



Payment to FCI Modalities and Current Status

Regional Workshop with States

Hyderabad

22-23 December, 2015

Supply of Food grains -MDMS

- Food Corporation of India supplies Fair Average Quality (FAQ) food grains to States/UTs under all Welfare Schemes such as TPDS, ICDS, MDMS etc.
- Food grain is supplied on post payment basis only under MDMS.

Lifting of Food grains

- States/UTs are to maintain a buffer stock of one month food grains at the schools.
- States/UTs can lift food grains from FCI by 25th of the preceding month/quarter for requirements of food grains during the next month/quarter.

Payment to FCI

- FCI will raise bills by 10th day of the next month from the month of lifting of food grains
- States/UTs would make payment within 20 days from the date of receipt of bill.
- Payment of cost of food grains has been decentralized at district level from 1st April, 2010.

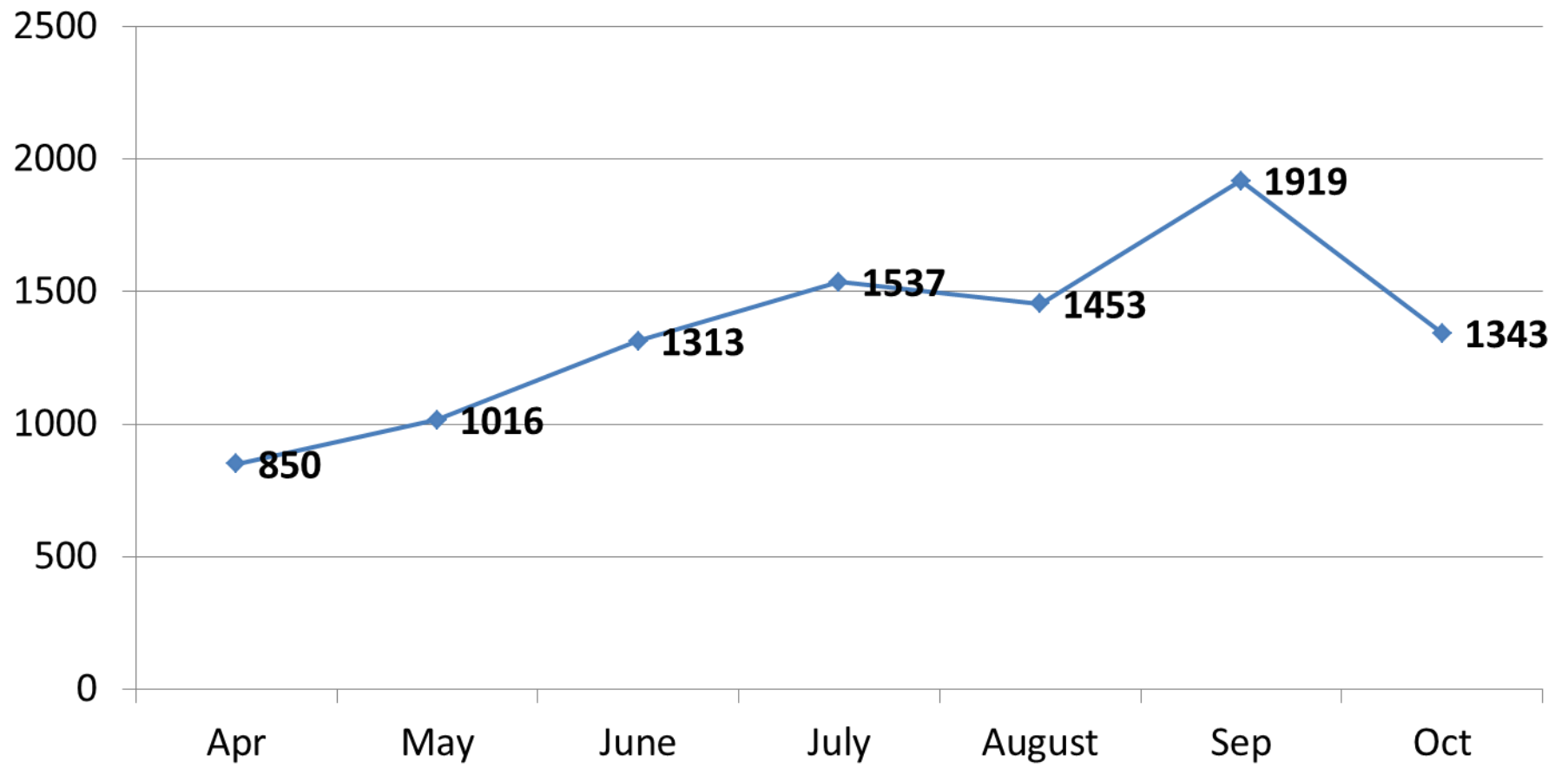
Delay in Payment to FCI



- District Authorities in the States/UTs are not making payment towards the cost of food grains to FCI within the stipulated 20 days from the date of receipt of bill.
- States/UTs have cumulative outstanding month wise bills for more than 364 Cr. as on October, 2015.

