

ELEVENTH REPORT
STANDING COMMITTEE ON
FOOD, CIVIL SUPPLIES AND
PUBLIC DISTRIBUTION
(1995-96)

MINISTRY OF FOOD
DEMANDS FOR GRANTS (1994-95)

[Action Taken by Government on the Recommendations contained in the Fifth Report of the Standing Committee on Food, Civil Supplies and Public Distribution on the Demands for Grants, (1994-95) of Ministry of Food]

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COMPOSITION OF STANDING COMMITTEE ON FOOD, CIVIL
SUPPLIES AND PUBLIC DISTRIBUTION (1995-96)

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INTRODUCTION

I, the Chairman of the Standing Committee on Food, Civil Supplies and Public Distribution (1995-96), having been authorised by the Committee to submit the Report on their behalf, present this Eleventh Report on Action Taken by Government on the recommendations contained in the Fifth Report of Committee (Tenth Lok Sabha) on Demands for Grants (1994-95) of the Ministry of Food.

2. The Fifth Report was presented to Lok Sabha/laid on the Table of Rajya Sabha on 26 April, 1994. The Government furnished their replies indicating action taken on the recommendations contained in the Report on 5 December, 1994. The Draft Action Taken Report was considered and adopted by the Standing Committee on Food, Civil Supplies & Public Distribution (1995-96) at their sitting held on 24 April, 1995.

3. An analysis of action taken by Government on the recommendations contained in the Fifth Report of the Standing Committee on Food, Civil Supplies and Public Distribution (Tenth Lok Sabha) is given in Appendix II.

NEW DELHI;
4 May, 1995

Vaisakha 14, 1917 (Saka)

SHYAM BIHARI MISRA,
Chairman,
Standing Committee on Food, Civil
Supplies & Public Distribution.

CHAPTER I

REPORT

This Report of the Standing Committee on Food, Civil, Supplies and Public Distribution deals with the Action Taken by the Government on the recommendations contained in the Fifth Report (10th Lok Sabha) of the Committee on "Demand for Grants (1994-95) of the Ministry of Food," which was presented to Lok Sabha on 26 April, 1994.

1.2 Action Taken Notes have been received from the Government in respect of all the 12 recommendations contained in the Report. These have been categorised as under:

- (i) Recommendations/Observations which have been accepted by the Government.
Sl. No. 2.46, 2.47, 2.48, 2.49, 2.50, 3.10 and 4.4
(Total 7, Chapter II)
- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's reply.
Sl. No. 2.43 and 2.44
(Total 2, Chapter III)
- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee.
Sl. No. 1.9, 2.42 and 2.45
(Total 3, Chapter IV)
- (iv) Recommendations/Observations in respect of which final replies of Government are still awaited.

-Nil-

(Chapter V)

1.3 The Committee need hardly emphasis that utmost importance should be given to the implementation of the Observations/Recommendations accepted by the Government. In cases where it is not possible for the Government to implement the recommendations for any reasons, the matter should be reported to the Committee in time with reasons for non-implementation.

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

*Economy in Non-Plan Expenditure***Recommendation (Para No. 1.9)**

1.5 The Committee had noted that the non-plan expenditure on Secretariat-Economic Service has been rising continuously. An amount of Rs. 3.45 crores was spent in the year 1990-91 which rose to Rs. 3.68 crores in the year 1991-92. It, however, increased to Rs. 4.11 crores in the year 1992-93. The Budget Estimate for 1993-94 which was Rs. 4.71 crores subsequently rose to Rs. 4.79 crores. The Budget Estimate for 1994-95 was Rs. 4.98 crores. As the Ministry had assured to take steps for controlling non-plan expenditure, the Committee recommended that Government should monitor regularly and closely, the non-plan expenditure to effect maximum economy.

1.6 In the reply given by the Ministry it has been stated that the Ministry have been incurring expenditure on various articles of maintenance and consumables which includes expenses on telephones, vehicles, stationery, furniture and fixtures equipments etc. and prices of these items are increasing and over which Ministry have no control. The expenditure on office expenses has increased in the years 1993-94 and 1994-95. They were of the opinion that taking into consideration the escalation in the cost of procured items and increased cost of maintenance/inputs, the expenses on office expenditure for the year 1993-94 was within the reasonable limits.

