CHAPTER-III

ORGANISATION AND MANAGEMENT OF F.C.I.

3.1 Organisational Structure of F.C.I.

In order to accomplish goals, carry out plans, and make it possible for people to work effectively, an internal structure of roles must be designed and maintained. To avoid frictions and conflicts, the activities should be grouped logically and grant of proper authority must be made. In a nutshell, the primary task of organising is to:

(i) Group the activities which help in accomplishing goals and plans.

(ii) Assigning these activities to different departments.

(iii) Provision of authority.

We group these factors at the organisation structure and most of the time, we adopt it as managerial authority relationship. Thus organising is the totality of such activities and authority relationship that comprises the organisation function.

As we know that one man business is not possible to be organised because he performs the only managerial functions and delegates no authority. But if the owner divides work
and share it with his son or subordinate and provides co-ordination between himself, subordinates and buyer (consumers), then the enterprise become organised. It is evident that organised enterprise needs at least two managers either on the same level or in superior subordinate relationship. Secondly, all managers will reflect that goals they have to achieve by grouping the activities for which they are directly responsible. We assign some of them to the subordinates, delegates required authority to achieve results and co-ordinate the work thus assigned.

The Food Corporation of India will have to function strictly on Commercial lines and to ensure this, it is essential that the control aspects of its administrative and financial function should be such as will best condense to the achievement of the primary objectives of the Corporation. It follows logically from this that the administrative accounting and financial principles of the Corporation should be based on the assumption that they should effectively fulfil the accomplishment of the objects of the Corporation while, at the same time, adhering to the discipline of strict accountability, associated with the administration of public bodies.
3.1.1 Organisational Structure of FCI at Head Office Level

The Corporation has its Head Office at New Delhi for overall administration. The Head Office of the Corporation controls and co-ordinates entire work of the Corporation through its Zonal Offices, Regional Offices, District Offices and Port Offices, as shown in Chart No. 3.1

3.1.2 Organisational Structure of FCI at Zonal Office Level

The Corporation has 5 Zonal Offices, viz., East Zonal office, West Zonal Office, North Zonal Office, South Zonal Office and North East Frontier (NEF) Zonal Office, which are situated at Calcutta, Bombay, New Delhi, Madras, Guwahati respectively. Each Zonal Office of the Corporation controls the entire work through its Regional Offices and port operation offices, as shown in Chart No. 3.2

3.1.3 Organisational Structure of FCI at Regional Office Level

The Corporation has 19 Regional offices which are situated in Orissa, Bihar, West Bengal, Kerala, Karnataka, Andhra Pradesh, Tamil Nadu, Maharashtra, Gujarat, Madhya Pradesh, Rajasthan, Haryana, Uttar Pradesh, Delhi, Punjab, Jammu & Kashmir, Himachal Pradesh, Assam and Shillong.
ORGANISATIONAL STRUCTURE OF F.G.I.

(AT A GLANCE)

HEAD OFFICE (NEW DELHI)

ZONAL OFFICES (5)

REGIONAL OFFICES (19)

DISTRICT OFFICES (161)

PORT OPERATION OFFICE (4)
CHART No. 3.2

ORGANISATIONAL STRUCTURE

FCI HEAD
QUARTERS
NEW DELHI

EAST ZONE
ZONAL OFFICE (EAST)
CULCUTTA
(SRM) Orissa Region, Bhubaneswar
(SRM) Bihar Region, Patna
(SRM) West Bengal Region, Calcutta
(JM) Port Operation, Calcutta

SOUTH ZONE
ZONAL OFFICE (SOUTH)
MADRAS
(SRM) Kerala Region Trivandrum
(SRM) Karnataka Region, Bangalore
(SRM) A P Region, Hyderabad
(SRM) Tamil Nadu Region, Madras
(JM) Port Operation, Madras
(JM) Port Operation, Vizag

WEST ZONE
ZONAL OFFICE (WEST)
BOMBAY
(SRM) Maharashtra Region, Bombay
(SRM) Gujarat Region, Ahmedabad
(SRM) Madhya Pradesh Region, Bhopal
(JM) Port Operation, Kandla