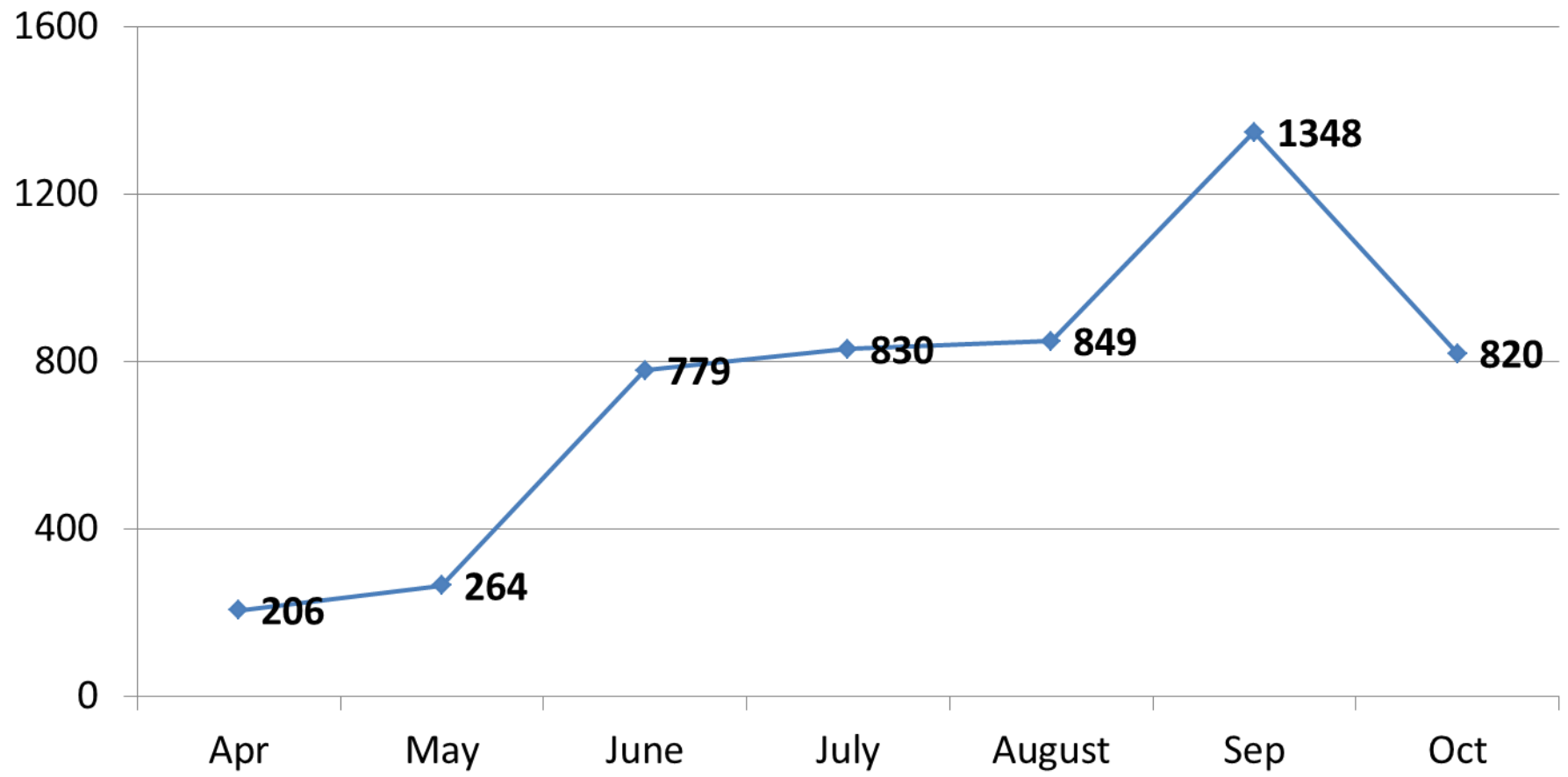
Month wise pending bills – 2015 (Rs. in lakh)

