

Role of Food Corporation of India

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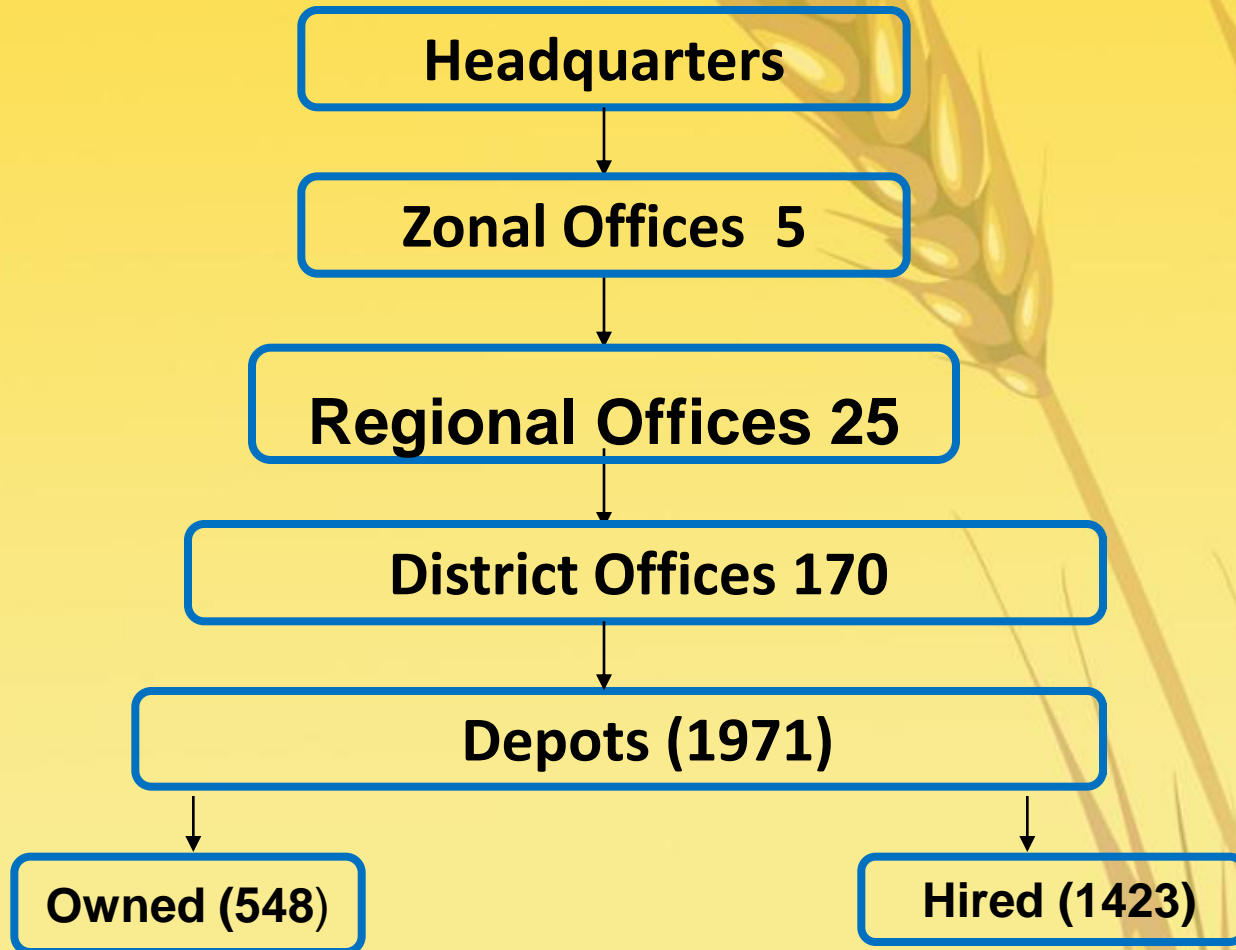
ASEAN India Co-operation in Food Security,
World Trade Centre, Mumbai

FCI's Mandate

Food Corporation of India was set up under the **Food Corporations Act, 1964** for:

- Effective price support operations for safeguarding the interests of the farmers
- Maintaining satisfactory level of operational and buffer stocks of foodgrains to ensure National Food Security
- Movement of foodgrains throughout the country for public distribution system
- Market intervention for price stabilization

