**Minutes of Meeting held on 9/3/2018 for Cost Control and Efficiency Improvement.**

A meeting was held on 9/3/2018 at Head Office, New Delhi under the Chairmanship of Managing Director to discuss the various proposals for reduction in cost and improvement in efficiency. The meeting was attended by Jt.MD, Functional Directors and Unit Heads. The Minutes of Meeting are as mentioned below:-

1. Reviewing the suggestions of IOA, MD asked Unit Heads to ensure that employee’s relative will not work in same unit including contract jobs for new recruitments.

**Action: All Unit Heads**

1. Reviewing the suggestions of General Secretary, Phulpur, MD asked Unit Heads to increase use of Generic Medicines wherever possible.

**Action : All Unit Heads**

1. Suggestions received from DGM(ITS) was reviewed and MD asked, Director(SMG), Director(HR&L) & Director(ITS) to review the project report by DGM(ITS) about cost and timeline. Based on review implementation methodology will be decided.

**Action : Dir.(SMG) & Dir.(HR&L)**

1. Reviewing the suggestions received from Dy.CVO, MD asked the Unit Heads for cleaning of Solar Power Panels periodically.

**Action : All Unit Heads**

1. Reviewing the suggestions of GM(F&A), MD asked the Sr.ED(F&A) to ensure that all expenditure other than salary viz. courtesy, vehicle running, gifts etc. being incurred by the employees deputed to group companies should be borne by the relevant group companies.

**Action : Sr.GM(F&A)**

1. Reviewing the suggestion by GM(F&A) on maintenance of office building at Saket partially by RED and partially by Admn, Deptt., MD asked Director(CD&ESP) to review the existing practices of maintenance and rationalise.

**Action : Dir.(CD&ESP)**

1. Reviewing the suggestions of GM(F&A) on Mobile connectivity to IFFCO’s employees, MD asked Director(HR&Legal) to review the existing practices and review the Airtel Rates periodically.

**Action : Dir. (HR&L)**

1. Reviewing the suggestion by GM(ITS) for using ICDP Channel for sales, MD asked Director(ITS) to review the suggestion.

**Action : Dir.(ITS)**

1. Reviewing the suggestions of GM(HR), MD asked Sr.ED(F&A) to stop making payments of KIT Allowance of $50 for foreign tour. Circular has already been issued in this regard.
2. Reviewing the suggestion of Sr.General Manager(Tech.) for achieving the norms, MD asked Unit Heads to improve upon the energy as proposed in ORB 2018. MD further advised Unit Heads that necessary approvals for Boiler Inspection for two years of continuous operation may be taken to minimise shutdown period.

**Action : All Unit Heads**

1. Reviewing the suggestion of Sr.General Manager(Tech.) for minimising the unproductive energy consumption during Ammonia Plant start up to 20,000 to 25,000 Gcal, MD asked Unit Heads to make detailed analysis for reasons of higher consumption, framing Standard Operating Practices and uses of latest tools for boxing up.

**Action : All Unit Heads**

1. Reviewing the suggestions of SGM(S&A), MD asked to reduce the contingency to 15% of total work value for procurements.

**Action : All concerned**

1. Reviewing the suggestion of SGM(Commercial) to increase sales of Water Soluble Fertilizers, MD asked MKD to increase the sale of Water Soluble Fertilizers.

**Action : MKD**

1. Reviewing the suggestions of Sr.GM(Comm.) on Sulphur Bentonite, MD asked whether Sulphur Muck in Paradeep Plant can be used for manufacture of Sulphur Bentonite. Director(CRS) explained that Sulphur Bentonite is hazardous waste and needs special disposable under CPCB guidelines. Further, Sulphur Bentonite is not produced in Paradeep plant as such there is no possibility of producing Sulphur Bentonite from Sulphur Muck.
2. Reviewing the suggestion of Sr.GM(Commercial) regarding EMD for procurement/services value of above from 15 lakh upto 50 lakh, MD asked Sr.ED(F&A) to review the EMD requirement from vendors.

**Action : Sr.ED(F&A)**

1. Reviewing the suggestions of SGM(Commercial) on Bag size and weight of BOPP bags, MD asked to review and reduce the bag dimension/weight in order to reduce the cost of bag.

**Action : SGM(Commercial)**

1. Suggestions from Unit Heads were reviewed and cost reduction of Rs. 100 crore was agreed by the Unit Heads as per the proposal enclosed at Annexure-I. MD asked Director(Tech.) to monitor the cost saving achieved.

**Action : Dir.(Tech) & All Unit Heads**

1. Reviewing the suggestions of Unit Heads, MD asked to review the manpower. Director(HR&Legal) informed that the committee under the chairmanship of Director(CD&ESP) has already been formed to review the manpower and propose a revised Organization Chart keeping in view the latest practices being followed by Chambal Fertilizer, Indo Gulf and OMIFCO etc.

**Action : Dir.(CD&ESP)**

1. Reviewing the suggestions of Sr.ED(F&A), MD asked MKD to carry out Micro Analysis of each field officer and the sales of each field officer should be monitored and comparative Analysis should be made based on practice being followed up by other peers.

**Action : MKD**

1. Reviewing the suggestion of Sr.ED(F&A) regarding use of computer for GST related jobs, MD asked Director(HR&Legal) to identify the training needs of employees and carry out necessary training of employees. Further MD asked Sr.ED(F&A) to hire consultants for filing of GST documents, wherever required.