Andhra Pr



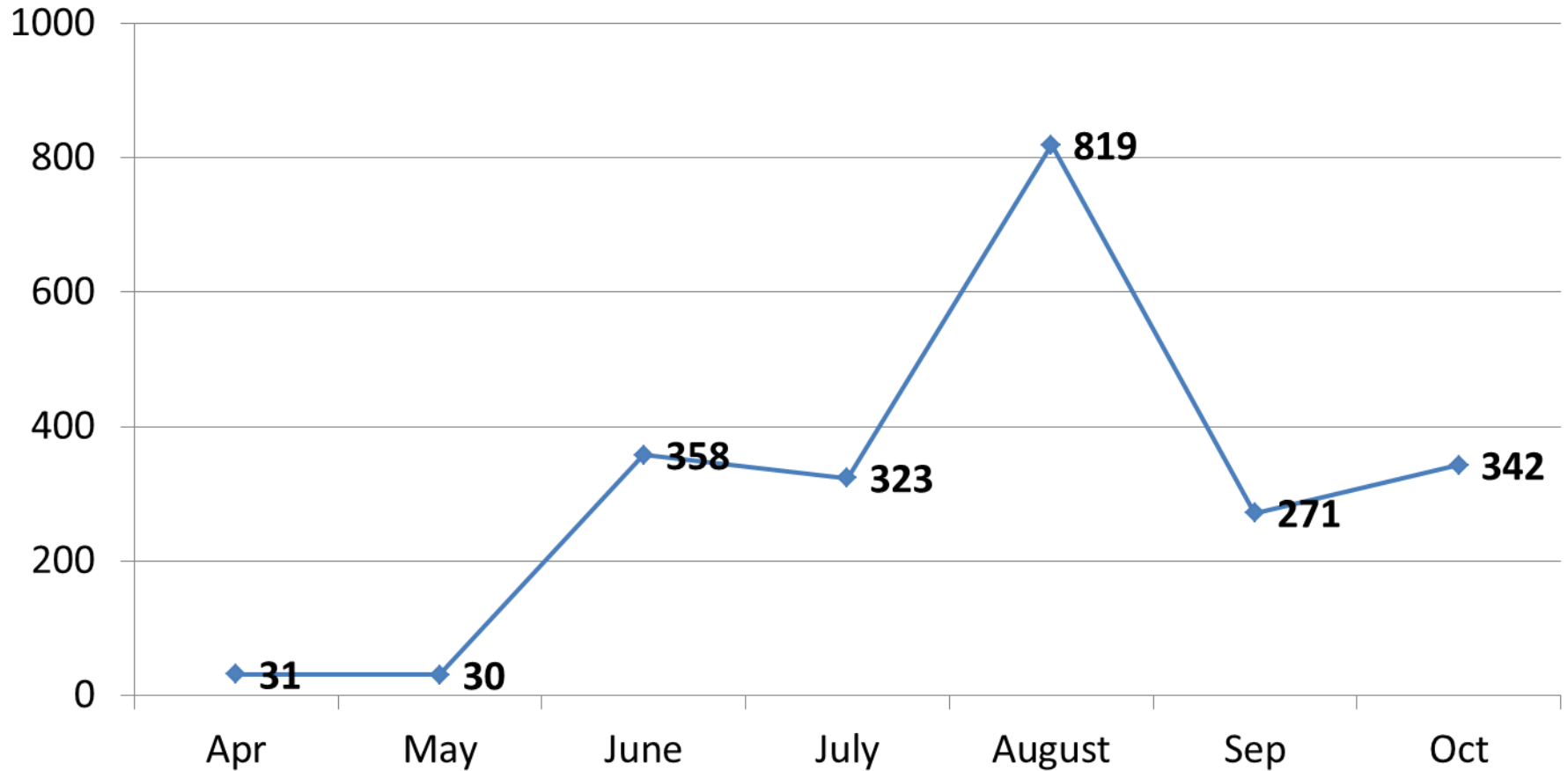
Month wise pending bills – 2015 (Rs. in lakh)

