

DFPD and FCI Sign MoU for FY 2026–27 to Strengthen Efficiency, Technology and Accountability in Foodgrain Management

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The Department of Food & Public Distribution (DFPD) and the Food Corporation of India (FCI) signed a Memorandum of Understanding (MoU) for the Financial Year 2026–27 in New Delhi. The MoU establishes a comprehensive performance framework for FCI, with defined targets aimed at improving operational efficiency, strengthening accountability and accelerating modernisation in foodgrain management.



The MoU focuses on key areas including **reduction of storage losses, optimal utilisation of storage capacity, improvement in logistics and supply chain management, and strengthening of quality control mechanisms**. It also places emphasis on greater digitisation of business processes and adoption of modern Information Technology solutions to enhance efficiency, transparency and monitoring of FCI's operations.

As part of the modernisation agenda, the MoU provides for **capacity building and skill development initiatives for FCI employees**, enabling the organisation to effectively adopt emerging technologies and contemporary systems of foodgrain management.

Established in 1965 under the Food Corporations Act, 1964, FCI plays a pivotal role in maintaining the country's food security by undertaking procurement, storage, movement and distribution of foodgrains on behalf of the Government of India. Given the scale of public resources involved in its operations, efficient utilisation of food subsidy and continuous improvement in operational processes remain key priorities.



The MoU introduces a **measurable and outcome-oriented approach** to FCI's functioning by linking its performance with clearly defined annual parameters. The framework is intended to promote greater efficiency in the utilisation of resources, strengthen transparency in operations and encourage adoption of technology-driven solutions across the organisation.

A proportion of the MoU targets has been linked to the performance of FCI's depots through the **Depot Darpan Portal**, a web-based platform for assessing depot infrastructure and operational efficiency. Outcome- and target-based benchmarks have been incorporated to strengthen physical infrastructure, improve operational performance and promote continuous improvement across FCI depots.

The signing of the MoU reflects the Government's continued commitment towards **modernising the foodgrain management system and enhancing the efficiency and resilience of the country's food security architecture**. Through this performance-based framework, DFPD and FCI reaffirm their commitment to ensuring that food subsidy resources are utilised in a cost-effective and transparent manner while delivering greater value to the nation.

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