NORTH ZONE
ZONAL OFFICE (NORTH)
NEW DELHI
(SRM) Rajasthan Region, Jaipur
(SRM) Haryana Region, Chandigarh
(SRM) Uttar Pradesh Region, Lucknow
(SRM) Delhi Region, New Delhi
(SRM) Punjab Region, Chandigarh
(SRM) Jammu & Kashmir Region, Jammu
(SRM) Himanchal Pradesh Region, Shimla

(NEF) ZONE
ZONAL OFFICE (NEF)
GUWAHATI
(SRM) Assam Region, Guwahati
(SRM) North Eastern Region, Shillong
Every Regional Office of the Corporation controls the entire work through its Sub-Regional offices and District Offices.

3.1.4 Organisational Structure of FCI at District Office Level

The Corporation has 156 District Offices which are spread throughout the country. The entire work of Regional offices are accomplished through its District Offices.

3.1.5 Organisational Structure of FCI at Port Operation Office Level

The Corporation has 4 port operation offices which are situated at Calcutta, Madras, Vizag and Kandla. Every port operation office works under its Regional Office. Port operation offices perform their services for import and export trade that are accomplished through waterways.

3.2 Management of F.C.I.

The word manage has been derived from the French word "manage" meaning managing a horse. Horses are generally trained for two purposes - racing, riding and load carrying. Race horses have to be trained on the track, for speed, direction etc. Unless a race horse is trained to follow proper track, it will not be able to win, howsoever high its
speed may be. In other words, good and scientific management is essential to achieve a social objective, with best use of human and material energy and time, giving satisfaction to the participants and public in general.

Management in its widest connotation is defined as knowledge of relationships. Management may also be defined as the process of directing the operations of an organisation, effectively and economically. Thus, the management is an art of planning of operations of business, assembling personnel co-ordination and harmoning efforts and activity. In a nutshell, to manage is to forecast, plan, organise, command, co-ordinate and control.

In accomplishing these attributes, an important task of management is to achieve a desirable atmosphere. In industrial psychology, it means that we must encourage people to do their work well by giving them satisfaction of being a part of the team and taking part in the performance thereof. Almost everything that a group of people or an individual does or say or fails to do or say, has an effect on the atmosphere. Obviously, people in the organisation must know not only what management is trying to do but also more important is as to why it is trying to do it. It is,
therefore, the process of directing the operations of an organisation or a segment of it or causing people to coordinate one with the other and ultimately it is the process of achieving the common objectives within the resources available.

(i) The general superintendence, direction and management of the affairs and business of the Corporation shall vest in a Board of Directors which may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation under this act.

(ii) The management of Food Corporation of India is governed by the Board of Directors in discharging its function who also act on business principles having regard to the interest of the producers and consumers and are guided by the instruction on question of policy, as may be given to them by the Central Government.

The Board of Directors of the Corporation usually consists of 12 members as Directors, as provided in Clause 7 of the Act, detailed as under.

(iii) If any doubt arises as to whether a question is or is not a question of policy, the decision of the Central
Government thereon shall be final. The Chairman and the Managing Director at the headquarters are assisted by a team of Senior level officers comprising (a) One Chief Commercial Manager (b) Two Commercial Managers (c) One Financial Adviser (d) One Personnel Manager and (e) One Engineer as Chief Incharge of the Project Implementation Division, with 20 Heads of Division, designated as Managers, to handle the various Divisions.

3.2.1 Management of FCI at Head Office Level

The Management of the business of the FCI at Head Office level vests in a Board of Directors. The Board of Directors of the Corporation consists of 12 members as Directors, as shown in Chart No. 3.3.

The Chairman and three Directors to represent respective Ministries of the Central Government, dealing with Food, Finance and Co-operation. The Managing Director of the Central Warehousing Corporation shall be ex-officio member, besides the Managing Director of the Corporation.

