The Vigilance Division at FCI Headquarters investigated a complaint in which anomalies and irregularities in processing the sale of damaged food grains was observed. Security deposits of the empanelled/registered parties were released merely on the basis of undertaking given by them to the effect that they utilized/processed the stocks for the purpose it was meant for, without actually verifying the utilization of stocks for which Regional office has taken action like forfeiture of SD of one of the parties including disciplinary action against concerned FCI officers.

All the parties have also been debarred by RO, Delhi from purchasing damaged food grains from FCI/State Agencies and said parties have not been registered or registration reviewed since Feb'2009.

As regard at initial registration of those parties as empanelled purchaser of damaged food grains from State Govt. agencies by Regional Office, Delhi, the same was found in order by the Zonal Office and they have further stated that there were no irregularities at the time of registration of these parties with FCI Regional Office, Delhi.

As a measure of preventive vigilance, QC Division, Hqrs is advised to introduce two bid system i.e. Technical and Financial bid in the limited tender for sale of damaged food grains. In the technical bid, the documents as required for the registration of approved parties be got re-verified on the date of tender inquiry, so as to avoid any lapse as it is always possible that a firm which was operational at the time of registration may have subsequently gone out of business/stopped operations. It is recommended that the two bid system should involve re-verification of registration particulars.
List of documents which require to be requisitioned along with technical bid re-verification be decided by the operational division.

The above advisory may be examined by the Operating Division for implementing the same.

Encl: As above.

(ANIL KUMAR KHACHI)
CHIEF VIGILANCE OFFICER

Copy to:
कार्यकारी निदेशक (QC),
भारतीय खाद्य निगम,
मुख्यालय,
नई दिल्ली

CHIEF VIGILANCE OFFICER
Sub: Disposal of damaged foodgrains lying with FCI - reg.

Ref: HQrs. Vigilance Division’s Ref. No. VIG. 21(79)/2009-Pb/558 dated 29.03.2016

Sir,

Please find enclosed an Advisory Note dated 29.03.2016 under reference issued by Chief Vigilance Officer, FCI, Hqrs. in connection with observance of serious lapses regarding release of security deposit by the concerned to the Tenderers merely on the basis of undertaking given by them without verifying the actual utilisation of the Non-Issuable (damaged) foodgrains stocks purchased from FCI.

In order to avoid recurrence of such incidences, all concerned may be advised to re-verify relevant documents of the tenderer and ensure fulfilling of all contractual obligations by the tenderer before releasing security deposits to the Tenderers strictly as per the instructions in vogue.

In this regard for implementation of e-Tendering for disposal of Non-Issuable (damaged) in FCI, draft is under process.

This issue for information and strict compliance by all concerned.