Organizational Structure of FCI



Constitution of FCI's Board of Directors

- (a) Chairman;
- (b) Three directors to represent respectively the Ministries of the Central Government dealing with:
 - (i) Food,
 - (ii) Finance, and
 - (iii) Co-operation
- (c) Managing Director of the Central Warehousing Corporation, ex-officio;
- (d) Managing Director, FCI;
- (e) six other Directors;

Procurement in Mandi (Purchase Centre)



Production, Procurement & MSP of Wheat

(Figures in LMT; Rs./qtl)

RMS	Production	Procurement	MSP+Bonus (Rs. Per qtl.)
2004-05	721.5	167.96	630
2005-06	686.4	147.87	640
2006-07	693.5	92.26	700
2007-08	758.1	111.28	850
2008-09	785.7	226.89	1000
2009-10	806.8	253.82	1080
2010-11	808.0	225.14	1100
2011-12	868.7	283.34	1170
2012-13	948.8	381.48	1285
2013-14	935.1	250.92	1350
2014-15	959.1	280.23	1400

Production, Procurement of Rice & MSP of Paddy

(Figures in LMT; Rs/qtl)

KMS	Production of rice	Procurement of rice	MSP+Bonus of Paddy	
			Common	Grade A
2004- 05	831.3	246.85	560	590
2005-06	917.9	276.56	570	600
2006-07	933.6	251.06	620	650
2007-08	966.9	287.36	745	775
2008-09	991.8	341.04	900	930
2009-10	890.9	320.34	1000	1030
2010-11	959.8	341.98	1000	1030
2011-12	1053.0	350.60	1080	1110
2012-13	1044.0	340.44	1250	1280
2013-14	1065.4	313.77	1310	1345
2014-15			1360	1400

Procurement of Coarse Grains

Figures in lakh MT

Marketing Year	Qty. Procured
2009-10	4.07
2010-11	1.28
2011-12	0.36
2012-13	0.72
2013-14	12.31
2014-15	-

**MSP of Coarse Grains in 2013-14
(Rs/Quintal) :**

Jowar: 1520 (maldandi); 1500 (hybrid), **Bajra:** 1250, **Ragi:** 1500, **Maize:** 1310

Coarse grains are not procured by FCI directly

Share of FCI and State Agencies in Procurement of Wheat

(Figures in Lakh MT)

Description	RMS 2012-13		RMS 2013-14		RMS 2014-15	
	Quantity	%	Quantity	%	Quantity	%
Procurement by FCI	50	13 %	39	16 %	35	12%
Procurement by State Agencies	331	87 %	212	84%	245	88%
Total	381	100%	251	100%	280	100%

Share of FCI and State Agencies in Procurement of Paddy

(Figures in Lakh MT)

Description	KMS 2011-12		KMS 2012-13		KMS 2013-14 (As on 01.10.2014)	
	Quantity	%	Quantity	%	Quantity	%
Procurement by FCI	4	1%	6	2%	5.01	1.5%
Procurement by State Agencies	364	99%	382	98%	348.50	98.5%
Total	368	100%	388	100%	353.51	100%

Share of FCI and State Agencies in Procurement of Rice

(Figures in Lakh MTs)

Description	KMS 2011-12		KMS 2012-13		KMS 2013-14 (As on 01.10.2014)	
	Quantity	%age	Quantity	%age	Quantity	%age
Procurement by FCI	196.06	60	217.67	69	194.98	69
Procurement by State Agencies	130.83	40	96.17	31	88.09	31
Total	326.89	100	313.84	100	283.07	100

Wheat Purchase Centers (RMS 2014-15)

S. No.	States	FCI	State Agencies	Total
1	Punjab	483	1316	1799
2	Haryana	63	309	372
3	Uttar Pradesh	75	5925	6000
4	Rajasthan	90	287	377
5	Madhya Pradesh	0	3000	3000
6	Delhi	2	0	2
7	Bihar	0	8997	8997
8	Himachal Pradesh	6	0	6
9	Gujarat	28	205	233
10	Jharkhand	0	0	0
11	Chhattisgarh	*	*	0
12	J&k	6	0	6
13	Maharashtra	0	68	68
14	Uttrakhand	20	183	203
15	West Bengal	0	25	25
	Total	773	20,315	21,088

Procurement of Wheat in DCP States (RMS 2014-15)

S. No.	State	Procurement (in LMT)	DCP w.e.f
1	Madhya Pradesh	70.94	1999-2000
2	Rajasthan (Alwar District)	0.89	2013-14
3	Punjab (For TPDS)	8.69	2014-15
4	Bihar	0.00	2014-15
5	Uttarakhand	0.01	2003-04
6	Gujarat	0.00	2004-05
7	Chhattisgarh	0.00	2001-02
8	West Bengal	0.00	2010-11
	Total	80.53	

Punjab partially DCP state to procure and meet its own requirement and Rajasthan 13 DCP only in Alwar district.

