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C I R C U L A R

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SUBJECT : CONTROL OF TRANSIT AND STORAGE LOSSES AND REGULARISATION OF LOSSES WITHIN PRESCRIBED TIME SCHEDULE; A SYSTEM APPROACH TO TRANSPARENCY AND ACCOUNTABILITY.

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Control of transit and storage losses and expeditious regularisation of the losses with accountability, wherever necessary, in a time bound manner, has been constantly attracting the attention of the Management. Accordingly, it has been decided to introduce a revised procedure involving more transparency accountability and time limit with special emphasis on certification of consignments by an independent officer at a loading and unloading centre/points for the stocks so despatched/received and time limit for documentation of operations, regularisation of transit/storage losses etc. The new procedure to be followed is as under :-

2. DESIGNATION OF INDEPENDENT CONSIGNMENT CERTIFICATION OFFICER (ICCO).

At the despatching and receiving centres, despatch and receipt of the stocks by rail would be supervised by an Officer not below the rank of Assistant Manager who would be identified and designated as Independent Consignment Certification Officer (ICCO). Such designation for a particular centre would be for a period of three months. District Managers/SMs would change the nomination of an ICCO for a particular despatching/receiving centre under their jurisdiction on rotational basis every three months. ICCO should be an official, who has not been associated with the custody/preservation of the stocks at the centres where he is deputed to supervise the operations. If a regular ICCO is on leave or not available on any occasion due to operational necessities, the District Managers would nominate and depute any other officer to act as ICCO for such occasions. All consignments by rail are to be loaded/unloaded in the presence of ICCO by the depot/technical officials.

3. PROCEDURE FOR DESPATCH OF STOCKS BY THE DESPATCHING CENTRE

3(A) DESPATCHES BY RAIL :

1) The Assistant Manager (Depot) i.e. the Supervisory Officer of the centres/depots under his jurisdiction from where the stocks are to be despatched, would ensure that the stocks for which priority for issue has been given by the concerned technical official or AM(QC) in accordance with the procedure in existence, are within the prescribed specifications and of sound packing before despatch to rail-head or while directly loading into the wagons in FCI Railway Siding Depots. In case there are reasonable grounds for

not adopting such priority in exceptional/special circumstances. The AM (Depot) would record the reasons in the relevant stock register and send a detailed report about such decision to the District Manager next day positively for ratification of such decision.

(ii) Thereafter, the officials holding custody of the stock would draw 3 (three) representative samples from the stock identified for despatch. The sample slips are to be signed jointly with the concerned T.A.

(iii) The officials of the depot/centre who are deputed for loading at the railhead siding would place two representative samples in each loaded wagon alongwith Convoy Notes before the wagons are sealed. They would prepare the label/seal card with legible entries and after completion of the loading, affix the FCI and Railway seal on each wagon alongwith the label/seal cards.

(iv) After completion of the loading, the officials loading the rake would prepare a "Loading Statement" in quadruplicate in the prescribed format (Annexure 'A'); this would be countersigned by the ICCO in certification that the consignment has been loaded in his presence. The ICCO would FAX the first copy of the Loading statement to the receiving centre within 24 (twenty four) hours of the despatch of the rake.

(v) Thereafter, the Depot Incharge/AM(Depot), who is the supervisory Officer for the loading of rake, would send within 48 (forty eight) hours of the despatch of the rake the following :

- a) PCC of the "Loading Statement" (which has been faxed) alongwith RRs to the consignee depot by Speed Post/Registered Post.
- b) One copy of the "Loading Statement" alongwith the third sealed sample (drawn at the time of loading of each wagon) to the District Manager of despatching centre.
- c) One copy of "Loading statement" to the District Manager of receiving centre.

(vi) The details of the samples would be maintained in the Sample control Register also at the Depot.

