

तार : 'फूडकोर्प'  
Gram : 'FOODCORP'  
फैक्स नं. : एचएफसीआई एनडी  
००६९९९२३४९३२४९  
००६९९९२३४९३९६२

भारतीय  
खाद्य  
निगम



FOOD  
CORPORATION  
OF INDIA

मुख्यालय  
नई दिल्ली  
Headquarters  
New Delhi

Fax No. : HFCI ND  
00911123413241  
00911123413162

१६-२०, बाराखम्बा लेन, नई दिल्ली-११०००१, दूरभाष : ४३५२७६६७, ४३५२७६६८  
16-20, BARAKHAMBA LANE, NEW DELHI-110001, PHONE : 43527697, 43527698

सं.3(1)/391<sup>st</sup>/2019-बी सी

दिनांक: 06.03.2019

बोर्ड के सभी निदेशकों को (नाम से)

महोदय/महोदया,

भारतीय खाद्य निगम की निदेशक बोर्ड की दिनांक 27.02.2019 को भारतीय खाद्य निगम, मुख्यालय, नई दिल्ली में आयोजित 391वीं बैठक के अध्यक्ष एवं प्रबंध निदेशक द्वारा विधिवत रूप से अनुमोदित कार्यवृत्त की प्रति संलग्न है। संशोधन हेतु यदि कोई सुझाव हो तो कृपया 18 मार्च, 2019 तक संप्रेषित करने का कष्ट करें।

भवदीय,

संलग्न: यथोक्त

हस्ता/-

(डॉ. सी.एल. राम)

सचिव

प्रति:

1. सचिव महोदय के निजी सहायक
2. सभी कार्यकारी निदेशक, भा.खा.नि., मुख्यालय ।

प्रतिलिपि:-

1. सभी मुख्य महा प्रबन्धक/ महा प्रबन्धक (मुख्यालय).... इस अनुरोध के साथ कि कृपया सभी मर्दों पर की गयी कार्रवाई की रिपोर्ट बोर्ड सेल को दिनांक 18 मार्च, 2019 तक अवश्य उपलब्ध करा दें।

सचिव

**MINUTES OF THE 391<sup>st</sup> MEETING OF THE BOARD OF DIRECTORS OF THE FOOD CORPORATION OF INDIA HELD ON 27<sup>th</sup> FEBRUARY, 2019 AT NEW DELHI.**

**P R E S E N T**

|                                    |          |   |
|------------------------------------|----------|---|
| <b>Shri D.V. Prasad</b>            | <b>:</b> | <b>Chairman &amp; Managing Director</b> |
| <b>Shri Dharmendra</b>             | <b>:</b> | <b>Director</b>                         |
| <b>Shri Pramod Kumar Tiwari</b>    | <b>:</b> | <b>Director</b>                         |
| <b>Shri Arun Kumar Shrivastava</b> | <b>:</b> | <b>Director</b>                         |
| <b>Shir KAP Sinha</b>              | <b>:</b> | <b>Director</b>                         |
| <b>Dr. G. A. Rajkumar</b>          | <b>:</b> | <b>Director</b>                         |
| <b>Smt. Archana Ranjan</b>         | <b>:</b> | <b>Director</b>                         |

**A B S E N T**

|                             |          |                 |
|-----------------------------|----------|-----------------|
| <b>Dr.B. Rajender</b>       | <b>:</b> | <b>Director</b> |
| <b>Ms. Neelam Shami Rao</b> | <b>:</b> | <b>Director</b> |

**I N A T T E N D A N C E**

|                                |          |   |
|--------------------------------|----------|---|
| <b>Shri Sanjay Garg</b>        | <b>:</b> | <b>Executive Director (T/Secretary)</b> |
| <b>Shri Rajesh Kumar Singh</b> | <b>:</b> | <b>Executive Director (V)</b>           |
| <b>Shri S. Abbassi</b>         | <b>:</b> | <b>Executive Director (IT)</b>          |
| <b>Shri B.S. Mohapatra</b>     | <b>:</b> | <b>Executive Director (F)</b>           |
| <b>Shri Ajay Kumar</b>         | <b>:</b> | <b>Executive Director (IA)</b>          |
| <b>Shri R.P. Singh</b>         | <b>:</b> | <b>Executive Director (Sales)</b>       |
| <b>Dr. A.K. Sinha</b>          | <b>:</b> | <b>Executive Director (Stock)</b>       |

Leave of absence was granted to Ms. Neelam Shami Rao, Director.

