For the current Khariff Marketing Season 2016-17 already commenced, Hqrs’ Procurement Division has issued Action Plan for KMS 2016-17 and Hqrs’ QC Division vide letter no QC2(1)/KMS/2016-17 dated 30.9.2016 has issued necessary Guidelines and Instructions regarding Inspection, Sampling & Analysis Procedure to be followed in procurement of paddy/rice stocks. The instructions circulated by Procurement and QC Divisions must be strictly adhered to and the field officers are required to be vigilant and alert for ensuring transparent & smooth procurement operations.

As a measure of preventive vigilance and to avert any type of malpractices/irregularities, it is advised to issue necessary instructions to all Area Managers/AGMs(QC), being first level Supervisory officers of district level, to monitor & review following aspects among others and take immediate remedial and deterrent measures to nip any irregularity in the bud:

1. A-Note and Weight Check Memo to the agency/millers concerned be issued as per instructions contained in Hqrs letter no Proc.-III/1(1)/2012-13 dated 06.5.2013 (copy enclosed).
2. Fictitious Procurement and Issue of Food Grain Stocks; especially in cases where food grains procured is issued under TPDS and other welfare schemes from the depot of procurement itself and where holding period of stock is short.
3. Procurement of recycled food grains, recycled by syphoning food grains from PDS system in collusion with agencies involved in supply chain management for PDS and other welfare schemes.
4. Procurement of Beyond Rejection Level (BRL) food grains in collusion with rice millers- large scale procurement of BRL food grain at a large number of depots generally occurs in a situation wherein the inspecting officers look the other way during the period of occurrence. It is noted that in such situations, nominal number of samples and that too, from good stacks during peak procurement period are inspected and majority of inspections are carried out before or after peak procurement period, thereby reporting some quantity as BRL but without effectively detecting & reporting a situation of almost total failure of system. Therefore,
generally, such cases are not detected by internal reporting though supervisory/inspecting officers complete their targets for mandatory inspections.

5. **Instructions regarding checking of weighment and gunny bags** are being scrupulously followed or not, are to be monitored and verified by the inspecting officers.

6. In case any instances of demand or acceptance of money for rice receipt from millers comes to light, the same will be dealt severely.

7. The CMR module of depot online project must be used for receipt of Custom Milled Rice which allows millers to login and schedule time for delivery of rice, as also get access to A-note electronically.

GMs(Region) should also take necessary action to effectively monitor above aspects.

It is being made explicitly clear that any malpractices noticed during procurement season be promptly brought to notice of Vigilance Division of FCI and the same will be dealt harshly.

Encl: As above.
CIRCULAR

Subject: - Acceptance of rice and handing over of acceptance note and weigh check memo to parties - issue of instructions regarding

It has come to the notice that Analysis Cum Acceptance Reports are not issued/handed over by QC staff of FCI to State Agencies immediately after the quality test has been completed in respect of stock tendered by State Agencies to FCI. Such reports are either withheld or pre-receipt is taken but such reports remain lying in files of QC staff of FCI. Similar delays are observed in issue of Weight Check Memo and Acceptance Note by FCI Depot staff to State Agencies.

It has, therefore, been decided that:

(1) QC staff of FCI will issue Analysis Report, Acceptance Note and Depot Staff will issue Weight Check Memo/weighment sheet immediately after the weighment and sample analysis have been completed and stocks have been taken over by FCI.

(2) The TA/Manager (QC)/Manager (D)/Assistant concerned will dispatch a copy of Analysis cum Acceptance Report, Acceptance Note and Weight Check Memo to State Agency and concerned District Office of FCI by e-mail within 24 hours of its finalization. However, to release the payment all the above documents must be submitted in hard copy to concerned District Office to effect payment.

(3) The intention of the aforesaid instructions is to ensure that issue of dispatch/acceptance documents including issue of quality certificate and weight check memos etc. are not delayed by any field functionaries so that the State Government Agencies and the millers are promptly able to prefer their claims and no obstacles are created by delaying the issue of the said documents.

(4) The GMs (Region) and EDs (Zone) will keep a watch on the situation so that the State agencies and the millers are not put to any undue harassment

(5) The full record of the date of receipt of the bills preferred by the State agencies/millers may be kept in manner to ascertain the date on which the
same were preferred and the date on which the payments were actually
made. The payments shall be made to the State Governments and the
millers by Electronic mode, as per the instructions in vogue.

(6) The above directions are to be complied strictly. Any deviation may attract
appropriate administrative action.

This issue with the approval of competent authority.

General Manager (Procurement)

Distribution
1. All Executive Director (Zone), FCI, ZO,
2. All General Manager (Region), FCI, RO,
3. All Executive Director, FCI, Hqrs, New Delhi
4. The Executive Director (Vig.), FCI, Hqrs, New Delhi. For information with
reference to his note dated 10/04/2013.
5. The Executive Director (IT), FCI, Hqrs, New Delhi with request that
appropriate software may be developed for online feeding of acceptance note &
weight check memo with provision of a folder for archiving such reports for
future reference.
6. PS to CMD
7. All Head of Divisions, FCI, Hqrs., New Delhi