3: (B) DESPATCHES BY ROAD :

(i) The procedure as envisaged in Para 3A above with regard to priority and sealed samples would be strictly followed for despatch of stocks by road for each truck. The "Daily Despatch Report" (DDR) is to be prepared by the Depot Incharge in the prescribed proforma (Annexure 'AA') and the copies of the DDR are to be sent to all concerned as mentioned in the proforma by Speed Post/Registered Post within 24 (twenty four) hours of the despatch of truck. Presence of ICCO is not necessary for despatches by road.

(ii) For long route road movement of stocks, say over one thousand kilometers, special care is required to be taken by the despatching and receiving centres. The ZMs/SRMs of the despatching centres, who are the competent authority to authorise long road movement, inter-region or intra-region, would identify initial points en-route for the purpose of monitoring the movement according to the schedule worked out with the transporter. These intermediary points would be identified having regard to the

distance of transportation and in consultation with their counterpart the receiving centres and notify these critical points indicating the reasonable approximate time to be taken by the truck to reach at these points in the road movement order itself. Such intermediate/critical points enroute should only be where the FCI establishments exist. It would be the duty of the District Managers of despatching centres to convey the scheduled/expected time when the truck in question would call at/cross the point, to the District Manager or Depot Incharge of the respective intermediate points, the latter would arrange to monitor as to whether the truck has passed through the critical points at the appointed time or within reasonable time and convey the information to the District Manager of despatching and receiving stations by FAX within 24 (twenty four) hours.

(iii) It would be the responsibility of the authority awarding the contract to take, all possible measures for safe road transportation upto the destination. Some of the suggestive monitoring mechanism would be as follows :

- a) The truck operator should be given full address alongwith the telephone numbers of the intermediate points by the District Managers of the despatching depots in the Road Permit Order/DDR so that the truck operator may inform over phone on reaching intermediate points.
- b) The official incharge of the intermediate points may make an arrangement with the nearby Check Post/Octroi Post and the truck operator should get entry of its truck in the register kept by them and the local official can scan the entries of such trucks on the next day of the reasonable time of the reporting by the trucks.
- c) As the long route transportation are, generally, made in convoy, the verification can also be made by the FCI official of the intermediate point at some other convenient point to be agreed mutually with the transport operators where such convoy halts within the jurisdiction of the intermediate point.

4. PROCEDURE TO BE ADOPTED FOR RECEIPT OF THE STOCKS AT THE RECEIVING CENTRE:

RECEIPT BY RAIL :

4 (A) The AM (Depot), who is the supervisory officer of the depot/centre where the unloading of the stocks is to be made either at the railhead or within the FCI railway siding depot would ensure that the unloading is to be done in the presence of the ICCO in the following manner :

- (i) The ICCO alongwith Depot Incharge/AM (D) would inspect the rake before as well as after opening of the wagons and then the Depot Incharge would make status entries for each wagon in the Wagon Unloading Register for the following items in addition to the prescribed details :
- (ii) a) Whether Railway/FCI seal on each wagon is intact or tampered;
- b) Whether all entries on the label/seal card are legible and cards are intact;

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- c) Whether wagons opened by the labour on getting the instructions from the Depot Incharge/AM(D);
- d) Whether convoy notes are found with complete legible entries in each wagon;
- e) Whether two sealed samples are found in each wagon, and
- f) Whether the quality of the stocks of each wagon conforms to the representative samples received in the wagon.

(ii) In case quality of the stocks of any wagon is found to be of unacceptable variations, then the representative samples would be drawn from such of the wagons by the concerned TAs in duplicate with sample slips duly signed jointly with Unit/Depot Incharge and the T.A. concerned where such stocks are to be stacked after unloading.

(iii) In case the quality of the stocks is found to be acceptable and in conformity with the sealed samples sent by the despatching centre, then further drawal of joint sealed samples is not required and the stocks could be stacked in the godown with complete entries in the stackwise register and the quality priority register indicating the various refractions of the stocks as per analysis.