The Board of Directors warmly welcomed Shri D.V. Prasad, on his appointment as Chairman & Managing Director of Food Corporation of India.

The Board of Directors also appreciated the contribution made by Shri Yogendra Tripathi, the outgoing Chairman & Managing Director in the deliberations of the meetings of the Board of Directors and Executive Committee and passed the following resolution:-

"The Board of Directors of the Food Corporation of India extends its appreciation to Shri Yogendra Tripathi for his leadership in managing the affairs of the Corporation & the advice he made to the Board from time to time.

The Board authorized the C&MD to convey the above said resolution to the ex-Chairman & Managing Director.

The Board of Directors took up the Agenda Items for consideration.

**1. ITEM NO. 1/2019 (391<sup>st</sup> -BD)**

**SUB: Confirmation of Minutes of 390<sup>th</sup> meeting of the Board of Directors of Food Corporation of India held on 20.12.2018.**

**"RESOLVED THAT** the Minutes of the 390<sup>th</sup> meeting of the Board of Directors of Food Corporation of India held on 20.12.2018, as already circulated be and are hereby confirmed."

**2. ITEM NO. 2/2019 (391<sup>st</sup> -BD)**

**SUB: Confirmation of Minutes of 37<sup>th</sup> meeting of the Audit Committee of Food Corporation of India held on 19.12.2018.**

**"RESOLVED THAT** the Minutes of the 37<sup>th</sup> meeting of the Audit Committee of Food Corporation of India held on 19.12.2018, as already circulated be and are hereby confirmed."

**3. ITEM NO. 3/2019 (391<sup>st</sup> -BD)**

**SUB: Confirmation of Minutes of 2<sup>nd</sup> meeting of the Risk Management Committee of Food Corporation of India held on 13.11.2018.**

**"RESOLVED THAT** the Minutes of the 2<sup>nd</sup> meeting of the Risk Management Committee of Food Corporation of India held on 13.11.2018, as already circulated alongwith corrigendum of Item No.3, be and are hereby confirmed."

**4. ITEM NO. 4/2019 (391<sup>st</sup> -BD)**

**SUB: Board of Director – Report of Action Taken on the decisions taken in the 390<sup>th</sup> meeting held on 20.12.2018.**

Noted.

**5. ITEM NO. 5/2019 (391<sup>st</sup> -BD)**

**SUB: Quarterly Statutory Compliance Report for the Quarter Ending 31<sup>st</sup> December, 2018- Review of Compliance of All Laws Applicable to the Corporation.**

Noted.

**6. ITEM NO. 6/2019 (391<sup>st</sup> -BD)**

**Sub: Statement of Investors' complaints under Regulation 13 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

It was apprised to the Board that as per Regulation 13 of SEBI Regulations, the action taken against the investors complaints, shall be filed with the recognized Stock Exchange, on quarterly basis and the statement shall be placed before the Board of Directors of the listed entity. In case of FCI listed bonds, the complaints received is Nil. The Board noted the information.

**7 ITEM NO. 7/2019 (391<sup>st</sup> -BD)**

**Sub: Sanction of Cash Credit Limit (CCL) of Rs.1500.00 crore from State Bank of India to undertake procurement of Pulses and oilseeds under Price Support Scheme (PSS).**

It was apprised to the Board that FCI has been nominated as one of the Central Nodal Agencies, for procurement of pulses/oilseeds. For this operation, Department of Agriculture, Cooperation and Farmers Welfare(DAC&FW) agreed to provide working capital in the shape of Govt. of India guarantee. The matter is taken up with State Bank of India, to provide cash credit limit of Rs.1,500 crore, against Govt. of India guarantee, issued by DAC&FW. SBI needs Board Resolution, for availing cash credit limit and operating such bank account. The Board, after deliberation, approved the proposal and passed the following resolution :-

**RESOLVED THAT** the proposal to avail Cash Credit Limit of Rs.1500.00 crore (Rupees One Thousand Five Hundred Crore)from State Bank of India, New Delhi, secured by hypothecation of the stock of pulses and oilseeds held by FCI and Government of India Guarantee, for procurement of pulses and oilseeds under PSS as per the terms and conditions of SBI highlighted at Sl.1.3 be and hereby approved.