1.7 It has further been stated that non-plan expenditure of the Ministry including office expenses are being monitored regularly and closely for attaining maximum economy. However, because of upward revision in cost of some of the expenses and which constitute the major share of total expenses, these are not within the control of Ministry. They therefore, agreed to attain utmost economy in various other expenses while maintaining efficiency and keeping the commitments of modernisation of office equipments/information system. In order to have a check on stationery items, the scale of issue of stationery items have been reduced by the Ministry.

1.8 Elaborating the reasons for steep rise in office expenditure during 1994-95 as compared to 1993-94, the Ministry in a note submitted to the Committee stated that increase in (a) MTNL charges to the tune of 5% by way of service charges, (b) prices of stationery items even though procured from Super Bazar, Kendriya Bhandar and NCCF, (c) prices of consumables (d) replacement value of office equipments, contributed to the escalation in costs. The Ministry, however, were able to attain economy in the areas of CPWD, (26.9%), staff car (7.5%) printing and binding (41.7%) caretaking (7.5%) and R&I (52.6%).

1.9 When asked whether the 10% hike between Budget Estimates 1993-94 and Budget Estimate 1995-96 is justifiable, the Secretary, during evidence stated:

“Ten per cent is not very much in excess of what it should be. We are trying to conserve even more. We are keeping watch on this.”

1.10 The Committee appreciate that as a result of closely monitoring the non-plan expenditure, saving on CPWD (27%), staff car (7%) printing & binding (41%) and R&I (52%) were effected in the year 1994-95, as compared to those in 1993-94. This has amply demonstrated the concern the Committee had expressed over burgeoning non-productive expenditure being incurred by Ministry. However, the Committee fails to reconcile to rise in stationery items to the extent of 10% when the scale of stationary items have been reduced drastically. The Committee note that the Ministry have taken steps to upgrade the information system. The Committee are of the view that on the one hand the automation brings efficiency on the other hand it also induces cost effectiveness. The Committee while agreeing to the Secretary's admission that there is a need to conserve more, recommend that more avenues should be explored so as to further reduce the non-plan expenditure of the Ministry.

Impact of delay in Centre Issue Price on subsidy

Recommendation (Para No. 2.42)

1.11 Emphasising the need to reduce the gap between the announcement of Minimum Support Price (MSP) and Central Issue Price (CIP), the Committee had observed that the Central Issue prices were not raised simultaneously with the announcement of Minimum Support Prices, resulting in loss to exchequer worth crores of rupees. Although the Government had recognised the need to announce the revision of MSP and CIP simultaneously as far as possible or MSP at the time of sowing and CIP at the commencement of marketing year, this had not been always possible on account of preoccupation of Cabinet Committee on Economic Affairs. Taking a serious note of delay in Deciding CIP, the Committee had recommended a close coordination between the Ministry of Food and Ministry of Agriculture so as to do away with increase in subsidy element on this account.

1.12 The Ministry in their reply has stated that procurement prices are fixed by Ministry of Agriculture on the recommendation of Commission on Agricultural Costs & Prices with the approval of CCEA. These are announced at the time of sowing. The CIP are fixed by the Ministry of Food taking into consideration procurement price, the statutory and interest charges with the approval of CCEA and these should normally take effect from the commencement of marketing year. They have, however, assured that efforts would be made to effect increase

in CIP simultaneously with the increase in MSP to the extent possible. But in the interest of PDS consumers and to keep check on the open market prices of foodgrains it may not be possible to effect simultaneous increase in CIP.

1.13 In a note submitted to the Committee, the Ministry informed that in case of wheat, for the marketing years 1993-94 and 1994-95, the time lag between announcement of MSP and CIP, has been 10 and 12 months, involving an additional subsidy of Rs. 542 Crore and Rs. 368 Crores respectively. Similarly for rice, for the marketing years 1993-94 and 1994-95, the time lag is of the order of 4 and 6 months (held in abeyance) involving subsidy claim of Rs. 418 and 263 crores, respectively.

1.14 Although, the Government of India have been normally increasing the Central Issue Price of wheat and rice from time to time whenever there has been an increase in Minimum Support Price. Yet, owing to a number of important factors, the Government has not effected any further increase in Central Issue Prices of wheat and rice since 01.2.1994, even though there have been increase in the Minimum Support Price. Repeated and substantial increase in the Central Issue Prices consequent to increase in Minimum Support Price of wheat and rice over the period 1990-94 have created a situation where the consumers have started to resist further price increases. This has manifested itself in falling off-takes of wheat and rice in the PDS. Besides, with increasing procurement of foodgrains in recent years, falling off-take in the PDS resulted in acute pressure on storage facility.

