

## Risk and Control Matrix (RCM) for financial department of Food Corporation of India

The Food Corporation of India is a premier organization handling the imports, procurement, movement and issues of foodgrains for the public distribution system in all the States and occupies a commanding position in the foodgrains trade in India.

Corporation has existing guidelines, policies and procedures of financial departments which provide reasonable assurance on internal control system in FCI. However, due to the introduction of Internal Control over Financial Reporting, FCI realized that solid financial accounting controls are extremely important for the Corporation. Originally FCI trusted the process and the people completing the tasks in the process as effective enough internal controls. However, after implementing the ERP systems (FAP and Depot Online System), it was realised that a thorough review mechanism of the process, risks, controls, etc. were needed to truly assure FCI has the adequate internal control system to prevent and detect, errors and omissions in its books of account.

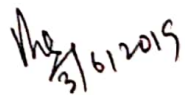
In view of that, a Risk and Control Matrix (RCM) for financial department of FCI was prepared which provides a framework for monitoring key financial risks applicable on the Corporation from the stage of identification of risk to its mitigation along with control mechanism.

Risk and Control Matrix (RCM) was prepared in accordance with the process designed, implemented and maintained by those charged with governance, management and other personnel which will provide a reasonable assurance about the achievement of Corporation's objectives with regard to:

Reliability of financial reporting,  
Effectiveness and efficiency of operations;  
Safeguarding of assets, and  
Compliance with applicable laws and regulations.

I am sure that the Risk Control Matrix (RCM) will serve the needs of the employees of the Corporation and be found useful to them as a reference in their day to day operations.

New Delhi  
Date-03.06.2019

  
(B S Mohapatra)  
Executive Director (Finance)