

**MINUTES OF THE 99th MEETING OF THE EXPORT INSPECTION COUNCIL
14 FEBRUARY 2006**

Chairman : **Dr. Christy Fernandez,**
Additional Secretary, Ministry of
Commerce & Industry,
New Delhi.

Member Secretary : **Ms. Shashi Sareen,**
Director (Insp. & Q/C)

Members Present : **As per list given at Annex 1**
GENERAL

ITEM 1

Item 1.1 Welcome by Director

Director, EIC while welcoming the members of the Council explained that though the 99th meeting was scheduled to be held on 6.2.2006, it had to be postponed to 14.02.2006 on account of unforeseen circumstances. Four issues had been included for this meeting to cover manpower requirement, professional analysis of the role of the organisation, activities of public relation consultant, management of pension and gratuity funds and in addition, three presentations had been organised.

Item 1.2 Opening remarks by Chairman

Chairman, EIC in his opening remarks expressed that issues which have been raised in the Agenda for the meeting are very important for the organisation and solicited the cooperation of members for arriving at concrete decisions on the proposals. He also mentioned that next meeting of the Council would be its 100th meeting and expressed the hope that by that time these important issues would have been decided and implemented in the organisation.

Item 1.3 Leave of absence

Leave of absence was granted to following members of the Council:

1. Shri K.S. Money, Chairman, Agricultural & Processed Food Products Export Development Authority
2. Shri P.K. Aggarwal, Agricultural Marketing Adviser to the Govt. of India, Ministry of Rural Development,
3. Shri Rajesh Bahl, M/s. Geo Chem Laboratories Pvt.Ltd., Mumbai

4. Shri J.S.Bhasin, M/s.Bharat Springs Pvt. Ltd., Mumbai
5. Shri B.M.Vyas, M/s.Gujarat Co-operative Milk Marketing Federation Ltd.,
6. Shri Anil K.Mittal, M/s.Khusi Ram Behari Lal Ltd., Delhi
7. Shri N.S. Rajkumar Mandradiar, Managing Partner, M/s P. Mithualaul Lalh & Sons
8. Shri Irfan Allana, M/s Frigorifico Allana Ltd., Allana House, Mumbai.

ITEM 2 98th meeting of the Export Inspection Council

Item 2.1 Confirmation of the Minutes

The Minutes of the 98th meeting of Export Inspection Council held on 18 January 2006 were circulated in the meeting and were confirmed.

ITEM NO. 3 ITEMS FOR CONSIDERATION AND DECISION OF THE COUNCIL

Item 3.1 Manpower requirement in EIC/EIAs

While discussing manpower needs of the organization, it was informed that Screening Committee at the level of Commerce Secretary, while taking up the issue of recruitments in the Ministry under Annual Direct Recruitment Plan (ADRP) for the year 2002-03, has decided to allow recruitment of 6 posts and recommended at the same time abolition of 12 posts. It was observed that Screening Committee had recommended abolition of the posts belonging to technical cadres also. Members of the Council, after detailed deliberations held that in view of peculiar situation faced by EIC, there is an urgent need for technical staff in the organization and overall scenario in the organization makes it a fit case for seeking exemption from application of ADRP to the organization by the Ministry. Upon further deliberations, Council decided that following actions may be taken up in this regard:

- a) The issue of recruitment for the vacant posts for the period 2000-01 and 01-02 which has not been considered by Ministry so far, may again be taken up by EI&EP Division with the concerned Division in the Ministry;
- b) With regard to the decision taken to abolish some of the posts for the year 02-03 under ADRP by the Ministry, the issue may again be taken up by the EI&EP Division with the relevant division of the Ministry on allowing these posts to be retained as these belong to

technical cadres in the organization;

- c) A detailed proposal be prepared for approval of competent body that since the posts meant for recruitment in EIC/EIAs pertain to technical cadres, these may be taken out of the purview of applicability of ADRP. In this regard, the Council was informed that similar exemption was obtained by the Ministry of Health & Family Welfare and it was decided that EI&EP division would get the relevant papers from them and prepare the proposal based on these.
- d) It was also decided to arrange for a meeting with AS&FA/ JS(RK) in the Ministry to address the issue of recruitment in the organization on priority.

In the meanwhile, Council decided that no post at technical level to be abolished. Further, the process for filling up the posts already cleared by the Ministry should be initiated immediately.