(iv) In case the original seals of the wagons are found to be tampered or broken the unloading of such wagons is to be made in the presence of the Railway officials to record in the relevant delivery book and all documentation as prescribed are prepared for necessary claims to the Railways. In case the receiving depot/centre fails to comply with the procedure or the complete documentations for lodging of the Railway claim well within the prescribed time limit, then the responsibility of such loss may also rest on the officials of the receiving depot/centre.

(v) After complete unloading of the wagons, the depot official would prepare the unloading statement in the prescribed proforma (Annexure - 'B'). Unloading statement would be countersigned by the ICCO and one copy would be FAXED by him to the despatching centre within 24 (twenty four) hours of the complete unloading of the rake. Thereafter the Depot Incharge or AM (D) who is the supervisory officer of the unloading of the rake would send the following by recorded delivery within 48 (forty eight) hours of the complete unloading of the rake.

- a) PCC of the "Unloading Statement" which has been faxed to the consignee depot;
- b) One copy of the "Unloading Statement" alongwith one of the sealed sample as sent by the despatching centre in each wagon to the District Manager of receiving centre.
- c) One copy of "Unloading statement" to the District Manager of despatching centre.

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(B) RECEIPT OF STOCKS BY ROAD :

AM (Depot) or Depot Incharge would ensure that stocks received by road are inspected with respect to the sealed samples, RMP carried by the Transporter and compared with the details in the DDR a copy of which sent by despatching centre. The receipt of stocks is to be acknowledged on the RMP indicating full details of the shortages and/or quality complaints. After receipt of the stocks, copies of DDR duly acknowledged is to be sent to all concerned by recorded delivery within 48 (forty eight) hours of the receipt of the stocks.

5. In case of quality complaints of the stocks received by rail or road, the concerned supervisory officer i.e. AM (QC)/AM(D) would get prepare the Loss Assessment Statement (LAS) within 10 (ten) days of the unloading of the rake or truck and send it to his District Manager who would scrutinise the same and sent it to the consignor District Manager with copy to the SRM concerned of despatching and receiving centres within next 10 (ten) days of the receipt of LAS from the Depot with complete requisite documents.

6. For quantity shortages, the AM (Depot) or the Depot Incharge would prepare the transit loss statement of each rake in the existing prescribed proforma (Annexure 'C') and send it to his district Manager with copy to the District Manager of the despatching centre within 10 (ten days) of the unloading of the full rake.

7. The District Manager of the despatching centre on receipt of the unloading statement from the receiving centre would take necessary action for fixing the responsibility against the delinquent officials for the quantity shortages reported in wagons with seal intact. In all other cases, if transit shortages reported in the unloading statement are of significant deviations with respect to the weight, the District Manager concerned would cause investigations to ascertain the reasons and take remedial measures for more effective checks on the despatching centre and also fix the responsibility for the despatch of the defective stocks after receipt of the copy of transit loss statement from the receiving centre.

8. If disciplinary action for quality complaints is to be initiated against the officials of the despatching centre, the one sealed sample each kept with the District Managers of the receiving centre and despatching centre and the wagonwise sample drawn from the unacceptable stocks and kept by the District Manager of receiving centre would form part of evidence against the delinquent officials. The certification by ICCO in the unloading statement would also act as witness and corroborative evidence in such disciplinary proceedings. The disciplinary proceedings initiated should be finalised under minor penalty proceedings within 3 (three) months and under major penalty cases within 6 (six) months from the date of initiation of the disciplinary action by the disciplinary authority. In case the proceedings are likely to be delayed, a report may be sent to the next higher authority giving the reasons and the circumstances thereof.

9. With the introduction of this revised procedure for despatch and receipt of the stocks by rail, the current system of joint inspections by the receiving and despatching officials at the receiving centres, stands withdrawn. However, the old cases would continue to be dealt within the existing procedure.

