

**STANDING COMMITTEE ON CONSUMER AFFAIRS,
FOOD AND PUBLIC DISTRIBUTION (2022-2023)**

29

SEVENTEENTH LOK SABHA

**MINISTRY OF CONSUMER AFFAIRS, FOOD
AND PUBLIC DISTRIBUTION
(DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION)**

{Action Taken by the Government on the recommendations/observations contained in the Twenty Fourth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2023-24) pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution)}

TWENTY NINTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

August, 2023/Sravana,1945 (Saka)

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(DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION)**

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*Presented to Lok Sabha on 03.08.2023
Laid in Rajya Sabha on 03.08.2023*



**LOK SABHA SECRETARIAT
NEW DELHI**

August, 2023/Sravana,1945 (Saka)

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Composition of the Standing Committee on Consumer Affairs, Food and Public Distribution (2022-23)

Smt. Locket Chatterjee - Chairperson

MEMBERS

Lok Sabha

2. Dr. Farooq Abdullah
3. Shri Sudip Bandyopadhyay
4. Shri Shafiqur Rahman Barq
5. Shri Gangasandra Siddappa Basavaraj
6. Km. Debasree Chaudhuri
7. Shri Anil Firojiya
8. Shri Rajendra Dhedya Gavit
9. Shri Sanganna Amarappa Karadi
10. Shri Khagen Murmu
11. Shri Mitesh Rameshbhai Patel
12. Shri Subrat Pathak
13. Shri Ganesan Selvam
14. Dr. Amar Singh
15. Smt. Himadri Singh
16. Smt. Kavita Singh
17. Shri Nandigam Suresh
18. Shri Saptagiri Sankar Ulaka
19. Shri Rajmohan Unnithan
20. Shri Ve.Vaithilingam
21. Vacant

Rajya Sabha

22. Shri Satish Chandra Dubey
23. Dr. Fauzia Khan
24. Shri Baburam Nishad
25. Shri Rajmani Patel
26. Shri Sakaldeep Rajbhar
27. Dr. Anbumani Ramadoss
28. Shri C. Ve Shanmugam
29. Shri Harbhajan Singh
30. Ms. Dola Sen
31. Dr. Ashok Bajpai

LOK SABHA SECRETARIAT

1. Shri Srinivasulu Gunda - Joint Secretary
2. Dr. Vatsala Joshi - Director
3. Dr. Mohit Rajan - Deputy Secretary
4. Smt. Veena Luthra - Executive Officer

INTRODUCTION

I, the Chairperson of the Standing Committee on Consumer Affairs, Food and Public Distribution (2022-2023) having been authorized by the Committee to submit the Report on their behalf, present this Twenty Ninth Report on Action Taken by the Government on the Recommendations/Observations contained in the Twenty Fourth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2023-24) of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution).

2. The Twenty Fourth Report was presented to Lok Sabha and laid in Rajya Sabha on 21.03.2023. The Government has furnished its replies indicating Action Taken on the recommendations contained in the Report on 02.06.2023.

3. The Report was considered and adopted by the Committee at their sitting held on 01.08.2023.

4. An analysis of the action taken by the Government on Recommendations/Observations contained in the Report is given in **Appendix II**.

5. For facility of reference and convenience, the Recommendations/ Observations of the Committee have been printed in thick type in the text of the Report.

NEW DELHI;
01 August, 2023
10 Sravana,1945 (Saka)

LOCKET CHATTERJEE,
Chairperson,
Standing Committee on
Consumer Affairs, Food and Public Distribution

REPORT

CHAPTER – I

This Report of the Standing Committee on Consumer Affairs, Food and Public Distribution deals with the action taken by the Government on the Recommendations/Observations contained in the Twenty Fourth Report of the Committee (17th Lok Sabha) on Demands for Grants (2023-24) pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution).

1.2 The Twenty Fourth Report was presented to Lok Sabha and laid on the Table of Rajya Sabha on 21.3.2023. It contained 12 recommendations/observations Action taken replies in respect of all the 12 recommendations/observations contained in the Report have been received and these have been categorized as follows:-

- (i) Recommendations/Observations which have been accepted by Government -

Para Nos. :- 2.9, 2.10, 3.14, 3.18, 3.27, 3.28, 4.5, 4.15, 4.17, 4.21, 5.9 & 5.13

(Chapter – II, Total : 12)

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies -

Para. No.:- Nil

(Chapter – III, Total : 0)

- (iii) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee -

Para No.:- Nil

(Chapter – IV, Total : 0)

- (iv) Recommendations/Observations in respect of which final replies of Government are still awaited -

Para No. :- Nil

(Chapter – V, Total : 0)

1.3 The Committee trust that utmost importance will be given to the implementation of the recommendations accepted by the Government. The Committee desire that final action taken notes to the recommendations/observations contained in Chapter-I should be furnished to the Committee expeditiously.

1.4 The Committee will now deal with action taken by the Government on some of the recommendations.

A. Encourage procurement and production of Millets

Recommendation (Sl. No. 3, Para No. 3.14)

1.5 The Committee in the original report observed/recommended as under :-

“The Committee observe that as per Guidelines for procurement, allocation, distribution and disposal of coarse grains/millets, States are allowed to procure coarse grains/millets (Jowar, Bajra, Maize & Ragi etc.) from farmers at MSP under central pool subject to the prior approval of GOI on the detailed procurement plan prepared by State Governments in consultation with FCI. The procured quantity shall be distributed under TPDS (Targeted Public Distribution System)/OWS (Other welfare Schemes) in the State/UT. Further, it is informed that Department has revised the guidelines for allocation, distribution and disposal of coarse grains procured by the State Agencies/FCI and enhanced the distribution period to 6-10 months from earlier period of 3 months. Provision of advance for subsidy inter-state transportation of surplus millets through FCI is also incorporated. The Department has also informed that the millet promotion is being done by the Agriculture Ministry in coordination with the Agriculture Departments of various States and Department’s role is confined only to procure them and distribute it for various schemes such as PDS, MDM scheme and Integrated Child Development Scheme (ICDS). The Committee, understand that millets have been an integral part of our diet for centuries and in addition to plethora of health benefits, millets are also good for environment with low water and input requirement. The Committee, therefore, feel that there is need to create awareness about millets amongst consumers and farmers for its health benefits and nutritious value, thereby, promoting its production and consumption. The Committee recommend the Ministry to encourage production and procurement of millets in all the States especially the States having significant tribal population such as Rajasthan, MP and Chhattisgarh etc. and provide all possible aid/assistance/bonus to farmers opting to grow millets. Similarly,

the procurement of wheat and rice may be enhanced from the States having higher production of wheat and rice. Further, in order to encourage the consumption of millets, the Committee further suggest that the beneficiaries of different schemes should be given option to bundle millets along with wheat and rice within their entitled quantity.”

1.6 The Ministry in its action taken reply has stated as under:-

“This Department has been requesting States almost every year for taking steps for encouraging the procurement/consumption of coarse grains in the State. The last two letter dated 31.05.2022 and 10.08.2022 has been sent to the State Governments (including Rajasthan, MP and Chhattisgarh) for enhancing procurement and distribution of coarse grains in the TPDS/ICDS/MDM. Through a letter dated 31.05.2022, the States/UTs have been requested to consider launching programs for the promotion of coarse grains by hiring brand ambassadors and launching awareness campaigns for re-orienting the food habits of people towards the consumption of coarse grains. District Collectors/District Agriculture Officers have also been advised to encourage the production of coarse grains/millet, as per local consumption preference, for distribution in PDS within the State which could be instrumental in doubling farmers' income. State Governments are requested to procure the coarse grains/millets as per the extant guidelines of coarse grains dated 07.12.2021 and 28.03.2022 for distribution under the TPDS/ICDS/MDM and to include these nutritious grains in the TPDS/OWS/MDM as is being done by the State Government of Karnataka which is striving towards achieving 50% of NFSA allocation in the next three years. This Department vide letter dated 09.02.2023 requested the State Government of Rajasthan and FCI to procure Bajra for supplying under WBNP/PM-Poshan. State Government of Madhya Pradesh and Rajasthan vide letter dated 07.02.2023 were also requested to procure Jowar, Bajra, and Ragi for supplying to States demanding under WBNP/PM-Poshan.

