

No. F.13-6/2014-Py.I(Pt.)

Government of India

Ministry of Consumer Affairs, Food & Public Distribution

Department of Food & Public Distribution

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Krishi Bhawan, New Delhi

Dated the 2<sup>nd</sup> August, 2014

ORDER

The Food Corporation of India (FCI) is vested with vital responsibilities of the Government, such as procurement, management of Central Pool stocks and distribution of foodgrains to State Government Agencies for various food security programmes. It is commonly perceived that FCI is plagued today with several functional and cost inefficiencies, which need to be removed for efficient management of foodgrains and saving costs. Therefore, it has been decided to set up a High Level Committee (HLC) of distinguished panel of experienced persons and experts to recommend on restructuring of FCI after considering various aspects of present structure and functional areas of the organization and consulting various stakeholders. The composition of the Committee is as follows:-

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25/8

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|--------|--|---|---------------------------------|
| (i)    | Shri Shanta Kumar, M.P   | - | <b>Chairman</b>                 |
| (ii)   | Chief Secretary, Govt. of Punjab or his representative                             | - | Member                          |
| (iii)  | Chief Secretary, Govt. of Chhattisgarh or his representative                       | - | Member                          |
| (iv)   | Prof. G. Raghuram, Dean, IIM, Ahmedabad  | - | Member                          |
| (v)    | Dr. Ashok Gulati, Former Chairman, Commission for Agricultural Costs & Prices, GOI | - | Member                          |
| (vi)   | Prof. Gunmadi Nancharaiyah, Dean, School of Economics, University of Hyderabad     | - | Member                          |
| (vii)  | Chairman-cum-Managing Director, FCI  | - | Member & Convener               |
| (viii) | Shri Ram Sewak Sharma, Secretary (Electronics & IT) - technology)                  | - | Special Invitee (For the use of |

The terms of reference of the HLC are as under:-

- (i) To examine the present day administrative, functional and financial structure of FCI and modus operandi of its various operations.
- (ii) To study various models of restructuring or unbundling of and to suggest a best suited model for restructuring or unbundling of FCI to improve its operational efficiency and financial management.
- (iii) To suggest measures for overall improvement in management of foodgrains by FCI.
- (iv) To define or give suggestions to reorient the role and functions of FCI in MSP operations, storage and distribution of foodgrains and food security systems of the country.
- (v) To suggest a way forward for strengthening and integration of supply chain of foodgrains in the country.

1352 P&R  
26/8/2014

- (vi) To suggest most efficient and cost effective model from the point of view of storage and least cost option of moving grains.
- (vii) To recommend scientific model of storage.
- (viii) To recommend rationalised mode of moving grains including tracking of carriage.
- (ix) To suggest the upgradation of technology in management of foodgrains.

3. The HLC will prepare a Consultation Paper relating to its TORs for circulation among the various stake holders as well as placing it in public domain to invite comments/suggestions. The HLC may visit a few States of both DCP and non-DCP category and will take evidence from State Government authorities, farmers, various players of foodgrains supply chain, public persons etc.

4. The Department of Food & PD will provide all support to HLC for seeking information/data from various Central and State Government agencies and will facilitate its interface with the State Government authorities and others. The FCI will serve as Secretariat of the HLC and will provide office space, required manpower and other facilities for its functioning. The Chairman and members of the HLC will be provided TA/DA and transport facilities for official purpose as provided to the Directors of the Board of FCI. The non-official Committee members of FCI will be provided accommodation in Delhi and other places and a sitting fee for attending the meetings of HLC at par with the Directors of FCI in its Board.

5. HLC will finalize its report and submit it to the Government within a period of 3 (three) months.

Yours faithfully,



(U.K.S. Chauhan)  
Joint Secretary to the Government of India  
Tel No. 22382512

To,

- (i) Shri Shanta Kumar, M.P, 23, Ashok Road, New Delhi
- (ii) Chief Secretary, Govt. of Punjab
- (iii) Chief Secretary, Govt. of Chhattisgarh
- (iv) Prof. G. Raghuram, Dean, IIM, Ahmedabad
- (v) Dr. Ashok Gulati, Former Chairman, Commission for Agricultural Costs & Prices, GOI
- (vi) Prof. Gunmadi Nacharaiyah, Dean, School of Economics, University of Hyderabad
- (vii) Chairman-cum-Managing Director, FCI
- (viii) Shri Ram Sewak Sharma, Secretary (Electronics & IT)

Copy for information to :

- (i) PS to Minister(CA&FPD)

- (ii) PS to MOS (CA&FPD)
- (iii) PS to Secretary, Food & Public Distribution
- (iv) PS to AS&FA, Food & Public Distribution
- (v) PS to JS(P&FCI)/JS(BP)/JS(Impex)/JS(Storage)/JS(S&SA)/JS(Admn.)