**FURTHER RESOLVED** that the enclosed security/Loan documents, (Annexure-IV) received under cover of the Bank's aforementioned letter and which have been placed before the meeting be and are hereby approved for execution by the FCI.

**FURTHER RESOLVED** that Executive Director(Finance) presently Shri B.S. Mohapatra and/or Chief General Manager(Funds) presently Shri Om Parkash Dani and/or General Manager(Funds) presently Shri Deepak Sinha of the FCI be and are hereby authorized to execute the necessary security/loan documents required by the Bank in this connection and that the common seal of the FCI be affixed wherever necessary in the presence of Secretary, FCI.

**FURTHER RESOLVED** that the Revival letters as well as any other instrument, document or paper including Revival letters as may be required by the Bank to be executed by the FCI in respect of the said Credit facilities from time to time be executed by Executive Director (Finance) presently Shri B.S. Mohapatra and/or Chief General Manager(Funds) presently Shri Om Parkash Dani, and/or General Manager(Funds) presently Shri Deepak Sinha of the FCI under its Common Seal to be affixed in the presence of Secretary, FCI.

**FURTHER RESOLVED** that the cash credit accounts within overall limit of Rs.1500.00 crore (Rupees One Thousand Five Hundred Crore) for pulses/oilseeds operations under Price Support Scheme (PSS) be opened in the name of the FCI with the different State Bank of India branches and the following officers of the FCI be and are hereby authorized severally (or jointly as the case may be) to operate on the said accounts with the State Bank of India whether in debit or credit and to draw or endorse cheques, make endorse and accept bills, withdraw and deposit money, sign receipts and give discharges for and on behalf of the FCI, sign stock statements and do any or all things necessary for the conduct of the said cash credit accounts.

- (i) Executive Director(Zone), Chief General Manager(F&A), General Manager (Zone), General Manager(F&A), General Manager(Region), Deputy General Manager(Region), Deputy General Manager (Port Operation) and Deputy General Manager(A/cs).
- (ii) Asstt. General Manager(A/cs), Area Manager and Manager(A/cs) provided that they are authorized to operate the Bank Accounts by the Executive Director(Zone), Chief general Manager(F&A), General Manager(Zone), General Manager(F&A), General Manager(Region), Deputy General Manager (Region), Deputy General Manager (Port Operation), as the case may be.

**RESOLVED FURTHER** that, the Chairman and Managing Director/Managing Director/ Executive Director (Finance)/ Executive Director (Zone)/ General Manager(Region) may where the exigencies demand also authorize any officer or official other than authorize specified in above para to operate the Bank Accounts for pulses operations provided that the (i) Bank Accounts are operated jointly by two officials/ officers and (ii) no online payments shall be made by such authorized officer/ official.

**FURTHER RESOLVED** that a certified copy of the minutes be forwarded to the State Bank of India, for their record.

**8 ITEM NO. 8/2019 (391<sup>st</sup> -BD)**  
**SUB: Implementation of HR Audit in FCI.**

RESOLVED THAT the proposal contained in para 4 of Agenda Note be and is hereby approved.

**9 ITEM NO. 9/2019 (391<sup>st</sup> -BD)**

**SUB: Proposal for Extension of contractual appointment of Shri S.P. KAR, Executive Director (Retired) for a further period of one year w.e.f. 02.04.2019 on the existing terms & conditions.**

RESOLVED THAT the proposal contained in para 3 of the Agenda Note be and is hereby approved.

**10 ITEM NO. 10/2019 (391<sup>st</sup> -BD)**

**SUB: Proposal to consider enhancement of Remuneration of Advisor/ Consultants in FCI.**

RESOLVED THAT the proposal contained in para 2 of the Agenda Note be and is hereby approved.