Production of millets is dealt with by DA&FW.”

1.7 The Committee in their original report recommended the Ministry to encourage production and procurement of millets in all the States specially the States having significant tribal population such as Rajasthan, MP and Chhattisgarh etc. and suggested that the beneficiaries of different schemes

should be given option to bundle millets along with wheat and rice within their entitled quantity. The Department in its Action Taken Reply has stated that the last two letters dated 31.05.2022 and 10.08.2022 have been sent to the State Governments (including Rajasthan, MP and Chhattisgarh) for enhancing procurement and distribution of coarse grains in the TPDS/ICDS/MDM. The Department has also stated that Production of millets is dealt with by DA&FW. The Committee, while reiterating its original recommendation, appreciate the efforts of the Department and desire to take up the matter with DA&FW for taking suitable steps to increase the production of millets and Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) to encourage the consumption of millets by giving an option of millets to the beneficiaries within their entitlement.

B Outstanding dues and liabilities of various Ministries

Recommendation (Sl. No. 7, Para No. 4.5)

1.8 The Committee in their original report observed/recommended as follows:-

“The Committee find that FCI is providing food grains for various welfare schemes of respective Ministries of Union Government on payment basis. The information provided by the Ministry indicate that there are huge outstanding dues against various Ministries. The Committee feel that recovery of outstanding dues from various Ministries has been a long pending issue. The Committee in their 18th Report also recommended that Department should make sincere efforts towards the settlement of dues. It is imperative for the Department to pursue the matter at the highest level especially with the Ministry concerned.”

1.9 The Ministry in its action taken reply has stated as under:-

“The updated Provisional Status of outstanding dues of FCI as on 28.02.2023 is mentioned below:

Ministry	Amount (in crore)	Issue
Ministry of RD	2454.03	O/s dues against MoRD towards the issue of Food grains under SGRY, SGRY - SC, NFFWP & FFW schemes.
Ministry of HRD/Ministry of Education	361.09	Dues against State Govts. Under MDM Scheme from the year 2016-17 to 2021-22
Ministry of External Affairs	72.66	O/s dues against MEA towards export of Foodgrains from 2004-05 to 2016 to Afghanistan/ Korea/ Egypt/ Mozambique
Other Central Govt Organisations	944.34	O/s dues against PSUs such as STC, PEC, MMTC etc. towards export Sales, issue of pulses etc.
State Govt./ Agencies	271.22	O/s dues against State Govt./Agencies towards the issue of Food grains on a credit basis due to Floods, the Covid situation, the differential cost for the issue of foodgrains in other schemes, the Cost of gunnies etc.
M/o Defence	0.35	O/s dues against MoD towards the differential cost for the issue of stocks to Defence for the years 2014-15 and 2015-16.
Total	4103.69	

The Department of Food & PD and FCI are pursuing the matter with the concerned Ministries for liquidating the outstanding dues of FCI. This Department has convened meetings on 25.07.2018 and 28.12.2018, with concerned Ministries/Departments and concerned Departments have been requested repeatedly to expedite the liquidation of the outstanding dues vide letters dated 17.01.2019, 11.02.2019, 28.03.2019, and 05.07.2019. Further, DFPD vide letter dated 17.11.2020, has requested M/o Rural Development (M/o RD), M/o Education and M/o External Affairs (MEA) to take necessary action w.r.t settlement of outstanding dues as mentioned in the above table. Further, a VC was also held under the chairmanship of JS (P&FCI) on 04.06.2021 to review outstanding FCI dues with MoRD, MEA & M/o Education.

Regarding outstanding dues to M/o Rural Development, efforts are being made to resolve the problem in consultation with D/o Economic Affairs and M/o Rural Development. The matter has been taken up with D/o Economic Affairs vide DFPD letter dated 28.02.2023. With regard to outstanding dues to other Ministries/ Departments, FCI has been regularly following up on the matter with the Ministries/ Departments concerned for their settlement.”

1.10 The Committee in their original report observed that there was huge outstanding dues against various Ministries for a long time and urged the Department to pursue the matter at the highest level especially with the Ministry concerned for settlement of the dues. The Department in its Action Taken Reply has stated that DFPD vide letter dated 17.11.2020 has requested Ministry of Rural Development, Ministry of Education and Ministry of External Affairs to take necessary action. The matter has been taken up with Department of Economic Affairs vide DFPD letter dated 28.02.2023. They further informed that FCI have been regularly following up on the matter with the Ministries/ Departments concerned for their settlement. The Committee note that huge amounts are outstanding for payment to FCI for a long time. The Committee, therefore, while reiterating their earlier recommendation suggest the Department to pursue the matter with the concerned Ministries for liquidating the outstanding dues of FCI expeditiously.

C Non achievement of physical and financial target of construction of godowns

Recommendation (Sl. No. 8, Para No. 4.15)

1.11 The Committee in the original report observed/recommended as under :-

“The Committee are concerned to note that during the year 2019-20, 2020-21, 2021-22 and 2022-23, FCI could not achieve physical target of construction of godowns in North Eastern States, Himachal Pradesh, Kerala and Jharkhand.

During the Financial Year 2022-23, the target set for North Eastern States was 10020 MT, but its achievement was only 6400 MT (till

31.12.2022). Financial targets set during the year 2022-23 was Rs. 60 crores, but achievement was only Rs 20.52 crore. Similarly, in Himachal Pradesh, physical target set during the Financial Year 2022-23 was 6620 MT, but achievement was only 2240 MT (till 31.12.2022). The progress in achievements of the targets in NE states and Himachal Pradesh, Kerala, Jharkhand, etc., till the end of the third quarter of the financial year shows that it is unlikely that the Ministry will be able to achieve the set targets for the year 2022-23.

The Ministry submitted that in case of Central Sector Scheme "Storage & Godowns", land acquisition from the State Governments is a major hurdle, which consumes a lot of time. Along with that, the harsh topographical conditions and inclement weather conditions of NE as well as Himachal Pradesh contribute to the slow pace of progress of work. The Committee are of the view that these factors are well known, and the planning should have taken into consideration these harsh realities of NE and hilly states and accordingly, the implementation strategy of the plans should have been formulated. The Committee, therefore, request the Ministry to address these issues and take suitable action.

In J&K, A&N and Lakshadweep, no godowns are being constructed by FCI under Central Sector Scheme. Ministry further informed that they have no plan for construction of mini godowns. Creation of adequate storage capacity especially in far flung areas such as J&K, A&N Islands, Lakshadweep, etc the Committee believe to have uninterrupted supply of essential commodities to the people living there. In this context, suggest the Ministry to explore the possibility of building mini godowns."

1.12 The Ministry in its action taken reply has stated as under:-

"In the year 2020-21 and 2021-22, the set targets were not achieved as during the said period there was a nationwide lockdown owing to the COVID-19 pandemic, due to which there was a lack of manpower and unavailability of material.

For the Financial Year 2022-23, the target set for MoU Excellent, and V. Good were Rs. 51.50 Cr and Rs. 45.00 Cr respectively and the achievement against the set target was Rs. 46.49 Cr (V. Good).

Moreover, as already stated before that a lot of delay occurs due to the tedious land acquisition process, which consumes a lot of time. The prediction and planning for such an event cannot be done in advance, as there are many variable factors involved; finding suitable land for the construction of a godown can be considered as one such example.

Further, with regards to the harsh topographical conditions and inclement weather conditions of NE as well as Himachal Pradesh, it is informed that these conditions are kept in mind while planning a strategy but sometimes due to unforeseeable weather conditions the construction gets further delayed. Regarding the construction of a godown in J&K under the Central Sector Scheme, no work is currently undertaken under Central Sector Scheme “Storage & Godowns” by FCI.”

