



तार : 'फूडकोर्प'

Gram : 'FOODCORP'

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भारतीय
खाद्य
निगम



FOOD
CORPORATION
OF INDIA

आइ.एस.ओ. 9001:2000 प्रमाणित

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मुख्यालय
नई दिल्ली
Head Quarters
New Delhi

1(3)/2017-RMP-BC

Dated:17.11.2017

C I R C U L A R No. RMP/01

Sub: - Implementation of Risk Management Policy of FCI.

As per the guidelines on Corporate Governance, Enterprise Risk Management helps management in achieving performance and profitability targets. It helps to ensure effective reporting and compliance with laws and regulations. It is a technique to measure, monitor and control the financial or operational risks of an organization.

2. Accordingly, the Risk Management Policy of FCI has been approved in the 383rd meeting of the Board of Directors held on 28-10-2017 (copy enclosed). In the policy, a total of 39 risks have been identified concerning various areas such as Finance, Storage, Procurement, Movement etc. The policy also includes the templates of risk registers for various risks for assessing and mitigating such risks.

3. The Risk Management process includes the following key activities, performed on a continual basis:

1. Identify Risk
2. Risk Assessment
3. Risk Analysis
4. Risk Treatment
5. Risk Mitigation
6. Risk-control and monitoring.

4. It has been decided to form Risk Management Committee at the Headquarter level and the Regional level. The risk assessment and mitigation report shall be prepared on half yearly basis at the Headquarter level based on the inputs received from the field offices. These half yearly reports shall be placed at the Board Level Risk Management Committee twice a year.

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5. The process of reporting and preparing the Risk Assessment and Mitigation report shall be as follows:

- (i) The Risk Management Committee at the Headquarters level shall consist of all the Executive Directors posted at the Headquarters. The Chief Risk Officer of the Corporation will be the convener of the Committee. All the General Manager (Regions) are nominated as Chief Risk Officer at the regional level. All General Manager (Regions) may constitute a Risk Management Committee at the regional level, comprising of functional officers from each division in the region.
 - (ii) The functional officers i.e. AGM/DGM of the concerned division in respective regional offices will prepare a half yearly risk assessment and mitigation report for their region, based on the inputs received from Area Managers/ Depot-in-charge (by 5th April and 5th October every year). The GM (Region) will discuss this division-wise report in Risk Management Committee meeting of the region and after further fine tuning may finalize the division-wise risk assessment and mitigation report of the entire region. The GM (Region) will then submit the final report of the region (division-wise) to the concerned Executive Director (Zone) (by 15th April and 15th October every year).
 - (iii) At the zonal level, risk reports of all concerned regions will be again compiled division-wise by the divisional heads of the zone. ED (Zones) after due consultation with divisional heads of the zone will then prepare the division-wise Risk Reports of the zone and the division-wise reports will be sent by the ED (Zone) to the respective EDs in Headquarters who are the risk owners for a particular risk for the Corporation (by 30th April and 31st October every year).
 - (iv) The concerned Executive Directors in Headquarters will then compile and consolidate the zonal reports and prepare a risk-wise report for the entire Corporation. They will submit this to Chief Risk Officer i.e. Secretary, FCI by 15th May and 15th November every year. The Chief Risk Officer after receiving the reports from all EDs in the Headquarter will convene the Headquarters Level Risk Management Committee meeting and consolidate the risk assessment and mitigation report for the entire Corporation (by 31st May and 30th November every year). These half yearly reports will then be placed before the Board Level Risk Management Committee and finally to the Boar of Directors.
6. A familiarization and training session would be organized at the Headquarter for all General Managers (Region/Headquarter) and Executive Directors (Zones/Headquarter) sometime during the next MPR meeting. A separate communication will be sent in this regard.

7. Based on the process enumerated above, the next (first) risk assessment and mitigation report shall be prepared for the period October 2017 – March 2018 in April-May 2018. All concerned are therefore requested to take necessary action to complete the process in time.
8. This issues with the approval of Hon'ble C&MD.



(Sanjay Garg)
Executive Director (G)/Secretary

Distribution:-

1. All Executive Directors, FCI, Headquarter
2. All Executive Director (Zones), FCI
3. All General Manager (Regions), FCI