



QUALITY COUNCIL OF INDIA

MINUTES OF THE 22nd GOVERNING COUNCIL MEETING OF QCI HELD ON SEPTEMBER 23, 2020

The meeting of the 22nd Governing Council was held on September 23, 2020 through Video Conferencing mode at 1400 hrs.

The list of members who attended the meeting is annexed at *Annexure –A* (page no. 7)

a. Welcome Note

The Chairperson welcomed all the members present through the virtual mode and confirmed the quorum for the meeting.

The meeting began with opening remarks from the Chairperson, where he mentioned that the last 6 months have been a difficult time for the country and across organisations due to the wide and rapid spread of the pandemic. It has also affected the operational activities of QCI in the first quarter of the financial year 2020-21. However, it has allowed QCI to re-think and re-organize its systems and as a result QCI has been able to conduct and restart most of its activities that were being done prior to the pandemic. QCI Boards have also switched to digital mode for conducting assessments, granting accreditation and trainings during this time. The digital/virtual mode has resulted in transparency in and completion of activities at faster pace, hence QCI would continue with these trends and systems in the future. This period has also allowed QCI to think on the important roles quality can play in various fields especially the Indian manufacturing and services sector and opened up many new opportunities for QCI. He also mentioned that during this time, NABL has been able to ramp up accreditation for COVID-19 testing labs in the country and currently there are approximately 670 such accredited laboratories. The Chairperson, QCI also appreciated the hard work put in by all the Boards, Divisions and employees of QCI in re-imagining and implementing new systems in the organisation. He also mentioned that the clarion call for “Atmanirbhar Bharat” brings with it huge potential for quality in general & QCI in particular.

He further informed the Governing Council that QCI also had the opportunity to have a review meeting with the Hon’ble Minister of Commerce & Industry, Sh. Piyush Goyal on June 12, 2020. The Minister was very pleased to know the wide range of activities and initiatives undertaken by QCI and encouraged the teams to connect and work more extensively with the Government on initiatives relating to quality.

The Chairperson requested the Secretary General to take up the formal discussion on the agenda.



b. Adoption of Agenda

The agenda was adopted with the permission of the Chair.

c. Confirmation of the Proceedings of the 21st Governing Council Meeting held on September 13, 2019 and Extraordinary Meeting of the Council (By Circulation)

The proceedings of the 21st Governing Council meeting held on Sep 13, 2019 and the Extraordinary Meeting of the Governing Council (transacted by circulation) were confirmed and approved by the Governing Council members.

d. Action taken on the proceedings of the 21st Governing Council Meeting held on September 13, 2019 and Extraordinary Council Meeting (transacted by email)

Action taken report (ATR) on proceedings of the 21st annual meeting and extraordinary council meeting (by circulation) dated August 07, 2020 circulated to all Governing Council members along with the detailed Agenda document was noted by the Governing Council members.

I. Items for Consideration and Approval of Governing Council:

Item No. 22.1.1 : To approve the Annual Report & Annual Audited Accounts of QCI for the Financial Year 2019-2020

The Secretary General, QCI apprised the members that the statutory audit process has been completed by M/s Walker Chandiook & Co. LLP for the Financial Year 2019-20 and the audited accounts have been circulated to all the members for their comments.

Representatives from M/s Walker Chandiook & Co. LLP were invited to deliver a short presentation on the audited financial results of QCI and their observations on the same. The only observation from the auditors was that there is unreconciled amount to the tune of Rs. 8.49 Cr in the QCI accounts, where QCI has received payment but has been unable to match against specific invoices. These amounts started accumulating in 2013. The Chairperson, QCI mentioned that QCI will diligently work to address this issue fully by March 31, 2021. QCI will also begin the process of revamping the financial systems across the Boards so that they are standardised and modernised.



The Governing Council took note of the observations of the Statutory Auditors and approved the Audited Annual Accounts along with the Annual Report of QCI for the Financial Year 2019-2020 and further recommended its placing in both the houses of Parliament through DPIIT.

Item No. 22.1.2 : To consider Re-appointment of M/s Walker Chandiook & Co. LLP as Statutory Auditors for the Financial Year 2020-2021 (Placed on Table)

The Secretary General, QCI informed the members that M/s Walker Chandiook & Co. LLP have been performing the statutory audit for two years and have performed reasonably well and therefore they may be re-appointed as Statutory Auditors of QCI for the Financial Year 2020-2021.