1.13 The Committee in their original report requested the Ministry to address the issues relating to construction of godowns in difficult terrain like North East States and other hill States. The Ministry in their written replies stated that despite keeping the conditions in mind, at times due to unforeseen weather condition, the construction get further delayed. In this regard, the Committee are pleased to note that for the financial year 2022-23, the achievement against the set target was Rs. 46.49 Cr. which falls into very good category. The Committee appreciate the dedicated efforts of the Ministry in drastic conditions specially in North East areas of the country and desire that construction of godowns in these areas will be expedited under Center Sector Scheme “Storage & Godowns.”

CHAPTER II

RECOMMENDATIONS/ OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 1, Para No. 2.9)

2.1 The Committee note that under Capital Section, BE for the Financial Year 2022-23, is Rs 12029.67 crore which remains the same at RE stage, but AE till 24.2.2023 is Rs 11953.09 crore which is the 99.36 % of the RE. The Committee appreciate that the Ministry could utilize almost entire allocation in February 2023 itself. Moreover, Ministry have managed to keep expenditure in the last quarter within the prescribed limit of 33% as per direction of Ministry of Finance. While appreciating the financial prudence of the Ministry, the Committee hope that Ministry should continue to maintain fiscal discipline in future as well.

Reply of the Government

2.2 The Department strives to incur expenditure with proper planning and timelines. There is strict monitoring of the expenditure of funds from the initial stage. For this, Monthly Expenditure Plan (MEP) is prepared beforehand. Further, weekly expenditure statement monitoring is done by holding weekly Sr. officers' meetings.

Accordingly, during FY 2022-23, expenditure under Capital Section till 31.03.2023 was to the tune of Rs. 12011.48 crores (which is around 99.85%) against the BE of Rs. 12029.67 crores and RE of Rs. 12029.70 crores. (Statement of expenditure as on 31.03.2023 is placed in **Annexure-I**).

In view of the above, as cited by the committee also, the performance of the Department is satisfactory. The Department assures the Committee that it will continue to strive for the utilization of maximum funds in future years like in FY 2022-23.

[Ministry of Consumer Affairs, Food & Public Distribution
(Department of Food & Public Distribution)
O.M. No. G-20017/03/2023-AC Dated the 02.06.2023]

Recommendation (Sl. No. 2, Para No. 2.10)

2.3 The Committee note that the large number of utilization Certificates (UCs) are pending from various State Governments in respect of various schemes of the Department. For example, under Central Sector scheme for storage & godowns UCs worth Rs 10.24 crore and Rs 5.98 crore are pending from State Government and FCI respectively. Further, UCs amounting to Rs.21,76,708 and Rs 16,97,784 are pending under 'generating awareness amongst TPDS beneficiaries' project and village, Uttar Pradesh, and Grain Bank Scheme respectively.

The Committee note that non-receipt of UCs from various State Governments has remained a recurring problem which resulted in non-release of remaining allocated funds by the Department to the State Governments for various schemes/projects. This in turn might have led to delay in completion of the projects/ schemes. The Committee therefore would like to be apprised of the projects/ schemes which could not be completed due to stoppage of further funding by the Ministry for want of UCs in various states. The Committee further note that Ministry/ FCI have been pursuing the matter with the concerned State Governments. The Committee suggest that the matter be taken up with the Ministry concerned of the State Government to impress upon the need for furnishing UCs.

Reply of the Government

2.4 Under the 'Generating awareness among TPDS beneficiaries' project, financial assistance is given to States and other stakeholders based on the proposal received from them to create mass awareness regarding various aspects of the National Food Security Act (NFSA) 2013 and other schemes of the Department of Food and Public Distribution. Out of the total amount approved for the States/UTs, 80% share is borne by the Central Government in two equal instalments of 40% each and the remaining 20% by the State Government. The 2nd instalment is released on receipt of the Utilization Certificate (UC) for the 1st instalment along with UC for 20% of the State's share. The details of pending UCs are as under:

Name of the scheme	Year	State	Pending UCs for the amount (Amount in Rs.)
Generating Awareness amongst TPDS beneficiaries project	2007-08	Assam	*77788/-
	2020-21	Madhya Pradesh	1,00,000/-
	2020-21	Karnataka	7,98,920/-
	2015-16	Uttar Pradesh	12,00000/-
Village Grain Bank Scheme (The Scheme discontinued w.e.f 1.1.2014)	2006-07	Assam	1697784/-

*After the rigorous pursuing of the matter, State Govt. vide letter dated 06.08.2021, informed that the unutilized amount of Rs. 77,788/- along with interest has been refunded to Govt. of India. However, confirmation of the same from the Pay & Accounts Office is still awaited.

The Department of Food and Public Distribution is regularly pursuing the matter with the concerned States for obtaining Utilization Certificates or to surrender/refund the amount sanctioned by DFPD by written communications dated 11.06.2019, 23.04.2019, 19.02.20, 03.07.2020, 28.02.2022, 13.07.2022, 04.01.2023, & 28.03.2023. Despite, several requests made by DFPD, UCs are still pending from States\UTs & accordingly, DFPD is unable to release any further funds.

Storage and Godowns

The various projects of construction of godowns under the Central Sector Scheme “Storage & Godowns” are monitored by Food Corporation of India (FCI) at various levels from Chairman and Managing Director (C & MD), Executive Directors (ED), ED (Zones) and General Managers (GM) /GM(Regions) by arranging regular meetings in Headquarters as well as in North Eastern States with the Chief Secretaries or other Senior officers of the State Govt. FCI also pursues with Central/State Govt. executing agencies by following up at the level of C & MD and EDs.

In addition, this Department also monitors the progress of the State Governments for unresolved issues like land acquisition. Regular review meetings are being taken by DFPD to monitor the progress of the implementation of the scheme and for early furnishing UCs.

03 cases of pending UCs in respect of erstwhile schemes/projects, namely, Construction of Godowns/Purchase of Vans/Trucks (scheme) and PDS-Training (project): are pending from 02 States. States/UTs are being regularly followed up to furnish pending UCs.

[Ministry of Consumer Affairs, Food & Public Distribution
(Department of Food & Public Distribution)
O.M. No. G-20017/03/2023-AC Dated the 02.06.2023]

Recommendation (Sl. No. 3, Para No. 3.14)

2.5 The Committee observed that as per Guidelines for procurement, allocation, distribution and disposal of coarse grains/millet, States are allowed to procure coarse grains/millet (Jowar, Bajra, Maize & Ragi etc.) from farmers at MSP under central pool subject to the prior approval of GOI on the detailed procurement plan prepared by State Governments in consultation with FCI. The

procured quantity shall be distributed under TPDS (Targeted Public Distribution System)/OWS (Other welfare Schemes) in the State/UT. Further, it is informed that Department has revised the guidelines for allocation, distribution and disposal of coarse grains procured by the State Agencies/FCI and enhanced the distribution period to 6-10 months from earlier period of 3 months. Provision of advance for subsidy inter-state transportation of surplus millets through FCI is also incorporated. The Department has also informed that the millet promotion is being done by the Agriculture Ministry in coordination with the Agriculture Departments of various States and Department's role is confined only to procure them and distribute it for various schemes such as PDS, MDM scheme and Integrated Child Development Scheme (ICDS). The Committee, understand that millets have been an integral part of our diet for centuries and in addition to plethora of health benefits, millets are also good for environment with low water and input requirement. The Committee, therefore, feel that there is need to create awareness about millets amongst consumers and farmers for its health benefits and nutritious value, thereby, promoting its production and consumption. The Committee recommend the Ministry to encourage production and procurement of millets in all the States specially the States having significant tribal population such as Rajasthan, MP and Chhattisgarh etc. and provide all possible aid/assistance/bonus to farmers opting to grow millets. Similarly, the procurement of wheat and rice may be enhanced from the States having higher production of wheat and rice. Further, in order to encourage the consumption of millets, the Committee further suggest that the beneficiaries of different schemes should be given option to bundle millets along with wheat and rice within their entitled quantity.