Karnataka



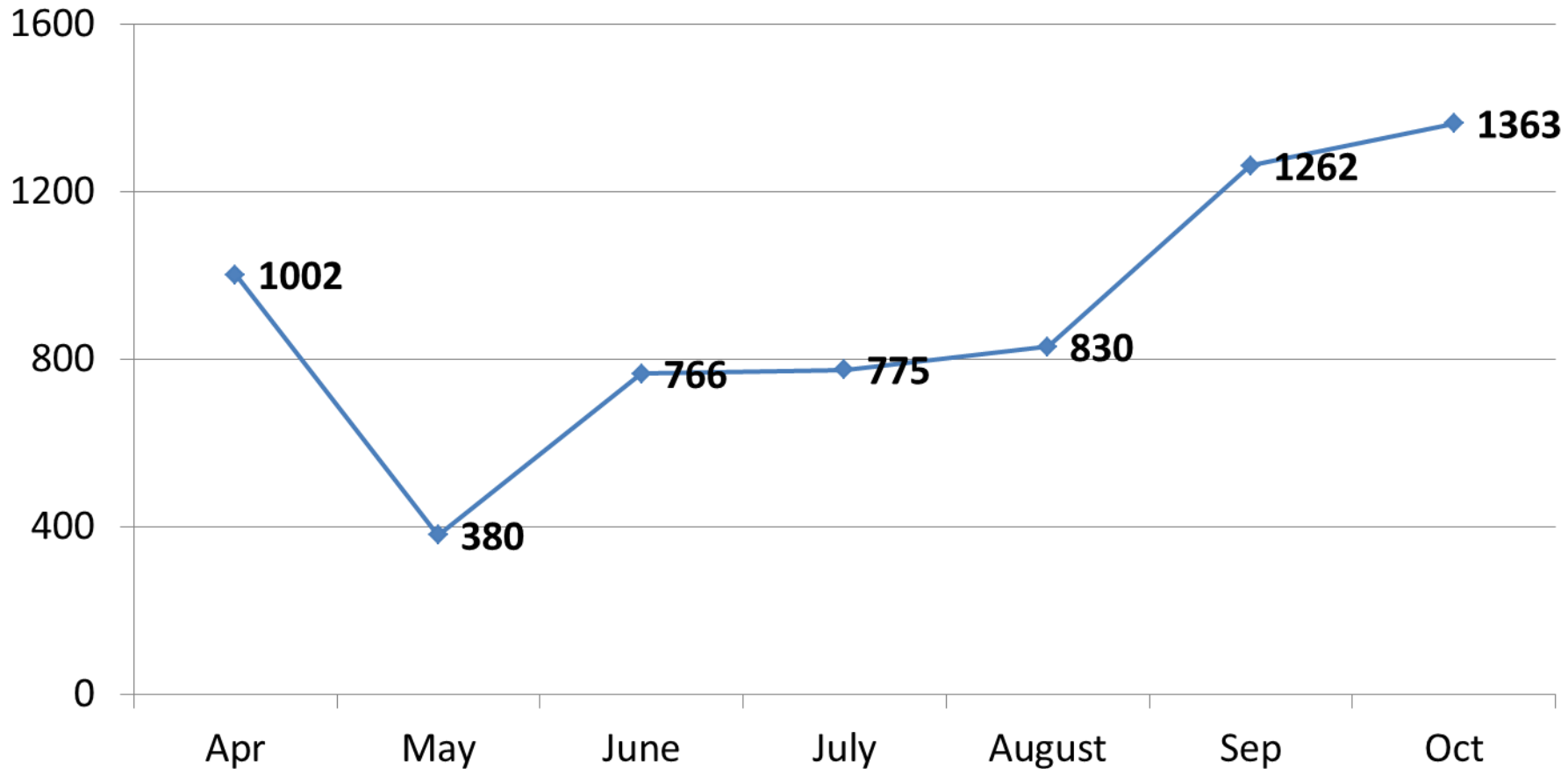
Month wise pending bills – 2015 (Rs. in lakh)

Kerala



Month wise pending bills – 2015 (Rs. in lakh)

TamilNadu



Effect of Pending Payments



- FCI is paying heavy interest on the loan taken by it for procuring and supply of food grains under MDMS.

Remedial Action



- As envisaged under MDM Guidelines, State Nodal Officers should hold monthly meetings with the FCI officers.
- These meetings would provide a platform for resolving bottlenecks and reconciliation of figure of payment to FCI.
- e-payment to FCI.

Thank You