The Governing Council noted the recommendations of the Governing Body and the Finance Committee and approved the re-appointment of M/s Walker Chandiook & Co. LLP as statutory auditors of QCI for the Financial Year 2020-2021 at an annual fee of Rs. 7,70,000 plus taxes including out of pocket expense but excluding the fee for preparation and filling of Form 10B under Income Tax Act.

II. Items for Ratification of Governing Council

Item No. 22.2.1 : To ratify Budget for the Financial Year 2020-2021

The Secretary General, QCI presented the annual budget estimate of QCI for the Financial Year 2020-2021 as approved by the Governing Body in its 58th meeting held on March 18, 2020. As per the approval of the Governing Body, the budgeted income for the financial year 2020-2021 has been set at Rs. 29,613 lakhs and the budgeted expense has been set at Rs. 24,106 lakhs. However, he informed, that due to the pandemic situation, the finance committee would re-look at the budget estimates at the end of the first six months (financial year 2020-2021) and prepare a revised budget, if required.

The Governing Council ratified the same.



III. Items for Information of the Governing Council

Item No. 22.3.1 : To note status of QCI's Income Tax Appeal before Commissioner-Appeal, Income Tax Department and before Income Tax Appellate Tribunal.

The Secretary General, QCI briefed the Governing Council on the status of QCI's Appeal before the Commissioner- Appeal, Income Tax Department and before Income Tax Appellate Tribunal and informed the Governing Council that pursuant to the decision taken in favour of QCI in all these cases, QCI is in the process of getting the refund for the Income tax deposited with the Income Tax Department.

The Chairperson, QCI appreciated the role of the Finance Committee and the finance team in representing QCI in these cases.

The Governing Council took note of the same.

Item No. 22.3.2 : To note status of QCI's case before Customs, Excise and Service Tax Appellate Tribunal

The Secretary General, QCI informed the Governing Council about QCI's appeal to the Hon'ble Supreme Court of India for dropping the observation marked by the Customs, Excise and Service Tax Appellate Tribunal of classifying the activities of QCI as "Technical Inspection and Certification Agency Services". He further informed that the hearing on this matter is pending before the Hon'ble court and the amount of service tax paid by QCI is therefore held by the appellate tribunal since the matter is sub-judice.

The Governing Council received the information.

Item No. 22.3.3 : To note the financial performance of QCI and its Boards for Financial Year 2019-2020

The Secretary General, QCI informed the Governing Council that the total Income of QCI for the financial year 2019-2020 has been Rs. 21,368 lakhs against a budgeted income of Rs. 26,928 lakhs (being 79% of the budgeted income). The total expense figures



stands at Rs. 17,910 lakhs against the budgeted expense of Rs. 20,658 lakhs (being 87% of the budgeted expense).

The Governing Council received the information.

Item No. 22.3.4 : To note Financial Performance of QCI and its Boards for 1st Quarter (April 1 to June 30, 2020) & during 2nd Quarter (July 1 till Aug 31, 2020) during the Financial Year 2020-21.

The Secretary General, QCI briefed the Governing Council of the financial performance of QCI & its Boards during the financial year 2020-2021 (till August 31, 2020) as detailed below:

- a. During the 1st quarter from April 1, 2020 to June 30, 2020, the budgeted Income for QCI and all its Boards was fixed at Rs. 5,924 lakhs (Being 20% of overall Budget for Rs. 29,613 Lakhs) and the budgeted expenditure was fixed at Rs. 4,497 Lakhs (Being 20% of overall budget for Rs. 22,472 Lakhs); The actual income for 1st Quarter of financial year 2020-2021 up to June 30, 2020 is Rs. 2,740/- Lakhs (being 46% of the estimated income) and the actual expenditure is Rs. 1,811/- Lakhs (being 40% of the estimated expenditure) respectively.
- b. During the 2nd Quarter (from July 1, 2020 to August 31, 2020), the budgeted Income for QCI and all its Boards was fixed at Rs. 4,938 lakhs (Being 16.67% of overall Budget for Rs. 29,613 Lakhs) and the budgeted expenditure was fixed at Rs. 3,748 Lakhs (Being 16.67% of overall budget for Rs. 22,472 Lakhs); The actual income for 2nd Quarter of financial year 2020-2021 up to August 31, 2020 is Rs. 3,332/- Lakhs (being 67% of the estimated income) and the actual expenditure is Rs. 2,679/- Lakhs (being 71% of the estimated expenditure) respectively.

The Governing Council noted the same.