Reply of the Government

2.6 This Department has been requesting States almost every year for taking steps for encouraging the procurement/consumption of coarse grains in the State. The last two letter dated 31.05.2022 and 10.08.2022 has been sent to the State Governments (including Rajasthan, MP and Chhattisgarh) for enhancing procurement and distribution of coarse grains in the TPDS/ICDS/MDM. Through a letter dated 31.05.2022, the States/UTs have been requested to consider launching programs for the promotion of coarse grains by hiring brand ambassadors and launching awareness campaigns for re-orienting the food habits of people towards the consumption of coarse grains. District Collectors/District Agriculture Officers have also been advised to encourage the production of coarse grains/millet, as per local consumption preference, for distribution in PDS within the State which could be instrumental in doubling farmers' income. State Governments are requested to procure the coarse grains/millets as per the extant guidelines of coarse grains dated 07.12.2021 and 28.03.2022 for distribution under the TPDS/ICDS/MDM and to include these nutritious grains in the TPDS/OWS/MDM as is being done by the

State Government of Karnataka which is striving towards achieving 50% of NFSA allocation in the next three years. This Department vide letter dated 09.02.2023 requested the State Government of Rajasthan and FCI to procure Bajra for supplying under WBNP/PM-Poshan. State Government of Madhya Pradesh and Rajasthan vide letter dated 07.02.2023 were also requested to procure Jowar, Bajra, and Ragi for supplying to States demanding under WBNP/PM-Poshan.

Production of millets is dealt with by DA&FW.

[Ministry of Consumer Affairs, Food & Public Distribution
(Department of Food & Public Distribution)
O.M. No. G-20017/03/2023-AC Dated the 02.06.2023]

Comments of the Committee

(Please see Para No. 1.7 of Chapter-I of the Report)

Recommendation (Sl. No. 4, Para No. 3.18)

2.7 The Committee note that Public Distribution System is an important part of Government Policy under management of food by providing foodgrains to the eligible beneficiaries at subsidized rates. The PDS is operated under the Joint responsibility of the Central and the State Government. The Committee appreciate the Proposed Smart Public Distribution System by modernization and reforms through technology in Public Distribution System. The Ministry informed the objectives of SMART-PDS as strengthening e- Gov; PDS software-as-Service (Saas); Creation of Roust & Scalable Cloud IT Infrastructure; Mainstreaming of Data Analytics, Institutional Framework; Open API Platform for PDS and Sustainability of Existing Technology-Led Reforms. In this proposed SMART-PDS scheme, all procedural stages such as procurement of foodgrains, sending it to depots and central pool, allocation for NFSA and distribution by FPS will be fully automated. The Committee, therefore, feel that Smart PDS is an amalgamation of technology and conventional distribution system which would not only bring transparency in the PDS but also help in efficient monitoring and fast delivery. The Committee expect that an Advance, Standard & Scalable SaaS solution for entire PDS operations from Ration Card Management to last mile delivery at FPSs should be developed expeditiously and implemented at the earliest.

Reply of the Government

2.8 To mitigate challenges & to monitor and analyse the real-time data for enhanced and up-to-date policy decisions, the Department of Food & Public Distribution (DFPD) envisages implementing this new scheme, which would mainly focus on strengthening technology components under PDS reforms by

Standardization of PDS operation through the use of technology, integration with FCI, other key stakeholders, etc. and implementation of Data-driven decision making through the data analytics/BI platforms and other ICT tools & technologies.

Thus, the scheme envisages not only to introduce the major technological reforms but also to strengthen the technology infrastructure in Public Distribution System (PDS) which will lead the technology-driven transformative change in the entire PDS ecosystem covering NFSA and State schemes. Thus, the new scheme "Scheme for Modernization and Reforms through Technology in Public Distribution System (SMART-PDS)" is to sustain the Information Technology-led Reforms to be brought in the functioning of Public Distribution System (PDS) Operations by overcoming the state-level technological limitations of PDS operations in all States/UTs in respect of IT Hardware, Software, Technical Manpower and to institutionalize an integrated central system covering all PDS related operations across all States/UTs. The scheme will enable technology-driven transformative change, over coming the state-level technological limitations of PDS operations in all States/UTs. By institutionalizing an integrated central system covering all PDS-related operations, the scheme will ensure that PDS functions efficiently and effectively while addressing the IT hardware, software, and technical manpower requirement.

[Ministry of Consumer Affairs, Food & Public Distribution
(Department of Food & Public Distribution)
O.M. No. G-20017/03/2023-AC Dated the 02.06.2023]

Recommendation (Sl. No. 5, Para No. 3.27)

2.9 The Committee note that so far, the Computerization of Supply Chain Management has been implemented in 31 States/UTs. Its implementation is still to be completed in Arunachal Pradesh, Lakshadweep & Manipur due to network related issues. Further, the activity is not applicable in Chandigarh & Puducherry, as DBT cash is implemented in both the UTs. The Committee, therefore, desire the Department to take all necessary steps to resolve all network related issues in the areas of low connectivity to ensure that the entitle household are not be deprived of their legitimate entitlement of foodgrains on the ground of failure of biometric authentication.

Reply of the Government

2.10 With regard to network-related issues, the Department had taken up the matter with the Department of Telecommunications, which is implementing the Bharat Net Project for providing high-speed broadband connectivity to all the

Gram Panchayats (GPs) in the country. Accordingly, the Department has communicated to all States to leverage this facility from Bharat Net in case any connectivity-related issues are encountered at any FPS locations.

[Ministry of Consumer Affairs, Food & Public Distribution
(Department of Food & Public Distribution)
O.M. No. G-20017/03/2023-AC Dated the 02.06.2023]

Recommendation (Sl. No. 6, Para No. 3.28)

2.11 The Committee note that as per the Clause 9(9) of the TPDS (Control) Order 2015, the State Governments can allow the sale of commodities other than the foodgrains through their Fair Price Shops (FPSs) to improve the viability of fair price shop operations. The Ministry while recognising the need for economic viability of FPSs and enhancing beneficiary experience, has initiated suitable steps. The Committee appreciate that DFPD is facilitating partnerships and coordination with other Departments, service providers and private stakeholders to provide additional services at FPS. ~40,000 FPS has been on boarded as CSCs and similar efforts are ongoing with India Post Payment Bank (IPPB) to provide financial services at FPS. These PDS shops along with supplying foodgrains to targeted beneficiaries will provide host of services such as registration for Aadhaar and Pan card, booking of train tickets, checking of bank balance, and accessing information relating to eligibility of various schemes. The Committee suggest that this initiative be expanded to cover all FPSs in a time bound manner. The Committee also would like to be apprised of the roadmap drawn if any, for FPS transformation. Further, the Committee also suggest to explore the possibility of offering incentives, may be non-financial ones to the states to complete the project without any delay.

Reply of the Government

2.12 The Department of Food & Public Distribution (DFPD) is already considering a way forward to onboard all the Fair Price Shops (FPSs) under the FPS transformation activities in a phased manner. A central-level Steering Committee comprising representatives from concerned Ministries/Departments is constituted to monitor and review the progress of FPS transformation activities. Additionally, all the States/UTs have been requested to constitute a similar state-level committee and submit a monthly report.

As a next step, this Department aims to scale up the delivery of Common Service Centre(CSC) services to improve the viability of FPSs by delivering CSC Grameen e-store services and other allied business avenues in collaboration with CSC-SPV. DFPD in collaboration with CSC has identified 29 districts across 9 states, where district-level awareness workshops for FPS dealers on FPS transformation have been/will be conducted in March and April 2023.

Further on request of DFPD, the Department of Financial Services (DFS) has requested the MD-CEOs of Public Sector Banks for the deployment of FPS dealers as Banking Correspondent (BC) agents. DFPD has requested DFS to instruct and issue an advisory to all the State Level Banking Committees to conduct awareness workshops for FPS dealers through Financial Literary Centres (FLCs) and training and credit linkage through the Rural Self Employment Training Institute (RSETIs). DFPD has requested the MD & CEO of the Small Industries Development Bank of India (SIDBI) to explore the possibility to design a credit product specifically for FPS dealers. Indian Banks' Association (IBA), in consultation with DFPD, to lead the efforts on the development and customization of the training and awareness modules for FPS dealers, in coordination with all the service providers.

On the request of DFPD, Ministry of Rural Development has included construction of Fair Price Shops (FPSs) under the MNREGA scheme.