Paddy Purchase Centers (KMS 13-14)

S. No.	States	FCI	State Agencies	Total
1	AP	0	2000	2000
2	Assam	14	40	54
3	Bihar	--	9187	9187
4	Chhattisgarh	0	1975	1975
5	Delhi	4	0	4
6	Gujrat	0	55	55
7	Haryana	39	146	185
8	HP	5	0	5
9	Jharkhand	10	886	896
10	JK	5	0	5
11	Karnataka	0	50	50
12	Kerela	0	690	690
13	Maharashtra	0	519	519
14	MP	0	825	825
15	Orissa	30	3296	3326
16	Puducherry	0	0	0
17	Punjab	270	1518	1788
18	Rajasthan	0	0	
19	Tamil Nadu	0	1650	1650
20	UP	68	2750	2818
21	Uttrakhand	5	57	62
22	WB	0	10900	10900
	Grand Total	414	36954	37368

Procurement of Rice in DCP States (KMS 2013-14)

S. No.	States	Procurement (in LMT)	DCP W.e.f
1	Andhra Pradesh (6 Districts)	7.63	2012-13
2	Telangana (4 Districts)	9.29	
3	Bihar	8.28	2013-14
4	Chhattisgarh	42.90	2001-02
5	Kerala	3.59	2004-05
6	Karnataka	0.00	2009-10
7	Madhya Pradesh	10.45	2007-08
8	Odisha	28.19	2003-04
9	Tamil Nadu	6.84	2002-03
10	Uttrakhand	4.63	2002-03
11	West Bengal	12.80	1997-98
	Total	134.60	

Rice Procurement in DCP and non DCP States

(Fig in LMT)

	KMS 09-10	KMS 10-11	KMS 11-12	KMS 12-13	KMS 13-14 AS on 01/10/14
Procurement in DCP	93.11	104.46	123.63	133.62	134.60
% of total	29.07%	30.55 %	35.27 %	39.24%	42.52 %
Procurement in Non DCP	227.23	237.52	226.97	206.82	181.92
% of total	70.93%	69.45 %	64.73 %	60.76 %	57.48%
Total procurement	<u>320.34</u>	<u>341.98</u>	<u>350.60</u>	<u>340.44</u>	<u>316.52</u>

Wheat Procurement in DCP and non DCP States

	RMS 2010-11	RMS 2011-12	RMS 2012-13	RMS 2013-14	RMS 2014-15
Procurement in DCP	38.17	56.68	93.31	64.16	80.53
% of total	17.0%	20.0%	24.46%	25.57 %	28.74 %
Procurement in Non DCP	186.97	226.67	288.17	186.76	199.70
% of total	83.0%	80.0%	75.54%	74.43 %	71.26 %
Total Procurement	225.14	283.35	381.48	250.92	280.23

Procurement Issues

- Open ended procurement
- Bonus increases procurement
- High taxation reduces private trade

Stock Position in Central Pool in last 10 Years (As on 1st June 2014)

(Figures in Lakh MTs)

Year	Rice (including paddy in terms of rice)	Wheat	Total
2004	122.51	193.90	316.41
2005	115.95	161.31	277.26
2006	119.51	93.20	212.71
2007	126.14	133.08	259.22
2008	121.29	241.23	362.52
2009	204.03	331.22	535.25
2010	252.66	351.62	604.28
2011	276.41	378.32	654.73
2012	321.48	501.69	823.17
2013	333.06	443.89	776.95
2014	282.57	415.86	698.43

Stock Position of Central Pool *Vis-a-vis* Buffer & Strategic Reserves

(Figures in LMTs)

Wheat	Rice	Total (Wheat & Rice)	Unmilled Paddy	CMR due from unmilled paddy	Total Wheat & Rice (including CMR due)
342.5	165.3	507.8	57.6	38.6	546.4

PEG Godown in Punjab



Storage Capacity Scenario (As on 01.09.2014)