Managing Director is administrative head of the Corporation and carries out policies of the Government, communicated to him through the Board of Directors. After
CHART No. 3.3

ADMINISTRATIVE SET-UP OF HEAD QUARTERS

BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

CHAIRMAN

MANAGING DIRECTOR

EXECUTIVE DIRECTOR (PERSONNEL)
- MANAGER (P & IR)
- MANAGER (PE)
- MANAGER (TRG)

EXECUTIVE DIRECTOR (COMMERCIAL)
- MANAGER (QC)
- MANAGER (SALES)
- MANAGER (ROD)
- Jt. MANAGER (PURCHASE)

EXECUTIVE DIRECTOR (STORAGE)
- MANAGER (S & C)
- MANAGER (IR-L)
- MANAGER (STOCKS)

EXECUTIVE DIRECTOR (ENGG)
- MANAGER (CIVIL-ENGG.)
- MANAGER (ENGG-NBP)

EXECUTIVE DIRECTOR (IA & PV)
- MANAGER (IA & PV)

SECRETARY

MANAGER (LEGAL)

EXECUTIVE DIRECTOR (VIGILANCE)
- MANAGER (VIG.)
- MANAGER (SECURITY)

EXECUTIVE DIRECTOR (GENERAL)
- MANAGER (FERT.)
- MANAGER (FR)
- MANAGER (P & R)

EXECUTIVE DIRECTOR (TRANS)
- MANAGER (I & E)

EXECUTIVE DIRECTOR (FINANCE)
- ADDL.F.A.(I)
- ADDL.F.A.(II)
- MANAGER (FIN)
- MANAGER (ACCOUNTS)
- MANAGER (ACCOUNTS)
- MANAGER (CPF/GPF)

MANAGER (INQ.)

MANAGER (LEGAL)
the Managing Director, at present, there is a Chief Commercial Manager and two Commercial Managers, besides the number of Managers, heading each Division who assists the Managing Director in execution of policies and decision taken by the Board, Manager (Quality Control) Acts, as an Advisor to the Corporation on the matter pertaining to quality and technical aspects of the foodgrains while financial advisor gives his advice on the Financial and Budgeting matters.

3.2.2 Management of FCI at Zonal Level

The General Superintendence direction and management affairs and business of FCI at Zonal Level are performed by a Zonal Manager. He is normally an I.A.S. Under him, one Deputy Zonal Manager, several Assistant Managers, Class-III and Class-IV staff, perform their duties and look after the work of the FCI.

3.2.3 Management of FCI at Regional Level

Regional Offices of FCI are also managed by Senior Regional Manager, Regional Manager and Joint Manager, Deputy Managers/District Managers. Deputy Managers are assisted by several Assistant Managers, Class-III and Class-IV Staff. Administrative set-up of FCI at U.P. level is shown in Chart No. 3.4.
ADMINISTRATIVE SET-UP OF FCI AT U.P. LEVEL

(AT A GLANCE)

SENIOR REGIONAL MANAGER

JOINT MANAGER

DEPUTY MANAGER/DISTRICT MANAGER

ASSISTANT MANAGER

ASSTT. Gr. I, II, III

CLASS - IV
HEAD WATCHMAN/MESSANGER
STITCHER, SHIFTER, DUSTING
OPERATOR & SAPHAIWALA

MEDICAL OFFICER
3.2.4 Management of FCI Port Operation Level

Port Operation Offices of FCI are managed by Joint Managers and Deputy Managers. Deputy Managers are assisted by several Assistant Managers, Class-III, Class-IV Staff.

3.2.5 Management of FCI at District Level

District Offices of FCI are managed by District Managers and Assistant Managers. There are 14 Assistant Managers and one District Manager in each District, where the office of FCI is situated. Assistant Manager of District Offices is assisted by Class-III and Class-IV staff.

Administrative set-up of FCI at U.P. level is as under:

3.3 Board of Directors - Their Recruitment, Removal and Meetings

3.3.1 Board of Directors

The Board of Directors of the Corporation shall consist of the following, namely:

(a) A Chairman
(b) Three Directors, representing the Ministries of the Central Government dealing with Food, Finance and Co-operation, respectively.
(c) The Managing Director of the Central Warehousing Corporation, established U/s 3 of the Warehousing Corporation Act, 1962, ex-officio.