[Ministry of Consumer Affairs, Food & Public Distribution
(Department of Food & Public Distribution)
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Recommendation (Sl. No. 7, Para No. 4.5)

2.13 The Committee find that FCI is providing foodgrains for various welfare schemes of respective Ministries of Union Government on payment basis. The information provided by the Ministry indicate that there are huge outstanding dues against various Ministries. The Committee feel that recovery of outstanding dues from various Ministries has been a long pending issue. The Committee in their 18th Report also recommended that Department should make sincere efforts towards the settlement of dues. It is imperative for the Department to pursue the matter at the highest level especially with the Ministry concerned.

Reply of the Government

2.14 The updated Provisional Status of outstanding dues of FCI as on 28.02.2023 is mentioned below:

Ministry	Amount (in crore)	Issue
Ministry of RD	2454.03	O/s dues against MoRD towards the issue of Foodgrains under SGRY, SGRY - SC, NFFWP & FFW schemes.
Ministry of HRD/Ministry of Education	361.09	Dues against State Govts. Under MDM Scheme from the year 2016-17 to 2021-22
Ministry of External Affairs	72.66	O/s dues against MEA towards export of Foodgrains from 2004-05 to 2016 to Afghanistan/ Korea/ Egypt/ Mozambique
Other Central Govt Organisations	944.34	O/s dues against PSUs such as STC, PEC, MMTC etc. towards export Sales, issue of pulses etc.
State Govt./ Agencies	271.22	O/s dues against State Govt./Agencies towards the issue of Food grains on a credit basis due to Floods, the Covid situation, the differential cost for the issue of foodgrains in other schemes, the Cost of gunnies etc.
M/o Defence	0.35	O/s dues against MoD towards the differential cost for the issue of stocks to Defence for the years 2014-15 and 2015-16.
Total	4103.69	

The Department of Food & PD and FCI are pursuing the matter with the concerned Ministries for liquidating the outstanding dues of FCI. This Department has convened meetings on 25.07.2018 and 28.12.2018 with concerned Ministries/Departments and concerned Departments have been requested repeatedly to expedite the liquidation of the outstanding dues vide letters dated 17.01.2019, 11.02.2019, 28.03.2019, and 05.07.2019. Further, DFPD vide letter dated 17.11.2020 has requested M/o Rural Development (M/o RD), M/o Education and M/o External Affairs (MEA) to take necessary action w.r.t settlement of outstanding dues as mentioned in the above table. Further, a VC was also held under the chairmanship of JS (P&FCI) on 04.06.2021 to review outstanding FCI dues with MoRD, MEA & M/o Education.

Regarding outstanding dues to M/o Rural Development, efforts are being made to resolve the problem in consultation with D/o Economic Affairs and M/o Rural Development. The matter has been taken up with D/o Economic Affairs vide DFPD letter dated 28.02.2023. With regard to outstanding dues to other

Ministries/ Departments, FCI has been regularly following up on the matter with the Ministries/ Departments concerned for their settlement.

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Comments of the Committee

(Please see Para No. 1.10 of Chapter-I of the Report)

Recommendation (Sl. No.8, Para No. 4.15)

2.15 The Committee are concerned to note that during the year 2019-20, 2020-21, 2021-22 and 2022-23, FCI could not achieve physical target of construction of godowns in North Eastern States, Himachal Pradesh, Kerala and Jharkhand.

During the Financial Year 2022-23, the target set for North Eastern States was 10020 MT, but its achievement was only 6400 MT (till 31.12.2022). Financial targets set during the year 2022-23 was Rs. 60 crores, but achievement was only Rs 20.52 crore. Similarly, in Himachal Pradesh, physical target set during the Financial Year 2022-23 was 6620 MT, but achievement was only 2240 MT (till 31.12.2022). The progress in achievements of the targets in NE states and Himachal Pradesh, Kerala, Jharkhand, etc., till the end of the third quarter of the financial year shows that it is unlikely that the Ministry will be able to achieve the set targets for the year 2022-23.

The Ministry submitted that in case of Central Sector Scheme “Storage & Godowns”, land acquisition from the State Governments is a major hurdle, which consumes a lot of time. Along with that, the harsh topographical conditions and inclement weather conditions of NE as well as Himachal Pradesh contribute to the slow pace of progress of work. The Committee are of the view that these factors are well known, and the planning should have taken into consideration these harsh realities of NE and hilly states and accordingly, the implementation strategy of the plans should have been formulated. The Committee, therefore, request the Ministry to address these issues and take suitable action.

In J&K, A&N and Lakshadweep, no godowns are being constructed by FCI under Central Sector Scheme. Ministry further informed that they have no plan for construction of mini godowns. Creation of adequate storage capacity especially in far flung areas such as J&K, A&N Islands, Lakshadweep, etc the Committee believe to have uninterrupted supply of essential commodities to the

people living there. In this context, suggest the Ministry to explore the possibility of building mini godowns.

Reply of the Government

2.16 In the year 2020-21 and 2021-22, the set targets were not achieved as during the said period there was a nationwide lockdown owing to the COVID-19 pandemic, due to which there was a lack of manpower and unavailability of material.

For the Financial Year 2022-23, the target set for MoU Excellent, and V. Good were Rs. 51.50 Cr and Rs. 45.00 Cr respectively and the achievement against the set target was Rs. 46.49 Cr (V. Good).

Moreover, as already stated before that a lot of delay occurs due to the tedious land acquisition process, which consumes a lot of time. The prediction and planning for such an event cannot be done in advance, as there are many variable factors involved; finding suitable land for the construction of a godown can be considered as one such example.

Further, with regards to the harsh topographical conditions and inclement weather conditions of NE as well as Himachal Pradesh, it is informed that these conditions are kept in mind while planning a strategy but sometimes due to unforeseeable weather conditions the construction gets further delayed. Regarding the construction of a godown in J&K under the Central Sector Scheme, no work is currently undertaken under Central Sector Scheme "Storage & Godowns" by FCI.

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(Department of Food & Public Distribution)
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Comments of the Committee

(Please see Para No. 1.13 of Chapter-I of the Report)

Recommendation (Sl. No. 9, Para No. 4.17)

2.17 The Committee note that the Ministry has given a commitment to Textile Ministry for procurement of all the jute bags that are made available by the jute industry. Further, it was informed that in coordination with the BIS they are trying to produce smart jute bags with 75% jute and 25% mixture that will improve quality and life span of jute bag. While appreciating the efforts of the Department in the direction of creating sustainable and locally produced jute bags for the storage of foodgrains, the Committee desire that the Department should continue with the practice of using jute bags for the packaging of foodgrains and expedite

the finalization of smart jute bags so that the use of smart jute bags may be started at the earliest.

Reply of the Government

2.18 This Department is committed to procuring and using jute bags by the jute industry for foodgrain procurement operations as per the requirement of State/FCI.

With regard to Smart Jute bags, it is informed that Jute and Jute Products Sectional Committee (TXD 03) had approved the draft standards for circulation which were widely circulated by BIS for public comments. This Department has also requested BIS to circulate the disposal protocols to all stakeholders as received from the Ministry of Environment, Forest and Climate Change. BIS was also requested to take up the matter on priority for finalization of BIS standards for Jute and polypropylene blended bags (smart jute bags) so that the same may be used for packaging of food grains as per JPM Act.1987. The last meeting of TXD-03 Sectional Committee of BIS was held on 28.03.2023 in which the agenda including Environmental aspects of Smart Jute bags were discussed, and one month time was given to manufacturers and stakeholder of Smart Jute bags to reply and sort out the objections raised in the meeting.

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Recommendation (Sl. No. 10, Para No. 4.21)

2.19 The Committee are concerned to note that FCI is facing shortage of empty rakes for transportation of food grains (loading/ unloading) under PDS in Madhya Pradesh, Chhattisgarh and Odisha. Such a shortage might be driving FCI to opt road transport which is costly compared to rail transportation. The Committee, therefore, desire the Ministry to take up the matter with Ministry concerned immediately to address the issue.