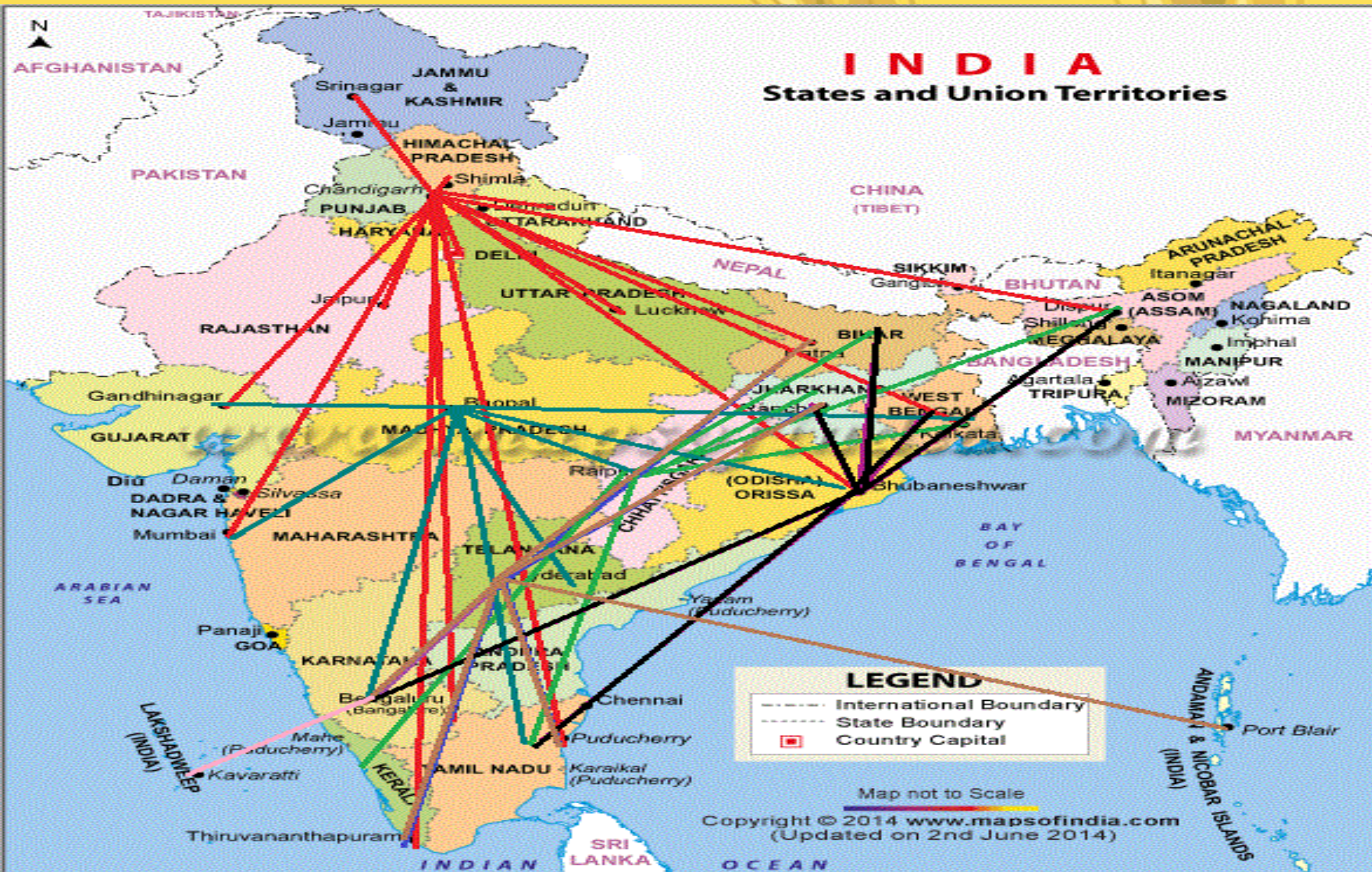
(Figures in LMTs)

Total Storage Capacity with FCI (Owned/Hired)			Total Storage Capacity with State Agencies (excluding capacities given to FCI) for storage of central pool stocks			Grand Total		
Covered	CAP	Total	State Agencies			Covered	CAP	Total
			Covered	CAP	Total			
355.47	30.80	386.27	219.86	150.41	370.98	575.33	181.21	756.54

PEG Scheme at a Glance (As on 01.09.2014)

- Total capacity approved by Government of India – **203.76 LMT**
- Capacity sanctioned : **153.86 LMT**
- Capacity completed - **119.20 LMT**
- Capacity under construction – **16.93 LMT**
- Work yet to Start – **17.73 LMT**
- Capacity reserved for Silos - **20 LMT**

