

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:4560  
ANSWERED ON:25.04.2005  
AGREEMENT BETWEEN FCI AND NCDEX  
Rathod Shri Harisingh Nasaru

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

- (a) whether Food Corporation of India (FCI) has recently signed a Memorandum of Understanding (MoU) with the National Commodity and Derivatives Exchange (NCDEX) and National Collateral Management Services;
- (b) if so, the details thereof including the terms and conditions of MoU; and
- (c) the benefits likely to accrue to the farmers as a result of this agreement?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION ( DR. AKHILESH PRASAD SINGH )

(a): Yes, sir.

(b) & (c): In terms of the MOU the FCI and NCDEX/NCMSL shall have collaboration in the areas of procurement, futures trading of foodgrains and related areas on mutually agreed terms. This will provide a platform for on-line screen based trade in futures and price discovery for farmers in respect of several agricultural and other commodities.