Reply of the Government

2.20 FCI vide their letter dated 03.02.2023 has reported a short supply of empty rakes by Railways in Telangana, Odisha and Chhattisgarh and MP regions against the plan of January 2023. Accordingly, this Department vide DO

letter dated 15.02.2023 (**Annexure-II**) has already taken up the above matter with the Ministry of Railways for the supply of an adequate number of rakes to ensure smooth movement operations of the food grains. The Ministry of Railways has addressed the issue and informed that Indian Railways is fully committed to the priority movement of food grains from one State to another State as per the movement plan of the Government.

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Recommendation(SI. No. 11, Para No. 5.9)

2.21 The Committee was happy to note that the country has been producing sugar more than the domestic requirement for the last several years, which has not only ensured sufficient sugar supply, but also encouraged exports. The Committee also noted that due to availability of excess sugar, Government is encouraging sugar mills to divert excess sugarcane to ethanol, which has resulted in reduction of All-India cane price arrear of farmers for sugar season 2019-20, and payment of about Rs. 75,764 crores have been done against total cane dues of about Rs. 75,845 crore and cane arrears of only Rs. 81 crores are pending, as on 15.02.2023. Similarly, for the sugar season 2020-21 and 2021-22, out of total cane dues payable of about Rs. 93,075 crore and Rs 1,18,271 crore, cane arrears of only Rs. 86 crore and Rs 1,141 crore, respectively are pending. During the current sugar season 2022-23 (as on 15.02.2023), out of total cane dues of Rs. 60,607 crores, an amount of Rs. 46,155 crores have been paid and cane arrears of Rs. 14,452 crores are due for payment. While appreciating the efforts of the Department for timely payment of sugarcane to the farmers, the Committee wish that the Department would continue their efforts in this direction and would motivate farmers, for higher sugarcane production, by declaring timely and adequate Fair and Remunerative Price (FRP) of sugarcane so that sugarcane remain equally competitive crop with other food/cash crops thereby boosting exports.

Reply of the Government

2.22 In every sugar season, the production of sugar is around 320-360 Lakh Metric tonnes (LMT) as against the domestic consumption of 260-280 LMT which results in a huge carry-over stock of sugar with mills. To mitigate the situation, DFPD took various effective measures in the interest of sugarcane farmers and the sugar sector viz. including allocation of mill-wise Minimum Indicative Export Quotas (MIEQ) for export, assistance to sugar mills to offset the cost of cane, assistance to sugar mills to facilitate the export of sugar, creation of buffer stock of sugar, etc. For the first time, the Minimum Selling Price (MSP) of sugar was

fixed by DFPD. The Government also fixed the remunerative ex-mill price of ethanol derived out of C heavy molasses & B heavy molasses route. A soft loan scheme for extending loans to sugar mills through banks was also notified. To address the problem of the sugar sector, a long-term measure for the diversion of excess sugar to ethanol was implemented; Government is extending financial assistance in the form of interest subvention for five years including a one-year moratorium against the loan availed by project proponents from banks @ 6% per annum or 50% of the rate of interest charged by banks, whichever is lower, for setting up of new distilleries or expansion of existing distilleries or converting molasses-based distilleries to dual feed stocks, which would also give a fillip to Ethanol Blended with Petrol (EBP) Programme, a flagship programme of Government of India.

As a result of these measures, all-India cane price arrears of farmers for sugar season 2019-20, and payment of about Rs. 75,766 crores (more than 99%) have been done against total cane dues of about Rs. 75,845 crores and only Rs. 79 crores are pending as on 19.04.2023. Similarly, for the sugar season 2020-21 and 2021-22, out of total cane price payable of about Rs. 93,075 crores and Rs. 1,18,271 crore, cane arrears of only Rs. 85 crores and Rs. 186 crores respectively are pending. During the current sugar season 2022-23 (as on 19.04.2023), out of the total cane price payable of Rs. 1,02,919 crores and amount of Rs. 86,557 crores have been paid and cane arrears of Rs. 16,362 crores are pending for payment.

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(Department of Food & Public Distribution)
O.M. No. G-20017/03/2023-AC Dated the 02.06.2023]

Recommendation (Sl. No. 12, Para No. 5.13)

2.23 The Committee note that in past eight years, due to the policy changes and effective steps taken by the Government, the capacity of molasses-based distilleries has become almost triple and currently is 639 crore litres. Capacity of grain-based distilleries presently is about 328 crore litres. The Committee believe that higher production of ethanol will not only reduce the dependency on fossil fuel but also encourage the sugarcane farmers for increased production and sugar mills in maintaining their liquidity. The Committee, therefore, hope that the Ministry will continue their efforts in assisting the sugarcane farmers which will eventually lead to high ethanol and sugar production; and finally help in achieving the target of 20% ethanol blending in motorable fuel by 2025 as per National Bio-Fuel Policy, 2018.

Reply of the Government

2.24 Before the notification of the ethanol interest subvention scheme in July 2018, the capacity of molasses-based distilleries was 333 crore litres. With the implementation of ethanol interest subvention schemes & efforts made by DFPD, the capacity has increased by more than 100% i.e., 390 crore litres capacity has been added in the past 5 years. As a result, the capacity of molasses-based distilleries has reached about 723 crore litres as on 31.03.2023. The capacity of grain-based existing distilleries is about 359 crore litres. Thus, currently, the total capacity of ethanol production in the country is about 1082 crore litres. To achieve the target of 20% ethanol blending with petrol by 2025, about 1016 crore litres of ethanol would be required and about 334 crore litres of ethanol would be required for other uses. For this, about 1700 crore litres of ethanol-producing capacity would be required considering the plant operates at 80% efficiency. It is expected that sufficient capacities shall be in place by 2025 to achieve 20% blending.

Till the year 2013, the supply of ethanol to OMCs was only 38 crore litres with blending levels of only 1.53% in Ethanol Supply Year (ESY) 2013-14. Production of fuel-grade ethanol and its supply to OMCs has increased by more than 11 times from 2013-14 to 2021-22. In ESY 2021-22, a historically high figure of about 433.6 crore litres of ethanol was blended thereby achieving 10.02% blending which was higher than the set target of 10% for ESY 2021-22.

In the past 3 sugar seasons about Rs. 49900 crores revenue was generated by sugar mills/ distilleries from the sale of ethanol to OMCs. In sugar season 2022-23 (up to 9.4.2023), about Rs. 12435 crores revenue has been generated by sugar mills/distilleries from the sale of ethanol to OMCs which has helped sugarcane mills in improving their liquidity & in making timely payment of cane dues of farmers.

[Ministry of Consumer Affairs, Food & Public Distribution
(Department of Food & Public Distribution)
O.M. No. G-20017/03/2023-AC Dated the 02.06.2023]