(d) A Managing Director.

(e) Six other Directors

(2) All the Directors of the Corporation, other than the Director referred to in clause (d) of sub-section (1) shall be appointed by the Central Government.

(3) The Managing Director shall -

(a) Exercise such powers and perform such duties as the Board of Directors may entrust or delegate to him, and

(b) Receipt such salary and allowances as the Board of Directors may with the approval of the Central Government fix.

Provided that the first Managing Director shall receive such salary and allowances as the Central Government may fix.

(4) The term of office and the manner of filling casual vacancies among the Directors of the Corporation, other than the Director referred to in clause (c) of sub-section (1) and the other terms and conditions of
appointment of the Directors of the Corporation shall, subject to the provisions of sub section (3), be such as may be prescribed.

3.3.2 Recruitment of Directors

(1) Regular appointments in the service of the Corporation can only be to the posts specified in column (2) of the table set out in appendix 1, sanctioned for a period of not less than one year and shall be made;

(a) in accordance with any of the modes specified against each in column (2), thereof, or

(b) by transfer from the corresponding categories as specified in column (a) of the said table of the employees of the Central Government in the Directorate General of Food/Pay and Accounts Offices or

(c) by permanent absorption of deputationists in the services of the Corporation.

(2) Where any qualification or age limits have been specified in columns 7 and 8 respectively of the table set out in appendix 1 in respect of any post with reference to any mode of appointment thereto only persons satisfying such qualifications and within the
age limits so specified shall be appointed to that category through such mode.

(a) Relax the specified age limit in the case of persons with exceptional qualifications or experience and;

(b) relax the qualifications in the case of persons with outstanding records of service;

(c) provided further that the Board may relax by order, any of the provisions of the Recruitment Rules contained in Appendix-I, if in their opinion, it is necessary or expedient to do so.

(3) Not withstanding anything contained in this regulation, appointments be made to any post in the Corporation on an ad hoc basis.

(a) by deputation of suitable officers from the central or from any state Government or from any public sector undertaking or with the prior approval of the Managing Director from any private sector undertaking for a period not exceeding three years.

Provided that an authority immediately higher than the appointing authority may extent the period of
deputation of an employee belonging to categories I, II or III beyond 3 years but not exceeding 5 years.

Provided further that the Board/Executive Committee as the case may be, may extend the period of deputation of an employee beyond 5 years in exceptional cases of merit if it is considered necessary in the interest of the Corporation.

(b) by re-employment of personnel superannuated from service of the Central or any State Government or of the Corporation, for a period not exceeding two years, such re-employment being sanctioned by an authority not lower in rank than Managing Director.

Provided that the Executive Committee (or in case where the Board of Directors is the appointing authority in the Board) may extend the period of re-employment of category I, II or III Officers beyond a period of two years subject to a maximum age limit of 60 years.

Provided further the Executive Committee (or in case where the Board of Directors is the appointing authority, the Board) may extend the period of re-employment of scientific/technical personnel of categories I, II or III officers upto the age of 62 years in very rare and exceptional circumstances.
(c) On a purely temporary basis, for a period not exceeding one year.

(d) One special contracts, subject to such terms and conditions as may be decided by the Board.

3.3.3 Removal

(1) The Central Government may, at any time, after consultation with the Corporation, remove the Managing Directors from office, after giving a reasonable opportunity of showing cause against the proposed removal.

(2) The Board of Directors may remove any Director from Office who:

(a) is or has become subject to any of the disqualification mentioned in section-8, or

(b) is absent without leave of the Board of Directors from more than three consecutive meetings, thereof, without cause sufficient, in the opinion of the Board to exonerate his absence.

(3) A Director of the Corporation may resign from his office by giving notice, thereof, in writing to the Central Government and on such resignation being accepted, he shall be deemed to have vacated his office.
3.3.4 Meeting

(1) The Board of Directors of the Corporation shall meet at such times and places, shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by the Corporation under this Act.