**11 ITEM NO. 11/2019 (391<sup>st</sup> -BD)**

**SUB: Amendments / Modification in Request For Proposal (RFP) and Service Agreement (SA) for "Selection of Service Provider for Procurement of Specialized Wagons and Bulk Movement of Food grains for 30 years from Procurement Silos to Distribution Silos".**

Amendments/ Modifications so carried out has been brought to the notice of Board of Directors. Board took note of the amendments in the Request For Proposal (RFP) and Service Agreement (SA).

**12 ITEM NO. 12/2019 (391<sup>st</sup> -BD)**

**SUB: Renewal of Fund Manager for FCI Defined Contribution Pension Scheme.**

It was informed to the Board that at present, Life Insurance Corporation of India (LIC of India) is the Fund Manager for the FCI Defined Contribution Pension Scheme, on nomination basis and their tenure is expiring on 28<sup>th</sup> February, 2019. FCI is in the process of switching over this DCPS fund to NPS Account of individual members. However, the process needs sometime since there is discrepancy between guidelines issued by DPE and the Pension Scheme. The Board considered the renewal of the tenure of LIC of India, as Fund Manager and passed the following resolution:-

" **RESOLVED THAT** appointment of LIC of India be and hereby renewed as Fund Manager of the FCI Defined Contribution Pension Scheme & Record Keeper for a further period of two years w.e.f. 1<sup>st</sup> March, 2019 or till complete transfer of DCPS funds to NPS, after completion of required formalities, whichever is earlier, on the existing terms and conditions."

**13 ITEM NO. 13/2019 (391<sup>st</sup> -BD)**

**SUB: Achievement of Targets under MoU 2018-19 upto 3<sup>rd</sup> quarter (April 2018 to December 2018).**

After detail deliberation on achievement of targets under MoU 2018-19 upto 3<sup>rd</sup> Quarters (from 01.04.2018 to 31.12.2018), Board noted the performance.

**14 ITEM NO. 14/2019 (391<sup>st</sup> -BD)**

**SUB:Proposal to change nomenclature of District Office to Divisional Office and Area Manager to Divisional Manager in FCI.**

RESOLVED THAT the proposal contained in para 2 of the Agenda Note be and is hereby approved.

**15 ITEM NO. 15/2019 (391<sup>st</sup> -BD)**

**SUB:Guidelines for rehiring of the godowns constructed under 7 years PEG Scheme whose guarantee is expiring in the year 2019.**

**"Resolved** that the proposal at point no.15 of Board Agenda no.15/2019 for rehiring of guarantee godowns constructed and hired under 7 years PEG guarantee scheme whose guarantee is expiring in the year 2019 is hereby approved."

**16 ITEM NO. 16/2019 (391<sup>st</sup> -BD)**

**SUB:Statutory review petition dated 31.10.2011 under FCI (Staff) Regulations, 1971, preferred by Sh. R.S. Nagar, Ex-AGM(Genl.) aggrieved with the orders of Appellate Authority/Chairman, FCI.**

At the outset, the Board was informed that there is delay of about one and half year in submitting review petition by Sh. R.S. Nagar, Ex-AGM(Genl) and he has requested to condone the delay stating that the Order of Appellate Authority dated 30.03.2010 was served upon him only through RTI vide letter dated 07.09.2011. Considering the position to be correct as per record, the Board condoned the delay and agreed to entertain the petition.

Accordingly, the facts of the case including contents of the charge sheet under Regulation 60, reply by the petitioner, penalty order, appeal petition, orders of the Appellate Authority, the Review Petition along with the other related records of the case were placed before the Board. The Board considered the record placed before it and observed that the petitioner while functioning as Manager(Depot) and remaining posted at FSD Palwal during the period from 14.04.1999 to 13.04.2001 was charged in the matter of shortage of 1904 full bags containing wheat/rice stocks reported from various destinations in the specials loaded Ex-Railhead Palwal resulting to huge pecuniary loss of Rs.13.21 lakhs to the Corporation. Further, only an amount of Rs.4.98 lakhs could be recovered from Handling & Transport Contractor in the matter towards short loading from his pending bills/security deposit, leaving the amount of Rs.8.23 lakhs as unrecovered.