CHAPTER III

**RECOMMENDATIONS/ OBSERVATIONS WHICH THE COMMITTEE
DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S
REPLIES**

-NIL-

CHAPTER IV

**RECOMMENDATIONS/ OBSERVATIONS IN RESPECT OF WHICH
REPLIES OF THE GOVERNMENT HAVE NOT BEEN
ACCEPTED BY THE COMMITTEE**

-NIL-

CHAPTER V

**RECOMMENDATIONS/ OBSERVATIONS IN RESPECT OF WHICH
THE FINAL REPLIES OF THE GOVERNMENT
ARE STILL AWAITED**

-NIL-

**NEW DELHI;
01 August, 2023
10 Sravana, 1945 (Saka)**

**LOCKET CHATTERJEE,
Chairperson,
Standing Committee on
Consumer Affairs, Food and Public Distribution**

ANNEXURE I

Grant No. 15-Department of Food and Public Distribution										
Status of Expenditure 2022-23 as on 31.03.2023										
(Rs. in crore)										
Scheme Name	BE 2022-23	RE 2022-23	Suppl. Cash(+)	Re- appropriation (+/-)	Available Fund	Exp.upto 31.03.2023 (incl. Exp. LOA.)	Saving/ Surrender	Final Unspent Balance	% Exp w.r.t. Available Fund	BE 2023-24
	1	2	3	4	5=1+3+4	6	7	8=5 -6-7	11	12
A. CENTRAL SECTOR SCHEME										
Food Subsidy										
1. Food Subsidy to FCI under NFSA (2408)	1,27,533.99	1,87,644.30	59,961.16	2,000.00	1,85,495.15	1,73,167.51	12,327.65	0.00	93.35%	1,18,425.95
for the benefit of SC	12,111.35	17,819.77	5,708.42	-	17,819.77	17,819.77	-	0.00	100.00%	12,520.70
for the benefit of ST	6,274.56	9,231.93	2,957.37	-	9,231.93	9,231.93	-	0.00	100.00%	6,260.35
Total (Food Subsidy to FCI)	1,45,919.90	2,14,696.00	68,626.95	- 2,000.00	2,12,546.85	2,00,219.20	12,327.65	0.00	94.20%	1,37,207.00
2. Food Subsidy for Decentralized Procurement of Foodgrains under NFSA (DCP States) (2408)	52,930.48	62,885.77	9,955.29	-	62,885.77	62,885.77	-	0.00	100.00%	51,574.05
for the benefit of SC	5,026.58	6,144.02	1,117.43	-	6,144.01	6,144.01	-	0.00	100.00%	5,479.30
for the benefit of ST	2,604.13	3,252.71	648.58	-	3,252.71	3,252.71	-	0.00	100.00%	2,739.65
Total (Food Subsidy to DCP)	60,561.19	72,282.50	11,721.30	-	72,282.49	72,282.49	-	0.00	100.00%	59,793.00
3. Sugar Subsidy for AAY families payable under PDS (2408)	305.90	171.45	-	-	305.90	256.59	49.31	0.00	83.88%	305.90
for the benefit of SC	29.05	29.05	-	-	29.05	29.05	-	-	100.00%	29.05
for the benefit of ST	15.05	15.05	-	-	15.05	15.05	-	-	100.00%	15.05
Total (Sugar Subsidy to AAY families)	350.00	215.55	-	-	350.00	300.69	49.31	0.00	85.91%	350.00
4. Ways and Means Advance to FCI (6408) (c)	10,000.00	10,000.00	-	-	10,000.00	10,000.00	-	-	100.00%	25,000.00
Grants under NFSA										
5. Central Assistance to State Agencies for intra-state movement of foodgrains and FPS dealers margin under NFSA (2408) Appropriation from Contingency	5,219.52	0.00	-	5,219.52	-	-	-	-	0.00%	-

Fund of India										
for the benefit of SC	495.68	0.00		495.68	-			-	0.00%	
for the benefit of ST	256.80	0.00		256.80	-			-	0.00%	
for NER	600.00	0.00		600.00	-			-	0.00%	
Total (FPS dealers margin under NFSA)	6,572.00	0.00	-	6,572.00	-	-	-	-	0.00%	-
5. Assistance to State Agencies for intra-state movement of foodgrains and FPS dealers margin under NFSA (2408)		5,219.54	0.02	7,219.53	7,219.55	7,219.55		0.00	100.00%	5,617.10
for the benefit of SC		495.68		495.68	495.68	495.68		0.00	100.00%	663.75
for the benefit of ST		256.80		256.80	256.80	256.80		0.00	100.00%	343.75
for NER		600.01	0.01	600.00	600.01	600.01		-	100.00%	800.00
Total (FPS dealers margin under NFSA)	-	6,572.03	0.03	8,572.00	8,572.03	8,572.03	-	0.00	100.00%	7,424.60
Sugar Sector Scheme										
6. Scheme for extending financial assistance to sugar Mills for enhancement and augmentation of ethanol production capacity	300.00	259.83	-	40.17	259.83	175.00	84.83	-	67.35%	400.00
7. Scheme for Creation and Maintenance of Buffer Stocks 30 LMT of sugar (2408)	0.00	3.00	-	3.00	3.00	3.00	-	0.00	100.00%	-
8. Scheme for Creation and Maintenance of Buffer Stocks of 40 LMT of sugar (2408)	0.00	0.42	-	0.42	0.42	0.09	0.33	0.00	21.74%	-
9. Scheme for Assistance to Sugar Mills for 2018-19 season (2408)	0.00	1.50	-	1.50	1.50	-	1.50	0.00	0.00%	-
10. Scheme for Assistance to Sugar Mills for 2019-20 season (2408)	0.00	14.50	-	14.50	14.50	8.32	6.18	0.00	57.36%	-
11. Scheme for defraying expenditure towards internal transport, freight, handling and other charges on export	0.00	0.25	-	0.25	0.25	-	0.25	0.00	0.00%	-

12. Scheme for providing assistance to Sugar Mills for expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar	0.00	20.50	-	20.50	20.50	15.28	5.22	0.00	74.53%	-
Total Sugar Sector Scheme	300.00	300.00	-	-	300.00	201.69	98.31	0.01	67.23%	400.00
Schemes related to SDF								-		
13. Other Expenditure of SDF (Other Charges) (2408)	16.00	16.00			16.00	16.00		-	100.00%	10.00
14. Loans for Rehabilitation/ Modernization of Sugar Mills (6860) (c)	2.10	0.00		-	-	-		-	0.00%	-
15. Loans to Sugar Mills for Cane Development (6860) (c)	4.07	0.00		-	-	-		-	0.00%	-
16. Loans to Sugar Mills for bagasse based Co-generation Power Project (6860) (c)	21.57	61.24	0.01	39.66	61.24	40.56	20.68	-	66.24%	-
17. Loans to Sugar Mills for production of Anhydrous Alcohol or Ethenol from Alcohol (6860) (c)	41.07	0.46		-	0.46	0.46		0.00	99.92%	-
Total - Schemes related to SDF	84.81	77.70	0.01	-	77.70	57.02	20.68	0.00	73.39%	10.00
18. Storage & Godowns - Construction of Godowns by State Governments in North Eastern Region (2552/2408)	3.20	3.20			3.20	-	3.20	-	0.00%	3.57
19. Storage & Godowns - Construction of Godowns by FCI in North Eastern Region (4552/4408) (c)	20.00	25.01	3.21	5.00	28.21	28.21		-	100.00%	60.00
20. Storage & Godowns - Construction of Godowns by FCI in other than North Eastern Region (4408)(c)	10.00	10.00			10.00	10.00		-	100.00%	40.00
Total - Storage & Godowns	33.20	38.21	3.21	5.00	41.41	38.21	3.20	-	92.27%	103.57

21. Strengthening of PDS Operations (2408/2552)	2.00	2.50		0.50	2.50	0.80	1.69	0.01	32.12%	5.00
22. Integrated Management of Public Distribution System (IM-PDS) (2408/2552)	31.00	19.97		1.03	29.97	24.54	5.42	0.01	81.89%	-
for the benefit of SC	3.00	3.00			3.00	3.00		-	100.00%	-
for the benefit of ST	2.00	2.00			2.00	2.00		-	100.00%	-
for NER	4.00	4.00		-	4.00	2.10	1.90	0.00	52.48%	-
Total (IM-PDS)	40.00	28.97	-	1.03	38.97	31.64	7.32	0.01	81.19%	-
TOTAL-CENTRAL SECTOR SCHEME	2,17,291.10	2,97,641.43	80,351.47	- 2,002.65	2,95,639.92	2,83,131.74	12,508.15	0.03	95.77%	2,22,868.57
Other Central Sector expenditure										
23. Investment in the capital equity of FCI (4408) (C)	1,900.00	1,900.00			1,900.00	1,900.00	-	-	100.00%	-
24. Warehousing Development & Regulatory Authority (2408)	18.03	18.03		-	18.03	15.17	2.86	0.00	84.13%	22.00
PROJECT										
25. (a) Evaluation, Monitoring & Research	0.72	0.78		0.06	0.78	0.77	0.01	0.00	98.74%	0.34
(b) Generating Awareness amongst TPDS beneficiaries	2.24	2.24		- 0.44	1.80	1.00	0.80	0.00	55.46%	2.24
for the benefit of SC	0.68	0.68			0.68	0.00	0.68	0.00	0.05%	0.68
for the benefit of ST	0.35	0.35			0.35	0.06	0.29	0.00	16.38%	0.35
for NER	0.40	0.40		-	0.40	0.09	0.31	0.01	21.58%	0.40
Total	3.67	3.67	-	0.44	3.23	1.14	2.08	0.01	35.38%	3.67
Total- Project	4.39	4.45	-	0.38	4.01	1.91	2.09	0.01	47.70%	4.01
Total- Other Central Sector expenditure	1,922.42	1,922.48	-	0.38	1,922.04	1,917.08	4.95	0.01	99.74%	26.01
B. ESTABLISHMENT EXPENDITURE										
1. (a) Secretariat-Economic Services (3451)	81.67	78.42		0.66	82.33	72.32	10.01	0.00	87.84%	79.99
(b) Secretariat-Economic Services (4408)										3.36
2(a). National Sugar Institute, Kanpur (2408)	27.37	24.22		- 0.14	27.23	22.89	4.33	0.00	84.08%	28.00
2(b). National Sugar Institute, Kanpur (4408) (c)	3.80	3.10		- 0.70	3.10	2.72			87.84%	1.92
Total-NSI	31.17	27.32	-	0.84	30.33	25.62	4.33	0.00	84.47%	29.92
3. Other Establishment Expenditure										