**Action : Dir.(HR&Legal), Sr.ED(F&A)**

1. Reviewing the suggestions of Sr.ED(F&A), MD asked Director(HR&Legal) for deputing the PR team to Marketing Department. (Circular already issued) Further, MD asked Dir.(HR&Legal) for merging Indian Cooperative Digital Platform with IFFCO’s Kisan Bazar.

**Action : Dir.(HR&Legal)**

1. Reviewing the suggestions of Director(CRS), MD asked MKD to improve upon the NPK sales. Further, MD asked MKD to provide the regular DIs for grade 20:20:13 to Paradeep unit. MD also asked Director(CRS) to improve upon the quality issue of 20:20:0:13.

**Action : MKD/Dir.(CRS)**

1. Reviewing the suggestions of Director(CRS), MD asked GM(Kalol) to expedite the approval from GPCB for producing the additional 50,000MT of urea in a year. GM(Kalol) indicated that this approval does not fall in the mandate of GPCB. He will shortly get a letter issued from GPCB in this regards. Thereafter, approval for additional production of Urea can be taken up with Environment Ministry by HO.

**Action : GM(Kalol)/Dir.(CRS)**

1. Reviewing the suggestion of Director(CRS) on reverse bidding, Director(SMG) and Director(ITS) has indicated that reverse bidding has already been carried out in few cases with success by utilising the 3rd party platform. MD asked them to bring non critical items under reverse bidding system. Jt.MD & Director(ITS) also mentioned about new platform available for B2B products at much lower rates and needs to be explored. MD asked Director(ITS) to explore the B2B purchases where are feasible.

**Action : Dir.(ITS)**

1. Reviewing the suggestion of Director(CRS) on Contract Labour, MD asked Unit Heads to review the requirement of Contract Labour critically and reduce wherever possible.

**Action : All Unit Heads**

1. Reviewing the suggestion of Director(CRS) on Form Fill Sealing Technology, MD asked Director(CRS) to review the possibility of improving the sealing of WSF packing. Dir.(CRS) informed that the moisture content of Urea Phosphate remains around 0.5% as compared to 0.1% in SQM plant. Due to stickiness of the product FFS machine installed for WSF plant didn’t work and abandoned, MD asked Sr.GM(Kandla) to review the WSF plant operation and reduce the moisture content of the product. MD also asked Dir.(CRS) to review the possibility of implementation of automation in Bagging plant in Kalol/Kandla unit to bring down the contract labour.

**Action : Dir.(CRS)/Sr.GM(Kandla)**

1. Reviewing the suggestion of Director(ITS) on sale of imported ammonia and sulphuric acid from Kandla Unit, Director(CRS) informed that already there is proposal for supply of buy back of Ammonia and sulphuric Acid from some of the power plants who intend to reduce the SOx emissions from their plants. MD asked MKD to review the possible demand for sale of Ammonia Sulphate.

**Action : MKD**

1. Reviewing the suggestion of Dir.(ITS) for use of spent Sulphuric acid in Kandla, SGM(Kandla) informed that approval is being sought for use of spent acid and spent acid will be used once permission is received.

**Action : SGM(Kandla)**

1. Reviewing the suggestion of Dir.(ITS) for optimum utilisation of Zinc Sulphate plant, MD asked Sr.GM(Kandla) to decide bare minimum specifications of Zinc ash being procured to improve upon the utilization of this plant.

**Action : Sr.GM(Kandla)**

1. Reviewing the suggestion of Director(ITS) for Export potential of Sagarika, MD asked Director(SMG) to discuss with Coop Fedre for possible export of Sagarika.

**Action : Dir.(SMG)**

1. Reviewing the suggestion of Director(ITS) regarding the Cattle Feed Plant, Director(SMG) informed about discussion with Amul and possibility of tie-up with Amul for selling the Cattle Feed and setting up of projects alongwith them for food processing. MD asked Director(ITS) and Director(SMG) to explore further possibility in this regard.

**Action : Dir.(SMG)/Dir.(ITS)**

1. Reviewing the suggestion of Director(CD&ESP) regarding Catalyst pool , MD asked Director(CD&ESP) to work out the complete financial analysis for further discussions.

**Action : Dir.(CD&ESP)**

1. Reviewing the suggestion of Director(SMG) utilising of Merchandise Export from India scheme(MEIS) for savings on Customs duty payment, MD asked Sr.ED(F&A) to examine the possible cost saving using MEIS.

**Action : Sr.ED(F&A)**

1. Reviewing the suggestions of MKD, MD asked to increase the road movement from plants and ports to save the secondary freight and handling charges.

**Action : All Unit Heads/MKD**

1. Reviewing the suggestions of MKD, MD asked Dir.(CRS) to review the possibility of using dumpers for evacuating the material from Paradeep Plant to PICT Jetty.

**Action : Dir.(CRS)**

1. Reviewing the suggestions of Director(HR&Legal), MD asked to reduce the foreign tour recommendations atleast by 20%.

**Action : All Concerned**

1. Reviewing the suggestion of Jt.MD of high marketing cost, MD asked MKD to minimise under the recovery.

**Action : MKD**

1. Reviewing the suggestions of Jt.MD, MD asked MKD to reduce the over due which remain at very high level.

**Action : MKD**

1. Reviewing the suggestions of Jt.MD, MD asked Director(CD&ESP) for focussed approach for strengthening the cooperative network and showcase good societies.

**Action : Dir.(CD&ESP)**

1. Reviewing the suggestions of Jt.MD, MD asked MKD to modernise the CORDET wherever possible.

**Action : MKD**

1. Reviewing the suggestions of Jt.MD, MD asked MKD to review and rationalise the IFFCO’s Professor chair for utilising them effectively.

**Action : MKD**