Sub: Quality Complaints - Procedure for lodging and finalisation

Ref: i) HQRS. Circular No.5(22)Proc. Quality Comp/90 dated 01.10.1991

ii) HQRS. Circular No.SLS/21(4)/RL/98 dated 06.11.1998

In supersession of the HQRS. Circular[i] cited above and in partial modification of the HQRS. Circular[ii] cited above on lodging and finalisation of quality complaints, the following procedure is to be followed for lodging of complaints, joint inspection of stocks and submission of LAS etc. wherever foodgrain stocks beyond specifications and infested stocks are received.

i) On receipt of foodgrains by trucks or through wagons, the representative samples of the stocks truck-wise/wagon-wise will be drawn by the Consignee. The sample thus drawn will be analysed with reference to the specifications and standards in force by the Consignee TA/AM(QC). On such analysis, if the stocks represented by the sample do not conform to the specifications, a telegraphic intimation will be sent to the Consignor, District Manager and Sr. Regional Manager/Regional Manager concerned within 3 days of the unloading of the stocks.

ii) The telegraphic intimation should be followed by a post copy in confirmation by Registered Post to all concerned including Zonal Manager of the Consignor Region and Manager(QC), HQRS. The post copy should contain all relevant details viz. RR/GR No., Wagon/Truck No., Date of despatch, Centre of despatch, Name of the Depot, Contract No., Lot No., Name of the party, Date of receipt, Unloading Depot, Details of rejections exceeding specifications, No. of bags involved etc. based on which complaint has been lodged and detailed analysis results of stocks under complaint wagon-wise/truck-wise.

contd...2/-
iii) The stocks under complaint shall be preferably
stacked separately or their identity should be
maintained by other means until the joint inspection
is completed.

iv) For stocks which got damaged in transit, immediate
salvaging should be undertaken and claims be lodged
with the concerned, if it is a tenable claim as per
rules for lodging such claims and this will not form
part of the quality complaint. Similarly, for the
stocks with high incidence of moisture, immediate
action should be taken for proper aeration and
examination of stocks to avoid damages to the stocks.
A quality complaint will also be lodged in this
case. In case, if damage occurs in transit due to
selection of non-water tight wagons, an attempt be
made to obtain a certificate from the Railways at the
receiving end. Similarly, if the stocks are
despitched in fertilizer or other chemicals
contaminated wagons, the stocks should be stored
separately and samples be referred to Public Analyst
from the grains which had come in direct contact or
from other stocks if it is suspected that stocks were
contaminated fertilizer/chemical stocks and necessary
complaints be lodged with the Consignor in both the
cases.

v) After lodging of the initial complaint, the stocks
under complaint should be inspected by an AM(QC)
other than who has inspected on unloading of wagons.
The nominated AM(QC) will carry out the thorough
analysis and make a general assessment of the quality
and condition of the stocks and give his
recommendations regarding measures to be adopted
before issue either to upgrade or re-condition these
stocks for, rendering them fit for issue through
normal channel or for disposal otherwise as the case
may be within 5 days of lodging of the complaint.
The assessment of the Inspecting Officer will be
recorded in Proforma as per Annex.1. The report in

contd...3/
the prescribed proforma should be forwarded immediately to the Consignor Zonal Manager/Regional Manager with a copy to the concerned District Manager by Registered Post as well as the Consignee District Manager/Regional/Zonal Manager.

vi) The Consignor District Manager on receipt of assessment report about the quality complaint will allow the concerned QC officials who dispatched the stocks to visit the destination on merit of the case, if they so desire within 25 days from the date of unloading. To facilitate the officials concerned to proceed to the destinations for joint inspection within the stipulated period, the District Managers of the Consignor Region may allow the officials to visit the destination and obtain post-facto approval of the SRMs concerned in respect of quality complaint cases from the destination.

vii) No joint inspection will be allowed in case of quality complaint for infestation, moisture or for the stocks which need immediate fumigation, salvaging etc.

viii) Where the officials are deputed for joint inspection, telegraphic intimation should be sent to the Consignee about the visit. The joint inspection should be completed within 25 days.

ix) In case telegraphic intimation is not sent within one week from the receipt of assessment report by the Consignor on the visit of the officials for joint inspection, the Consignee has the liberty to dispose off the stocks without waiting for joint inspection. Any delay in this regard will be at the risk of Consignor Region.

x) After joint inspection of the stocks, the samples will be jointly analysed and the analysis results will be recorded and jointly signed by all concerned and this will be final for all purposes of disposal of the complaints.
xi) The officials deputed for joint inspection shall be entitled for TA/DA. They will obtain attendance certificate from the Consignor Depot/District Manager concerned only.