10. PROCEDURE FOR REGULARISATION OF TRANSIT LOSSES :

(i) The competent authorities i.e. District Managers/SRMs/ZMs/MD to regularise the transit losses, as per delegated authority would scrutinise each case, which is sent to their subordinate authority and regularise the losses by recording the requisite certificates on the statements as per existing instructions. Details of the competent authorities to write off losses and the certificates to be furnished, are given in Annexure-'D'.

(ii) The competent authority shall write off the losses, if justifiable, and within its delegated authority, within 15 (fifteen) days of the receipt of cases from its subordinate authority.

(iii) If the competent authority is not convinced about the reasonableness and justification of the losses, it would get the cases investigated and take a view for initiating disciplinary action against the delinquent officials found prima facie responsible for such losses and thereafter write off the losses which are within its delegated authority in terms of five point certificate or refer the cases to the next higher authority where the shortages exceed its delegated powers in respect of percentage or for taking disciplinary action against the delinquent officials found prima facie responsible in the investigation report. The above action is to be taken by each competent authority within two months of receipt of the cases by them from their subordinate authorities.

(iv) In cases where transit losses have been written off by competent authorities pending finalisation of disciplinary action against the delinquent officials, the disciplinary proceedings in such cases should be completed within a period of three months for minor penalty and six months for major penalty from the date of write off of the losses by them.

11. Time schedule for regularisation of shortages and/or disciplinary action is as under :-

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| (i) | Depot I/C or AM (Depot) to send Transit Loss Statement to District Manager of receiving depot and copy to District Manager of despatching centre after unloading of rake. | <u>WITHIN</u>
Ten days |
| (ii) | District Manager to write off the losses, if justifiable and within its delegated authority after receipt of cases from the depot. | Fifteen days |
| OR | | |
| | recommend the case to next higher authority | |
| (iii) | Higher competent authorities to take decision to write off of losses and/or to take decision for disciplinary action against delinquent officials | Six months |
| (iv) | Disciplinary cases under minor penalty to be decided within | Three months |
| (v) | Disciplinary cases under major penalty to be decided within | Six months |

12. The time schedule and documentation prescribed for control and write off of the losses and finalisation of disciplinary proceedings have to be strictly adhered to by all the authorities at each level and any violation would attract accountability on the concerned officers/officials. In case there is likely to be delay in taking action within the prescribed time schedule due to the reasons beyond control, the same would be informed in writing to the next higher authority, indicating probable time required for finalisation of the cases.

13. SRMs would review with District Managers in monthly meetings all cases of abnormal transit shortages reported by receiving centres for the rakes despatched during previous month from various centres under their jurisdiction and analyse the trend of shortages so reported with respect to origin of the despatching centre for taking all corrective measures. Similar exercise may be conducted by the SRM of receiving centres to identify the centres which report high trend of transit shortages and take effective remedial steps including disciplinary actions wherever deliberate attempts are noticed to reflect high trend of transit shortages.

14. The regularisation of shortages which occurred during the period of a Depot Incharge/Assistant Manager (Depot) and District Manager must be attended to by him and all statements got prepared, preliminary investigations carried out, disciplinary actions initiated wherever required, shortages within their delegated powers regularised and other cases sent to next higher authority so that, as far as possible, nothing remains pending before his relieving from the present assignment in case of transfer to new places.

15. In all pending cases, as on the date of issue of these instructions, necessary investigations, fixing of responsibility and initiation of disciplinary proceedings should be completed in the light of the instructions/orders in force at the relevant time wherever warranted within a period of six months from the date of issue of these instructions.

16. It would be the responsibility of all concerned officials/supervisory officers to ensure that the procedure and the time period specified for each activity in the foregoing paras are implemented by regular periodical Performance Evaluation and Review Techniques (PERT) in the monthly meetings of Depot Managers/District Managers/SRMs/ZMs as the case may be.

17. These instructions supercede the existing instructions to the extent as mentioned in the foregoing paras with regard to the procedure to be followed in despatch/receipt of foodgrains and determination of transit losses and accountability thereof.

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