Item No. 22.4 : Status of Activities of QCI, Boards, Divisions and Cells till August 31, 2020

The concerned CEO's of the Boards informed the Governing Council of the various activities undertaken by the respective Boards and the targets for the upcoming year.



The Governing Council took note of the exemplary work being performed by each Board & Division of QCI and encouraged the QCI to continue with its efforts in the field of quality.

Item No. 22.5 : Any other item with the permission of the Chair

The Chairperson, QCI invited all members to give their suggestions, if any.

1. Mr. Adesh Gupta, Chairman, Council for Footwear, Leather and accessories (CFLA) informed the Governing Council that the domestic footwear industry in India lacks quality standards on the products being sold and purchased in the industry. Chairperson, QCI agreed with the request of Chairman, CFLA as this is a huge industry and requested that a discussion be scheduled for creating a road-map on the issue.
2. Mr. Bejon Mishra, Founder, Consumer Online Foundation requested QCI to take steps on mapping the availability of QCI services such as NABH Accredited Hospitals, NABL accredited laboratories on maps to make it easily accessible and identifiable to the consumers.

There being no other remarks, the meeting ended with a Vote of Thanks to the Chair

A handwritten signature in blue ink, appearing to read 'Ravi P. Singh', with a horizontal line drawn underneath.

(Dr. Ravi. P. Singh)
Secretary General

A handwritten signature in blue ink, appearing to read 'Adil Zainulbhai', with a large loop at the end.

(Adil Zainulbhai)
Chairperson

Place :- New Delhi
Date:- 13th October 2020



Annexure-1

Attendance of Members
22nd Meeting of the Governing Council held on 23.09.20

Sl. No.	Name	Designation/ Organization
1.	Sh. Adil Zainulbhai	Chairperson, QCI
2.	Sh. Shyam Bang	Chairperson, NABCB
3.	Prof. Goverdhan Mehta	Chairperson, NABET
4.	Dr. B.K. Rao	Chairperson, NABH
5.	Dr. D.K. Aswal	Interim Chairperson, NABL
		Representative, CSIR
		Director, NPL
6.	Dr. Ekta Kapoor	Department of Science and Technology
7.	Sh. Dharmesh Makwana	Director, DoCA
8.	Sh. Kamal Bhagat	Department of Telecommunication
9.	Lt. Gen Sanjay Chauhan	Directorate General of Quality Assurance
10.	Sh. Anupam Kaul	Confederation of Indian Industry
11.	Sh. Pankaj Kumar	President, Indian Industries Association
12.	Ms. Anita Gupta	IEEMA
13.	Sh. Bejon Mishra	Founder, Consumer Online Foundation
14.	Sh. Chandranath Som	DDG, Federation of Indian Export Organization
15.	Sh. Adesh Gupta	Chairman, Council for Footwear Leather & Accessories
16.	Sh. Vibhu Jhanb	NASSCOM
17.	Dr. R.P Singh	Secretary General

Invitee: -

1.	Mr. David John	Statutory Auditors
2.	Mr. Raghuram	

Secretariat: -

1.	Sh. N Venkateswaran	CEO, NABL
2.	Dr. Atul Mohan Kochhar	CEO, NABH
3.	Sh. Rajesh Maheshwari	CEO, NABCB
4.	Dr. Manish Kumar Jindal	CEO, NABET
5.	Sh. C.K. Biswas	CEO, NBQP
6.	Sh. Akash Aggarwal	Project Manager, PPID



7.	Dr. A. Raj	Sr. Director, ZED
8.	Dr. Manish Pande	Head, PADD
9.	Sh. Alok Jain	Head, Training and Capacity Building Cell
10.	Sh. Rudraneel Chattopadhyay	Policy Unit

Leave Granted: -

1- Secretary, DPIIT
2- Secretary, Department of Commerce and Industry
3- Secretary, M/o Health & Family Welfare
4- Chairman, Railway Board
5- Director General, BIS
6- Director General, STQC
7- President, ASSOCHAM
8- President, FICCI
9- President, Indian Merchant Chambers
10- Chairperson, NBQP
11- Chairman, IamSMEofIndia
12- National President, NIQR
13- President, Automotive Component Manufacturers Association of India
14- President, Indian Drug Manufacturers Association (IDMA)
15- President, Garments Exporters & Manufacturers Association (GEMA)
16- Director, Export Inspection Council of India (EICI)
17- Founder and Director of Kaivalya Education Foundation (KEF)
18- National President, Indian Medical Association
19- Chairman, Indian Banks' Association