3.1 Other Establishment Expenditure (2408) (Sugar & VO, IGMRI, QCC, CGAL, ISC & IGC)	24.03	22.86		0.51	24.54	16.75	7.79	0.01	68.24%	36.40
3.2 Other Establishment Expenditure new head (IGMRI, QCC, CGAL) (4408) (C)	27.06	29.89	0.02	2.82	29.90	29.52	0.37	0.01	98.74%	45.09
Total- Other Establishment Expenditure	51.09	52.75	0.02	3.33	54.44	46.27	8.16	0.02	84.99%	81.49
TOTAL- ESTABLISHMENT EXPENDITURE	163.93	158.49	0.02	3.15	167.10	144.21	22.50	0.02	86.30%	194.76
C. CENTRALLY SPONSORED SCHEME										
1. Fortification of Rice and its Distribution under PDS (Pilot Scheme)	10.13	9.40		- 0.12	10.01	9.84	0.16	0.01	98.29%	-
TOTAL - REVENUE EXPENDITURE	2,13,929.91	2,94,274.13	80,348.28	0.00	2,94,278.20	2,81,763.42	12,514.71	0.07	95.75%	2,05,363.57
TOTAL - CAPITAL EXPENDITURE	12,029.67	12,029.70	3.24	0.00	12,032.91	12,011.48	21.04	0.01	99.82%	25,150.37
TOTAL - GRANT	2,25,959.58	3,06,303.83	80,351.52	0.00	3,06,311.11	2,93,774.90	12,535.75	0.08	95.91%	2,30,513.94
C means Capital expenditure										

Subodh Kumar Singh, IAS
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भारत सरकार
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्रालय
खाद्य और सार्वजनिक वितरण विभाग
कृषि भवन, नई दिल्ली - 110001
GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION
KRISHI BHAWAN, NEW DELHI-110001

DO. No 5-13/2022-M.I
Dated the 15th February, 2023

Respected Madam,

I am forwarding herewith letter No.FCI HQ-MOVT025(11)/1/2022 dated 03.02.2023 received from FCI, HQ, New Delhi regarding inadequate supply of empty rakes by Railways and various other issues related to Movement of food grains.

2. FCI has brought to notice of this Department about short supply of empty rakes to FCI in Telangana, Odisha, Chhattisgarh and MP regions by Railways against the plan of January, 2023. As conveyed by FCI, during January, 2023, in the dispatching regions like Ex Chhattisgarh, Ex-Telangana and Ex MP, only 69%, 71% and 50% rakes respectively could be loaded. The loading of rakes as per plan could not be executed due to non-supply of rakes as per the indents placed against the quantity planned. The date wise list of indents registered and rake supplied in Chhattisgarh, MP, Odisha & Telangana in the month of January, 2023 is also enclosed. This short supply of rakes is affecting the evacuation of stocks from these regions and also hampering the procurement in Chhattisgarh, Telangana & Odisha.

3. Besides, I would also like to mention that this Department has decided to offload 30 LMT Wheat in the various States under OMSS(D) to arrest the rising prices in the market which is to be supplied during February and March, 2023 in addition to regular NFSA/OWS allotment. In order to make the foodgrain available in every State, FCI has planned 225 rakes Ex-Telangana, 188 rakes Ex-Chhattisgarh, 86 rakes Ex-Odisha & 365 rakes Ex-MP during February, 2023.

4. In view of the urgency of the matter, I request you to kindly direct the concerned Railway authorities for making necessary arrangement for supply of adequate number of rakes in the Telangana, Odisha, Chhattisgarh and MP regions, as required by FCI, to ensure smooth movement operations of food grains. Further, I would also request you to kindly take necessary action on the issues related to infrastructure deficiencies at various rail heads of Railways raised the aforesaid letter.

With regards,

Yours sincerely,

(Subodh Kumar Singh)

Encl: as above

Smt. Jaya Varma Sinha
Member (Operations & Business Development),
Railway Board,
Rail Bhawan, New Delhi

**MINUTES OF THE EIGHTEENTH SITTING OF THE STANDING COMMITTEE
ON CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (2022-2023)
HELD ON TUESDAY, 1st AUGUST, 2023**

The Committee sat from 1500 hrs. to 1515 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Smt.Locket Chatterjee - Chairperson

Members

Lok Sabha

2. Dr. Farooq Abdullah
3. Ms. Debasree Chaudhuri
4. Shri Anil Firojiya
5. Shri Rajendra Dhedya Gavit
6. Shri Khagen Murmu
7. Shri Mitesh Rameshbhai Patel
8. Shri Ganesan Selvam
9. Dr. Amar Singh
10. Smt. Himadri Singh
11. Smt. Kavita Singh
12. Shri Saptagiri Sankar Ulaka
13. Shri Ve. Vaithilingam

Rajya Sabha

14. Shri Satish Chandra Dubey
15. Dr. Fauzia Khan
16. Shri Harbhajan Singh
17. Ms. Dola Sen
18. Dr. Ashok Bajpai

SECRETARIAT

1. Shri Srinivasulu Gunda - Joint Secretary
2. Dr. Vatsala Joshi - Director
3. Dr. Mohit Rajan - Deputy Secretary
4. Shri Dong Lianthan Tonsing - Deputy Secretary

2. At the outset, Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for consideration and adoption of the following Draft Reports of the Committee:

(i) xxx xxx xxx xxx

(ii) xxx xxx xxx xxx

(iii) Twenty Ninth Report on Action Taken by the Government on the Recommendations/Observations contained in the Twenty Fourth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants(2023-24) of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution);and

(iv) xxx xxx xxx xxx

3. Thereafter, the Committee took up for consideration the above mentioned Draft Reports of the Committee.

4. After deliberations, the Committee adopted the above mentioned Draft Reports without any amendments/modifications.

5. The Committee then authorized Hon'ble Chairperson to finalize and present the aforesaid Reports.

The Committee then adjourned.

XXX Matter does not relate to the Report.

APPENDIX II

(Vide Para No. 4 of Introduction of the Report)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/ OBSERVATIONS CONTAINED IN THE TWENTY FOURTH REPORT OF THE STANDING COMMITTEE ON CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (2022-23)

(SEVENTEENTH LOK SABHA)

(i) Total number of Recommendations: 12

(ii) Recommendations/Observations which have been accepted by the Government :

Para Nos. :- 2.9, 2.10, 3.14, 3.18, 3.27, 3.28, 4.5, 4.15, 4.17, 4.21, 5.9 & 5.13

(Chapter – II, Total 12)
Percentage : 100%

(iii) Recommendations/Observations which the Committee do not desire to pursue in view of the replies received from the Government

Para No.:- NIL

(Chapter – III, Total - 0)
Percentage : 0.00%

(iv) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Para No. :- NIL

(Chapter – IV, Total -0)
Percentage : 0.00%

(v) Recommendations/Observations in respect of which the interim replies of the Government have been received.

Para No.:- NIL

(Chapter – V, Total - 0)
Percentage : 0.00%