The Board observed that the petitioner had mainly contented that he was constantly absent from FSD Palwal for attending more emergent duties of wheat procurement in Hodal & Hasanpur mandies and at FSD/Railhead Faridabad during April-May 1999; as per the report of the 2<sup>nd</sup> committee which investigated the matter the charges levelled upon him were stood refuted; and that the Manager(Contract), Manager(Movement) & the Area Manager were actual culprits in the matter for not effecting recovery from HTC, who was fully responsible in the matter.

The Board deliberated on the issue and observed that he himself has accepted not only in his reply but also in his appeal petition dated 10.12.2007 that he remained posted at Palwal Centre during 14.04.1999 to 31.05.1999. Whereas in his review petition, he has tried to mislead by indicating that the work at rail head Palwal was looked after by some other Manager, as he was attending some other emergent nature works. The Board observed that the Disciplinary Authority in the matter has taken a view that for the period, the petitioner was holding the charge of rail head Palwal, the shortage worked out to be of Rs.1,08,586.85 and taking a lenient view imposed the penalty of 'Censure' with token recovery of 50% of the loss i.e. Rs.54,293.00. It was also noticed by the Board that no new facts supported with documentary evidence have been submitted by the petitioner in the matter to prove his innocence in the matter and his contentions are mere reiteration of his defense pleas at the earlier stages. The Board was in agreement with the view taken by the Appellate Authority that the Disciplinary Authority has already taken a lenient view giving due consideration to the position regarding duration of his supervisory period and the fact that he was given additional responsibilities of other locations also.

The Board unanimously decided that the contentions raised in the petition have no merit and the petition be rejected. Accordingly, the Board approved detailed orders and, authorized the Secretary, Board of Directors, to issue the same.

**17 ITEM NO. 17/2019 (391<sup>st</sup> -BD)**

**SUB: Statutory Review petition dated 10.03.2011 under FCI (Staff) Regulations, 1971, preferred by Sh. Syed Gholam Yahiya, Ex-AGM(A/Cs) aggrieved with the orders of Appellate Authority/Chairman, FCI.**

The facts of the case including contents of the charge sheet under Regulation 60, reply by the petitioner, penalty order, appeal petition, orders of the Appellate Authority, the Review Petition along with the other related records of the case were placed before the Board. The Board considered the record placed before it and observed that the petitioner while functioning as Manager(A/Cs) and remaining posted at District Office, Bhubaneshwar from April 1999 was charged for giving financial concurrence/recommendation for passing inadmissible/irregular OPD medical claims of Cat-III/IV employees and Departmental Workers in violation to the standing instructions of FCI, HQrs putting FCI to heavy financial losses of about Rs.21.22 lakhs.

The Board observed that the petitioner had mainly contented that the penalty imposed upon him is severe, the entire amount involved in the matter has already been recovered from the concerned officials and thus there is no loss to the Corporation.



The Board deliberated on the issue and observed that as per records, FCI Regional Office, Odisha has confirmed that FCI, HQrs Circular No.4 of 1989 dated 25.04.1989 was duly circulated to all District Offices under Odisha Region vide endorsement of RO Odisha dated 09.05.1989 and that establishes that the prevalent instructions were very much in the knowledge of the petitioner. Further, as per normal practice also, the Accounts cadre officer are duty bound to verify the authenticity/genuineness of any type of claim by way of checking the supporting documents attached with the claims. The Board observed that the instant matter is of grave nature wherein fraudulent claims of Rs.21.22 lakhs have been passed without establishing their authenticity and admissibility. With regard to the contention of the petitioner about recovery of losses from the concerned individuals, the Board observed that as per RO Odisha Fax dated 07.11.2008, an amount of Rs.2.84 lakhs cannot be recovered due to death/retirement of the employees from FCI. The Board also observed that RO Odisha vide letter dated 11.05.2010 further informed that no interest on irregular reimbursement amount has been recovered from the concerned officials.