1.15 The Committee are not convinced with the reasoning given by the Ministry that in the matter of deciding Central Issue Prices of foodgrains, the pre-occupation of CCEA and resistance offered by consumers have prompted the Government to raise CIP. The Committee are of the opinion that populist considerations have been overweighed the economic compulsions in not effecting any change in CIP. Even the Economic Survey (1994-95) have expressed their anxiety over unwillingness or delay in making necessary corrections in the CIP consequent upon rise in procurement price. The Committee, therefore, recommend that if the Government has decided not to amend CIP, concerted efforts should be made to absorb the additional subsidy accrued as a result of non-revision of CIP, by improving procurement and distribution operations and thereby reduce the economic prices of foodgrains.

Unregularised transit and storage shortages

Recommendation (Para No. 2.45)

1.16 Perturbed over the high incidence of transit and storage shortages to the tune of Rs. 729 crores involving an additional interest charge of Rs. 115 crores

alone, the Committee had recommended that the investigation and write off of losses which are reimbursed by the Government should be expedited to liquidate the arrears in order to reduce avoidable expenditure by FCI on subsidy.

1.17 The Ministry in their reply have stated that it has not been possible for the Food Corporation of India to liquidate the arrears in its entirety as the main cause of losses pertain to the past period from 1980-81 onwards. Most of field officers find it difficult to link up the old records, investigate the high loss cases and take a final decision for regularisation. The regularisation of losses is slow paced and time consuming.

1.18 Asked about the procedure undertaken to regularise subsidy claims, the Ministry in a note stated that as per existing instructions 5% amount of the subsidy for the year is reimbursable only after due verification of accounts and certification of its correctness by the Statutory Auditors. The Food Subsidy for 1994-95 excluding shortages is estimated at Rs. 4240 crores. 5% of this amount works out to Rs. 212 crores. This would be paid only during November-December of the succeeding year when the Corporation's accounts are verified and certified by the Statutory/CAG auditors. Also out of the remaining amount of Rs. 4028 crores, dues for March' 1995 would be Rs. 335 crores approximately (i.e. 1/12). Thus around Rs. 547 crores would be outstanding at the end of March' 1995. In other words around Rs. 500 crores would normally be outstanding at the end of the year. This would be reimbursed in the next year. The claims in respect of shortages would be reimbursed when they are actually investigated and accepted by the competent authority. Efforts are made by the Corporation to accelerate the process of write off so that this could be claimed from the Govt. at the earliest. However, this is a time consuming process.

1.19 The targets *vis-a-vis* achievements of regularisation of shortage for the last three years are as under:—

Year	Target (Rs. Crores)	Achievement (Rs. Crores)
1991-92	200.00	203.43
1992-93	150.00	169.07
1993-94	250.00	160.58

1.20 When asked during evidence, as to the amount of the shortages which are to be regularised, the Managing Director, Food Corporation of India, deposed:

“The regularisation of shortages at the end of financial year 1994-95, is of the order 774 crores. We have looked into this problem and the pace of regularisation needs to be stepped up. We have found that more than Rs. 400 crores of the total figure of Rs. 774 crores pertain to last financial year and rest is for period prior to the last five years. The difficulty to clear earlier cases are non-availability of records.”

1.21 When Committee wanted to know the rules for classification of records and time after which these records are weeded out, he further stated:

“Some have to be preserved for a longer period and some have to be destroyed within the period of 2 to 3 years... Even the existing system may need review. The records which are destroyed may have to be preserved for a longer period, in view of past experience. I myself want to look at the entire system personally.”

1.22 Supplementing further, the Ministry in a note stated that retention period of five years have been prescribed for files concerning transit loss/gain statements, including regularisation and loss claims.

1.23 When the Committee pointed out whether any disciplinary action and fixing of responsibility is being contemplated, M.D. FCI, further stated:

“There is one more added difficulty. The Supreme Court has ruled that in cases where charge-sheet is issued beyond the reasonable period, then delay in issue of charge-sheet also amounts to denial of natural justice. So, if the charge-sheet is issued after lapse of 10 to 13 years, taking disciplinary action may also run into difficulty. Therefore, in the earlier period, where the records are not available, I am afraid that there is no other option.”