Item 3.2. Professional analysis of activities of EIC/EIAs

A detailed presentation was made by M/s.A.F.Ferguson & Co. to the Council members and the recommendations made in the study were deliberated in detail by the Council. Some of the important aspects discussed related to role clarity, restructuring of the organization, pricing structure, activities that could be outsourced, additional items to be included under voluntary / mandatory certification, Govt. support for specific activities, participation in national / international standardisation activities etc.

It was decided that after incorporating suggestions given by Council members in the meeting, M/s.A.F.Ferguson & Co. would submit the final report.

On receipt of the Final Report the EIC will examine it quickly and decide on the course of actions within a month's time. Implementable Actions should be taken up immediately especially in the following areas:

- Development of a web-based portal on data of requirements of importing countries as well as alerts;
- Restructuring of EIC/EIAs activities including role, manpower, functions etc.
- Pricing structure
- Outsourcing of routine monitoring visits as a pilot project at one or two Sub-Offices (Veraval / Bheemavaram)

It also decided that a copy of the final report may be sent to the Government with the Action Plan proposed by EIC.

Item 3.3 Activities of Public Relation consultant

M/s Concept Communication, the PR Consultants engaged by EIC made a presentation to the Council members wherein they presented their plan covering different PR activities slated for the organisation. Upon deliberations, it was decided that PR consultant may submit a detailed programme month-wise for the entire year which would be discussed further with the Chairman and decided to concretise activities in this area.

Item 3.4 Management of Pension and Gratuity Funds of the organisation

The Council considered all the data given under item 3.4 of the Agenda including the fund projections detailed at Appendix-1. Officers from Life Insurance Corporation (LIC) gave a detailed presentation to the Council members about the role which LIC plays in managing the pension and gratuity funds of organisations both in private and public sectors and also their proposal regarding requirement of EIC funds. Council observed that in case management of pension fund is entrusted to LIC, it would have the following benefits:

- a) better management of funds resulting in higher yields as compared to the present system;
- b) more efficient and systematic administration of the pension scheme since it would be the responsibility of LIC to manage all administrative actions related to pension fund;
- c) formalization and institutionalization of the entire arrangement of management of these funds appropriately.

The Council, after detailed deliberations, approved that the management of the pension scheme of the organisation be handed over to the LIC. The terms and conditions should be got legally vetted before entering into any agreement in this regard.

The Council further decided that necessary measures for operationalising the scheme be initiated at the earliest and authorised Director, EIC to complete all procedural formalities in this regard i.e. setting up of the Trust, finalisation of Trust deeds, transfer of funds to Trust/LIC etc. and seek formal approval of Chairman, EIC. The Council further decided that all formalities to be completed so that the fund can be transferred to LIC with effect from 1 April 2006.

ITEM NO.4 ANY OTHER BUSINESS WITH THE PERMISSION OF THE CHAIR.

Enhancement of fee for Certificate of Origin

With the permission of Chairman, the issue of enhancement of fee for CoO activities was discussed by the Council.

The Council, keeping in view the financial commitments over the next 5 years as given in the agenda item no. 3.1 and to bring uniformity in CoO fee under different schemes and also keeping in view the fact that CoO activities has to be computerized, agreed to review the fee for CoO issuance to uniform level of Rs.150/- per Certificate of Origin for all the schemes..

The meeting ended with a vote of thanks to the Chair.

ANNEX 1

LIST OF MEMBERS PRESENT AT THE NINETY NINTH MEETING OF THE EXPORT INSPECTION COUNCIL HELD ON 14 FEBRUARY 2006

1. Shri MVPC Sastry, Joint Secretary (Incharge Export Inspection), Min. of Commerce & Industry, Govt. of India, New Delhi
2. Ms. Rita Teatota, Joint Secretary, Government of India, Ministry of Health & Family Welfare, Nirman Bhawan, New Delhi.
3. Shri G. Mohan Kumar, Chairman, Marine Products Export Development Authority, Cochin.
4. Shri S.K. Das, Director General of Commercial Intelligence and Statistics, Kolkata-700001.
5. Shri Elias Sait, Secretary, SEAI, Chennai.
6. Shri R.K. Bansal, Director, Fruits and Vegetables and Preservation, Ministry of Food Processing, Khel Gaon, (Panchsheel Bhawan), New Delhi.
7. Shri Amarjit Singh, Director, BIS, New Delhi
8. Dr. Y.C. Nijhawan, Scientist Incharge, National Test House, Kolkata.

Special Invitee

Shri Raj Singh, Director, Ministry of Commerce & Industry