Considering the facts of the case, the Board arrived at a conclusion that in fact the losses in the matter, even after effecting recoveries from the concerned, are more than Rs.2.84 lakhs. The Board was in agreement that the Disciplinary Authority has already taken a lenient view in the matter. Further, the Appellate Authority has rightly held that the recoveries effected from the in-service staff only are the result of action taken by FCI after irregularities were detected and the petitioner cannot take advantage of such recoveries to argue reduction/relief in the penalty imposed. The matter pertaining to fraudulent medical claims require no further reconsideration.

The Board unanimously decided that the contentions raised in the petition have no merit and the petition be rejected. Accordingly, the Board approved detailed orders and, authorized the Secretary, Board of Directors, to issue the same.

**18 ITEM NO. 18/2019 (391<sup>st</sup> -BD)**

**SUB: Claim of CWC toward Storage Charges for over & above storage capacity utilization in CWC godowns.**

Board of Directors (BOD) deliberated the issue at length and **decided** that:

- a) To sort out the issue, a subcommittee of Board consisting of following members be constituted:
- 1) Joint Secretary(P&FCI), MoCA, F&PD, Chairman
  - 2) Principal Secretary (Food), Govt. of Punjab, Member
  - 3) Managing Director, CWC, Member

Executive Director(S&C), FCI and Executive Director (Finance), FCI shall assist the committee in examining the issue. The Committee shall furnish the report by 15.03.2019 to Chairman.

- b) Till then, the instructions issued by FCI Hqrs. vide letter no.E.4(20)/2000/Stg.VII/Vol.VI/Part dated 14.01.2019 be kept in abeyance.

**19 ITEM NO. 19/2019 (391<sup>st</sup> -BD)**

**SUB: Status of Storage & Transit losses, Occurrence, Regularization and Pendency (2018-19).**

**Storage Loss:**

Board noted the improvement in the cumulative storage loss/gain in both wheat & rice during the Financial Year 2018-19 upto January, 2019 as compared to the corresponding period of previous year and advised to maintain the same trend.

While reviewing agency-wise incidences of storage loss of wheat and rice for the period from April'18 to January, 2019, it was observed that storage loss in SWC godowns has come down as compared to the corresponding period of previous year even then it is on higher side as compared to FCI & CWC godowns. Hence, Board advised that SWC authorities may be requested to take appropriate steps to further curb down the storage loss.

**Transit Loss:**

While reviewing the incidences of cumulative Transit Loss, Board noted that the incidence of transit loss in respect of wheat & rice from April'18 to January, 2019 is higher than the previous year. Hence, Board advised to take immediate controlling measures to bring down such instances of Transit loss as only two months are left in this Financial Year.

**Regularization of Storage & Transit Loss:**

Board noted improvement in regularization of Storage & Transit Loss and also noted that the pendency of the cases prior to 1990-91 has come down to Rs 0.58 Crore. Board advised to take further action to regularize the pending cases and maintain the same trend.

**Region-wise status of recovery in PEG godowns:**

Board noted the Region-wise status of recoveries made from PEG godowns for unjustified storage & transit losses from April'18 to January, 2019 in respect of both wheat & rice.

**20 ITEM NO. 20/2019 (391<sup>st</sup> -BD)**

**SUB: Restructuring/modification in the sanctioned post of JEs, Managers, AGMs and DGMs, Engineering Division at Hqrs., Zonal and Regional Offices.**

RESOLVED THAT the proposal contained in para 3 of the Agenda Note be and is hereby approved.

**21 ITEM NO. 21/2019 (391<sup>st</sup> -BD)**

**SUB:Draft Model Tender Form for "Appointment of Vendors for providing Vehicle Tracking Services for owned/hired/rented vehicles used by FCI Road Transport Contractors during transportation of foodgrains by road".**

**"Resolved** that proposal at point no.1,2,3 & 4 of Agenda No.21/2019 regarding "Appointment of Vendors for providing Vehicle Tracking Services for owned/hired/rented vehicles used by FCI Road Transport Contractors during transportation of foodgrains by road, is hereby approved.

**Board** further advised that VTS system in Andhra Pradesh Civil Supplies Corporation may also be looked at while implementing the system in FCI".

**NEXT MEETING**

A suitable date will be fixed in due course.

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