Movement of Food Grains



Movement of Foodgrains

(Figures in Lakh MT)

Year	Foodgrain movement	% of increase
2009-2010	312	21
2010-2011	341	9
2011-2012	368	8
2012-2013	408	11
2013-2014	448	10
2014-2015 (April to August)	188	

Offtake - Wheat & Rice

(Figures in Lakh MT)

Year	Wheat	Rice	Total
2009-10	224	276	500
2010-11	231	300	531
2011-12	243	320	563
2012-13	332	326	658
2013-14	306	292	598
2014-15 (April – August' 14)	97	125	222

Allotment & Offtake of Wheat and Rice in 2013-14

(Figures in Lakh MT)

Scheme	Wheat		Rice		Total	
	Allotment	Offtake	Allotment	Offtake	Allotment	Offtake
TPDS	247	204	300	257	547	461
OWS	16	14	34	29	50	43
Addl. for Relief/ Festivals etc.	7	3	8	4	15	7
OMSS(D)	92	61	2	2	94	63
Export	20	24	-	-	20	24
TOTAL	382	306	344	292	726	598

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Central Issue Price (CIP) & Issue Price under NFSA

CIP of Wheat (Rs./Kg) wef 01.07.2002		
APL	BPL	AAAY
6.10	4.15	2.00

	CIP of Rice wef 01.07.2002		
	APL	BPL	AAAY
Rice (Grade A)	8.30	5.65	3.00
Rice (Common)	7.95	5.65	3.00

Issue Prices Under NFSA (Rs. / Kg.)		
Rice	Wheat	Coarse grains
3.00	2.00	1.00

National Food Security Act

- The NFSA came into force w.e.f. 5th July 2013.
- Covers 75% of rural population & 50% of urban population in two categories – i) Households covered under Antyodaya Anna Yojna and; ii) Priority Households .
- Households covered under Antyodaya Anna Yojna are entitled to 35 Kg of foodgrains per household per month.
- Every person belonging to Priority Households are entitled to 5 Kg of foodgrains per person per month.

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National Food Security Act

- Issue Prices are Rs.1/2/3 per Kg for coarse grains, wheat & rice, respectively.
- Total estimated requirement under NFSA is 614.26 LMT.
- Till date NFSA has been implemented in Haryana, Delhi, Himachal Pradesh, Rajasthan, Punjab, Karnataka, Chhattisgarh, Maharashtra, Chandigarh, Bihar & Madhya Pradesh (11 States).

Personnel

As on 30.06.2014

Category	Sanctioned Strength	Existing Strength	Vacant / Excess
Category I	1012	791	-221
Category II	6292	4126	-2166
Category III	26831	12730	-14101
Category IV	2380	4697	2317
Total	36515	22344	-14171

Labour Strength

(As on 30.06.2014)

Zone	Type of Labour	Depots	No. of Labour
All India Total	Departmental	162	17,088
	Direct Payment System(DPS)	219	27,565
	No Work No Pay (NWNP)	83	6,352
Total		464	51,005
Contract Labour System and Coop. Societies		1507	1 lakh (approx.)

Efficiency Improvements over the Years

Year	Staff Turnover (MT/Employee)	Storage Loss (%)	Transit Loss (%)	Damage d Foodgrains (%)	Reductio n in spread over PLR/bas e rate (bps)	Staff Strength (in position)
2000-01	706	0.42	0.84	1.066	340	60915
2013-14	4568	0.22	0.46	0.047	65	22480

Recent Initiatives

- Average age of stocks brought down to less than 2 years
- Multimodal transportation implemented for moving rice from:
 - Andhra Pradesh to Kerala
 - Andhra Pradesh to Tripura (via Ashuganj Port in Bangladesh)
 - Fresh attempts from AP / West Bengal to Karimganj (Assam) being made
- Zero PV of depots introduced
- All FCI depots graded based on level of available infrastructure and 100 godowns upgraded
- Mechanization of handling operations introduced in 21 depots

Recent Initiatives

- Half yearly accounts for 2013-14 (April to September, 2013) completed for first time through Financial Accounting Package (FAP)
- To increase transparency, e- auction of wheat under Open Market Scheme (Domestic) started in January, 2014
- All pending cases uploaded on E- litigation application which enable better monitoring
- All tenders valuing Rs. 10 lakhs and above made compulsory through e-tendering of FCI
- CCTVs installed at 55 depots to increase security and improve surveillance

Thank You