(2) The Chairman of the Board or, if for any reason he is unable to attend the meeting, any other Director elected by the Directors present at the meetings, shall preside at the meetings.

(3) All questions which come up before any meeting of the Board shall be decided by a majority of the votes of the Directors present and voting and in the event of an equality of votes, the Chairman or in his absence, the person presiding, shall have and exercise a second or casting vote.

3.4 Advisory Committee and Executive Committee:

3.4.1 Advisory Committee:

The Central Government may, in consultation with the Corporation, by notification in the Official Gazette,
constitute one or more Advisory Committees, consisting of such person and on such terms and conditions, as may be prescribed.

It shall be the duty of any such Advisory Committee to advise the Central Government or the Corporation in regard to any matter connected with the purposes of this Act, in respect of which its advice is sought by the Central Government or as the case may be by the Corporation.

The expenses in relation to the Advisory Committee shall be met by the Corporation.

3.4.2 Executive Committee:

The Board of Director of the Corporation may constitute an Executive Committee, which shall consist of:

(a) The Chairman of Board
(b) The Managing Director, and
(c) The other Directors of whom one shall be non-official.

The Chairman of the Board of Directors shall be the Chairman of the Executive Committee.
Subject to the general control, direction and superintendence of the Board of Directors, the Executive Committee shall be competent to deal with any matter within the competence of the Corporation.

The Board of Directors may constitute such other Committees whether consisting wholly of Directors or wholly of other persons or partly of Directors and partly of other persons, as it thinks fit, for such purposes, as it may decided.

A Committee constituted under this section shall meet at such times and place and shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by the Corporation under this act.

The member of a Committee (other than the Directors of the Board) shall be paid by the Corporation such fees and allowances, as may be fixed by it, by regulations made under this Act, for attending to any other work of the Corporation.

3.5 Board of Management, its Constitution and Functions:

The Central Government may, on a request received in this behalf from the State Government or Government concerned or
otherwise by notification in the Official Gazette, establish a Board of Management for a State Food Corporation, functioning in such State or States.

The Head Office of the Board of Management shall be at such places as the Central Government may notify in the Official Gazette.

The Board of Management shall consist of:

(a) A Chairman to be appointed by the Board of Directors of the FCI.

(b) The senior most Executive Officer of the said Corporation employed at the Head Office of the Board of Management, and

(c) Not more than ten other members to be appointed by the Board of Directors of the said Corporation.

The members of a Board of Management referred to in clauses (a) and (c) of sub-section (3) shall hold office for a term of two years and shall be eligible for re-appointment and the other terms and conditions of their appointment shall be such as may be prescribed.

The Board of Management shall advice the Corporation on such matters as may be generally or specifically referred to
it and shall perform such other functions as the Corporation may delegate to it.

The provisions of Sections 20, 21 and 25 shall, so far as may be applied in relation to the members of a Board of Management, as they apply in relation to the members of the Board of Directors of a State Food Corporation.

Provided that the reference to the General Manager in clause (e) of section 20 shall be construed as a reference to the officer of the Corporation, referred to in clause (b) of sub-section (3).

The Food Corporation of India may, after consultation with a Board of Management, appoint such staff as it considers necessary to enable that Board to perform its functions under this Act.

The Board of Management may, by order in writing authorise any one or more of its members to exercise and perform, subject to such conditions and limitations if any, as may be specified in the order such of its powers and functions as it may think fit.
The Board of Management shall follow such procedure as may be provided by regulations made by the Food Corporation of India, under this Act.

Where a Board of Management has been established -
(i) for a State or
(ii) for two or more States
then such Board shall stand dissolved.

(a) In the case referred to in clause (i) on the establishment of a Food Corporation for that State.

(b) in the case of referred to in clause (ii) on the establishment of such Corporation for any one or more of such States.

Where a Board of Management stands dissolved under clause (b) of sub-section (10) The Central Government may establish a new Board of Management for the State or States for which no Food Corporation has been established.

The expenses of the Board of Management in the discharge of its functions under this Act shall be met by Food Corporation of India.