xii) After joint inspection, wherever the complaints are found to be genuine, the losses should be assessed and preferred in the Consignor Regions as per guidelines below. In cases, where the complaint is found to be not correct, the Consignee Regional Manager/Sr. Regional Manager will initiate disciplinary action against the officials concerned who have lodged a false complaint without proper verification of quality for recovery of TA/DA paid to the officials of the Consignor officials/officers. In case the Consignor officials do not turn up for joint inspection within stipulated time, the complaint lodged by the Consignee will be treated as final and the stocks may be disposed off without awaiting further.

xiii) Preparation of Loss Assessment Statement

The Loss Assessment Statement (LAS) shall be prepared after the expiry of the period of 25 days from the date of unloading of the stocks. In case the officials from the despatching end do not turn up for joint analysis or within five days after the joint inspection is completed. The LAS shall be prepared on the basis of quality cuts to be imposed for the refractions exceeding the limits specified in the prescribed specifications. The LAS should be submitted by the Consignee Region within 30 days of the unloading of the stocks. For any delay for preparation and submission of LAS within stipulated time leading to non-finalisation of the quality complaint, the responsibility will rest on the Consignee District Manager for which responsibility will be fixed by the Disciplinary Authority as deemed fit.

contd... 5/
LAS shall be prepared for refractions exceeding the limits specified in uniform specifications as indicated below:

a) The cuts for various refractions exceeding the uniform specifications for Rice and Wheat will be as follows:

<table>
<thead>
<tr>
<th>Refraction</th>
<th>Rate for quality cuts beyond MPL to be levied on the cost of consignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brokens</td>
<td>0.5%</td>
</tr>
<tr>
<td>Foreign matter</td>
<td>2.0%</td>
</tr>
<tr>
<td>Damaged grains</td>
<td>1.0%</td>
</tr>
<tr>
<td>Discoloured grains</td>
<td>0.5%</td>
</tr>
<tr>
<td>Chalky grains</td>
<td>0.25%</td>
</tr>
<tr>
<td>Red grains</td>
<td>0.5%</td>
</tr>
<tr>
<td>Admixture</td>
<td>0.5%</td>
</tr>
<tr>
<td>Dehusked grains</td>
<td>0.25%</td>
</tr>
<tr>
<td>Moisture content</td>
<td>2.0%</td>
</tr>
<tr>
<td>Small brokens</td>
<td>1.0%</td>
</tr>
<tr>
<td>Slightly damaged grains</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

To facilitate the field offices for computation of the above rates for LAS, an illustration is given as under:

<table>
<thead>
<tr>
<th>Nature of Constituents</th>
<th>Consignee's M.P.L. Analysis Results(%)</th>
<th>Excess % beyond MPL(%)</th>
<th>Rate of quality cuts to be imposed on the cost of consignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
</tr>
<tr>
<td>a) F. Matter</td>
<td>1.5</td>
<td>0.5</td>
<td>1.0</td>
</tr>
<tr>
<td>b) Damaged/slightly damaged</td>
<td>4.0</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>c) Brokens</td>
<td>23.0</td>
<td>22.0</td>
<td>1.0</td>
</tr>
<tr>
<td>d) Discoloured grains</td>
<td>5.0</td>
<td>3.0</td>
<td>2.0</td>
</tr>
<tr>
<td>e) Dehusked</td>
<td>14.0</td>
<td>12.0</td>
<td>2.0</td>
</tr>
</tbody>
</table>

Lot(i) the Qty under complaints = 1000 Qtls.
Lot(ii) the Rate of issue (CIP) = `1,700/- per Qtl. (for APL)
Lot(iii) the Rate to be adopted over and above CIP for preparation of LAS = 150% of CIP = `1,050/-
(iv) Rate per Qtl. to be taken for 6% of `1,050/- i.e. `63/- per qtl. LAS for above quality cuts.
(v) Quality cuts recoverable on 1000 Qtls. = `63,000/-

The above is only an illustration for the guidance of field staff for preparation of LAS for the complaint stocks with %age of damaged foodgrains within PFA limits.

contd...
RICE AND WHEAT

b) The LAS for receipt of lower category rice or wheat against the higher categories will be prepared on the basis of expenditure/losses estimated to be incurred on upgradation.

PADDY
c) In case of despatch of paddy, the Consignor will have to indicate the category and the designation to the Consignee before despatch. The Consignee will verify the same and will lodge complaint with the Consignor after verifying the quality if it is found that such paddy on conversion into rice will not conform to the uniform specifications of Govt. of India in respect of all refractables, foreign matter, admixture of lower grades etc. and LAS will be sent to the Consignor on the basis of quality cuts likely to be imposed on such stocks on conversion into rice.

d) In case of receipt of stocks of rice and wheat for despatch of dry damaged grains mixed to sound grains, the loss will be calculated for the damaged foodgrains & sound grains for the quantity declared as damaged.

e) In case the stocks are received with dry damaged grains beyond 5% in case of rice and 6% in case of wheat against the limits prescribed under PFA Act/Standards, the stocks are to be analysed and declared as relevant Feed category. The difference in price between the value of the consignment and prevalent issue price and price applicable for the category in which declared as per formula rate will be the basis for preparation of LAS and necessary action taken against the staff/officers responsible for despatch as well as acceptance of such stocks at the Consignor end. This procedure will be applicable for preparation of LAS for receipt of foodgrains beyond PFA in respect of damaged foodgrains.

contd....7/-
For preparation of LAS on the basis of quality cuts for excessive refractions beyond the limits prescribed in the specifications, the issue price prevalent at the time of receipt of the stocks will be followed.

