

Records of Discussion on Annual Meeting of Inspection Agencies and Auditors EIC Inspection Agency Recognition Scheme

13th February 2015

After detailed discussion on the scheme implementation with respect to problems faced by Inspection Agencies (IA) as well as concerns of the EIC,

The key concerns of EIC are summarized below:

- Inspection Agency are not paying the Annual Recognition Fees as per EIC IARS 2012 on regular basis and major lapses are observed
- The Awareness on EIC Inspection Agency Recognition Scheme was observed to be low at branch level
- The application submitted for fresh/renewal of recognition under the scheme does not provide clarity on Port of Operation/ Laboratory. Several ambiguities are observed in the application format on above matter.
- The IA recognized for a particular location is not authorized to carry out inspection at location other than the notified location
- The traceability of record, letter and application form is not maintained by IA as often the letters and applications are observed to be reissued on back date.
- The IAs does not ensure timely submission of quarterly statement and its format does not specify the port of operation

The key concerns raised by IA and auditors are summarized below:

- There are delays in the printing of the notifications
- There is no procedure for acquiring codes during public holidays and weekends when the EIAs/Sub Office are not working.
- The port operations could not be audited in case of new/fresh recognition of the IA
- The annual recognition fees or any other fees may be deposited at nearest SO
- Information pertaining to service tax number not readily available to the IAs

Based on the representation made by IAs and EIC concerns following decisions have been agreed by Competent Authority:

- Fees for three year recognition shall be submitted to respective EIAs prior to the distribution of the gazette notification to IA
- The renewal application submitted by IA should be accompanied by the consolidated payment receipts of three years annual recognition fees from EIAs/SO
- Wherever applicable, the documentation maintained at central level may be assessed centrally to reduce the time for adequacy audit in various branches of IAs
- IAs may update EIC with the training initiative taken at central level to create improved awareness on the scheme and its implementation at branch level.
- The quarterly statement may be submitted in the new format w.e.f. 1.4.2015 along with the contact details of the branch manager. The new format is updated on EIC website. The same format may be utilized while requesting the codes.
- The renewal applications may be rejected, if received, in the old format of 2002 with no adjustment of fees; without complete details of port of operation, laboratory, inspection undertaken in last three years; unless accompanied by relevant justification.
- IA may submit their renewal application nine months prior to the expected date of expiry to avoid delay.
- EIAs including Sub Office may issue two buffer codes to be utilized in case of exigencies on written request from IAs. The details of utilization of such codes may be submitted on next working day to the EIAs
- Service tax details of all five EIAs may be updated on the EIC website for reference of IAs