan Ram,	ADGQA(EE)
16	Dr.Rajesh Kumar	DSIR
17	Dr.R.P.Pant	CSIR-NPL
	Dr. S.Swarnpa Tripathi	
18	Dr.R.P.Singh	Secretary General

**Secretariat:-**

1	<i>Mr. Anil Jauhri</i>	CEO - NABCB
2	<i>Mr. Manish Jindal</i>	CEO-NABET
3	<i>Mr. C. K. Biswas</i>	CEO-NBQP
4	<i>Dr. Harish Nadkarni</i>	CEO-NABET
5	<i>Mr. N. Venkateswaran</i>	Director-NABL
6	<i>Dr. A Raj</i>	Sr Director-ZED
7	<i>Mr. Rajesh Maheswari</i>	Director-PPID
8	<i>Dr. Manish Pande</i>	Joint Director, PADD

**Leave Granted-**

1-Secretary, Department of Commerce & Industry
2-Secretary, Department of Telecommunication
3-President, FICCI
4-President, ASSOCHAM
5-Chairman, Railway Board
6-President, Indian Medical Association
7-President, Indian Industries Association
8- President, Indian Drug Manufacturers Association (IDMA)
9- President, Indian Merchant Chambers
10- Director General, Bureau of Indian Standards
11- Secretary, M/o Health & Family Welfare
12-President - Federation of Indian Export Organization (FIEO)
13- National President, The Textile Association (India)
14- Founder & Trustee & Pro-VC, Ashoka University
15- Chairman, Indian Banks Association
16- Chairman, Cellular Operators Association of India
17-President, Automotive Component Manufacturers Association of India(ACMA)
18-Secretary General, Indian Steel Association (ISA)
19-CEO-NABL