In cases, where the stocks are damaged due to acceptance of non-water tight wagons, the depot/railhead staff who are responsible for loading of foodgrain stocks in such wagons be held responsible and necessary disciplinary proceedings initiated against them.

For the calculation of quality cuts for different refractions, 150% of the prevalent issue price for APL will be taken as the basic price for calculation of quality cuts.

The freight, transportation, handling etc. are not to be included in the LAS.

On receipt of LAS, the Regional Heads of Consignor Region should take disciplinary action against the officials/officers concerned and recover the loss reflected in the LAS as per laid-down procedure.

In case, where due to reason of normal administrative instructions, if recovery of the loss is not possible, the Consignor Regional Head should record such reasons and the same should be got approved by the ZM concerned for necessary dropping of the case, apart from instituting disciplinary proceedings against the defaulting staff/officers as per rules irrespective of financial loss. Whenever the amount of losses as per LAS of the Consignee Regions is ₹10,000/- (Rupees ten thousand) or less, it could be considered for dropping in consultation with Diatt. Finance. However, disciplinary action shall be initiated against the concerned officials who have accepted and despatched the stocks beyond specifications.

contd... 8/-
k) Stocks received in infested condition:

For receipt of stocks in infested condition, webbing, weevilled with waste flour formation, loose bran etc., a complaint shall be lodged by Express Savingsgram to all concerned. Simultaneously, immediate arrangements shall be made for fumigation of such stocks. No joint inspection shall be allowed and the findings of the Consignee Region would be final in such cases. In case of direct despatch of stocks by CWC/SWC/agencies without supervision by FCI officials or inspite of protest by FCI officials, recovery of fumigation charges shall be effected from the concerned agency on the basis of quality complaints lodged by the Consignee Region.

For receipt of stocks from FCI Consignor by CWC/SWC Consignee in infested condition, the FCI officials of District will be intimated by the CWC/SWC authorities. The inspection by FCI officials will be completed within 10 days of receipt of the stocks. The CWC/SWC would lodge the claim for initial fumigation with the Consignee District Manager under intimation to the Consignor District Manager of FCI.

l) Stocks received with excess percentage of moisture:

In case of stocks received with excess percentage of moisture content beyond the rejection limits, the loss will be worked out @ double value for the percentage exceeding the limits and LAS prepared. The Consignee Depot will ensure that the stocks are immediately aerated properly to bring down the level of moisture content within the prescribed limit. No joint inspection shall be allowed and the report of the Consignee will be treated as final.
Procedure for quality complaints against the stocks stored in CWC Godowns:

Authenticating of moisture percentage and infestation in stocks by FCI staff at the time of receipt and issue.

When the FCI representative(s) is/are available at the Warehouse, they should authenticate the condition of stocks and determine the moisture content at the time of receipt/issue. However, if no FCI representative is available, the Warehouse Manager would take the following action:

a) In case of abnormal moisture content, he would draw 3 representative samples, one of which would be tested for moisture content and the percentage recorded. The second sample would be sent to the District Manager, FCI concerned indicating the percentage observed at the time of receipt by the Warehouse Manager. The District Manager, FCI would test the sample and if the percentage almost tallies with that observed by the Warehouse Manager, no further action would need to be taken and complaint lodged with destination should be pursued. If there is wide variation in the tests, the third sample would be tested jointly by the CWC and FCI representatives. The entire exercise should be completed within a week's time.

b) In case of infestation, telegraphic intimation would be sent by the Warehouse Manager to District Manager, FCI concerned about the nature and intensity of infestation and request him to get the stocks inspected by any FCI officer within 3 days. If no one inspects the stocks within 3 days, the Warehouse Manager would go ahead with the fumigation immediately, thereafter, but not less than 2 weeks and maintain the records for inspection by the representative of the District Manager, which would be acceptable to the FCI.

contd...
The salient points of the revised procedure for lodging and finalisation of quality complaints as enumerated above, are summarised as under:

i) The LAS will be prepared for the excessive refractions beyond the limits prescribed in the specifications will be calculated @ 150% of the prevalent issue price. This is applicable in respect of all quality complaints except for the consignments which have damaged foodgrains alone beyond the limits prescribed under PFA Act.

ii) In case where the damaged foodgrains are beyond PFA limits, the LAS will be prepared on the basis of difference in price between the actual issue price and the price applicable to the Feed Grade in which the stocks received have been declared.

iii) Joint inspection of stocks at the destination will not be applicable in case of complaint for infestation, moisture and immediate salvaging.

iv) The time frame prescribed is as under:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Procedure</th>
<th>Time limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Lodging of quality complaint from the date of receipt/unloading of stocks.</td>
<td>3 days</td>
</tr>
<tr>
<td>2.</td>
<td>Sending the quality Assessment Report by Consignee AM(QC) to Consignor DH/SRM/ZM with a copy to HQrs. on receipt of stocks.</td>
<td>5 days</td>
</tr>
<tr>
<td>3.</td>
<td>Completion of joint analysis from the date of unloading of the stocks.</td>
<td>25 days</td>
</tr>
<tr>
<td>4.</td>
<td>Submission of LAS on the basis of joint inspection report or otherwise.</td>
<td>30 days</td>
</tr>
</tbody>
</table>

The above instructions may be strictly followed on receipt of the circular.

This issue with the approval of competent authority.

Yours faithfully,

[Signature]

(Dr. G.P. Pandey)
Manager (QC)

contd.. 11/
DISTRIBUTION:

1. Zonal Manager,  
   Food Corporation of India,  
   NEW DELHI/CHENNAI/MUMBAI/KOLKATA/GUWAHATI

2. Sr. Regional Manager,  
   Food Corporation of India,  
   Regional Office,  
   CHANDIGARH (PB./HR.)/LUCKNOW/New Delhi/JAIPUR/JAMMU/SIMLA  
   KOLKATA/PATNA/BHUBNESHWAR/MUMBAI/AHMEDABAD/BHOPAL  
   BANGALORE/CHENNAI/HYDERABAD/TRIVANDRUM/GUWAHATI/SHILLONG  
   DEHRADUN/RANCHI/RAIPUR

3. PS to CHAIRMAN/M.D.

4. PA to ED(C)/ED(T)/ED(U)/ED(TA&PV)/ED(F)/ED(G)/ED(S)

5. All concerned officers in QC Division, FCI, HQrs.

6. DM(Coord.), FCI, HQrs. New Delhi for inclusion in the  
   Gazette.

7. The Principal, CTI, FCI, Gurgaon (HR.)

8. The Principal, CTI, ZTI, FCI, New  
   Delhi/Chennai/Mumbai/Kolkata/Guwahtai

9. Circular File

10. Guard File.
LR. NO. QC/32(3)/2000  

The District Manager,  
Food Corporation of India,  
Bangalore / Mangalore / Hubli /  
Raichur / Mysore / Shimoga.

Sir,  

Sub: Quality Complaints - procedure for lodging and finalisation - Regarding.

Ref: HQRS., Circular NO.QC/5(22)/ 
Proc-Qty-Comp/2001/1980, 

The Headquarters has revised the procedure for lodging / finalising the Quality Complaints vide circular under reference. A copy of the circular is forwarded herewith, which should be scrupulously followed in all cases of Quality Complaints.

It may please be brought to the notice of all concerned that where the complaint is found to be not correct on joint inspection, disciplinary action will be initiated against the officials concerned who has lodged a false complaint without proper verification of quality as stipulated in the circular.

Yours faithfully,

[Signature]

Copy to:
1) The DM(QC)-I & II
2) The AM(QC)-I/II/III/IV
FOOD CORPORATION OF INDIA
HEADQUARTERS, NEW DELHI

No. QC/8(22)/Proc.-Quality Compl./2002.

CORRIGENDUM

Zonal Manager,
Food Corporation of India,
NEW DELHI/CHENNAI/MUMBAI/KOLKATA/GUWAHATI.

Senior Regional Manager,
Food Corporation of India,
Regional Office,

Sub: Quality Complaints- Procedure for lodging and finalisation... reg.

Ref: This office letter of even No. dated 14.06.2002.

Sir,

Please refer to this office circular No. 12/2002 issued vide letter as cited above. The following corrections are made in the circular...

1. Para(V) line No. 4.

The words "within 5 days of lodging of the complaint" may be substituted as "within 5 days of receipt/unloading of the stocks".

2. Para (XI) line No. 3.

The word "consignor" will be substituted as "Consignee".

The above corrections may please be brought to the notice of all concerned officers/officials.

Yours faithfully,

ASHOK KUMAR
Deputy Manager (QC)
for Manager (QC)

Copy to:
(1) Principal, CTT, FCI, Gurgaon (Hr.)
(2) Principal, ZTI, FCI, New Delhi, Chennai, Mumbai, Kolkata and Guwahati.
(3) Circular File.
(4) Guard File.

for Manager (QC)