1.24 The Committee are unhappy to note that no sincere efforts were made to implement the recommendation of the Committee, resulting delay in processing of regularisation and waiving off transit and storage claims. The Committee are perturbed to note that these cases are pending since 1980-81, due to non-availability of old records. Some of the records have even been destroyed. The M.D., F.C.I. during evidence before the Committee admitted a need to review the system of maintenance of records and preservation system of files in his organisation. At this late stage, regarding old cases neither any disciplinary action can be contemplated nor responsibility can be fixed against the officials as such an action would run counter to the principles of natural justice.

1.25 The Committee, cannot, but express their strong reservation over the lackadaisical manner in which the subsidy claims have been dealt with in the past. The Committee are of the view that had the foodgrains losses been investigated on regular and continuous basis and appropriate action including write-off action taken promptly, the additional interest burden accrued as a result of non-settlement of claims could have been avoided. The Committee, therefore, reiterating their earlier recommendation desires that pace of regularisation and waive off process should be expedited and if need be, the services of experts from other agencies be engaged. The Committee also desire that recording and preservation system of files in FCI should be thoroughly reviewed so as to avoid recurrence of this type of losses.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

(Recommendation Sl. No. 2.46)

The Committee note that there is hike in freight charges to the tune of 31% in the year 1993-94 as compared to 1992-93 and constitute 32% of the total distribution cost. There is thus a need for effecting utmost economy in regard to freight charges.

Reply of the Government

The hike in freight paid by FCI to the tune of 31% in the year 1993-94 as compared to the year 1992-93 as pointed out by the committee is attributed to the following reasons:

- (a) During 1993-94 railway freight structure was revised to the tune of 54.7% resulting into enhancement of rail freight.
- (b) The quantum of traffic for foodgrain/sugar was more during 1993-94 as compared to 1992-93. The average lead also increased during 1993-94. The details are as under:

Year	Average lead	Quantum of traffic moved
1992-93	1452 kms.	184.63 lakh tonnes
1993-94	1571 kms.	186.55 lakh tonnes

- (c) During the year 1992-93 there was import of foodgrains at ports which was accommodated in nearby states. This reduced the total freight in 1992-93 and consequently freight gap in 1992-93 and 1993-94 became wider.

However, continuing efforts are being made for effecting utmost economy in regard to freight charges. Stocks are moved in a planned way in consultation with Regional/Zonal Heads ensuring that there is no cross movement involving undue freight. On some occasions there has been intra-regional movement purely for creating additional storage capacity either near the MG points or BG points to accommodate fresh induction ex-North or other procuring regions to create space

in the latter for ensuing Rabi/Kharif procurements. Simultaneously, we are also availing benefits extended by the railway regarding freight rate, saving of 5% surcharges by adopting pre-paid booking system and also by getting 6% freight concessions on traffic to Assam/NE States etc.

As per BICP recommendations, the procurement-movement-ratio has been prescribed as 1:1.35. During 1992-93, the procurement and quantity transported were 233 lakh tonnes and 172 lakh tonnes respectively and the ratio comes to 1:0.74 which is very much within the prescribed norms. Similarly during 1993-94 the ratio of procurement to quantity moved was 1:1.06 which is also within prescribed norms only.

[Ministry of Food, OM. No. G-20017/1/94-95 Budget, dated 5-12-94]

Recommendation (Sl. No. 2.47)

The Committee have observed that Food Corporation of India coordinate with Ministry of Railways and chalks out monthly/annual movement programme for moving procured stocks from procurement areas to consuming region. But due to non-availability of railway wagons, the work of clearance of procured stocks has been affected to a large extent. The Committee are of the view that procured foodgrains should be moved directly from the place of procurement to rail heads as far as possible as it will avoid additional transportation/handling charges. The Committee therefore, recommend that Ministry of Food should pursue the matter with Ministry of Railways for providing special trains during the procurement season for moving the procured stock expeditiously.

Reply of the Government

Movement of foodgrains from the procurement areas to consuming region is done according to the movement plan prepared every month at FCI Headquarters keeping in view the storage capacity, likely offtake and availability of stocks in procurement as well as consuming regions. The plan is finalised in consultation with senior officials from the railways who also participate in the deliberations. During 1993-94 the work of clearance of procured stocks has not been affected due to non-availability of railway wagons.

So far as, Committee's view that procured foodgrain should be removed directly from the place of procurement to rail heads is concerned. Systemwise it is not possible. The rate of procurement of wheat and rice in Punjab, Haryana and U.P. is so quick, the quantity so large and the procurement points so many and scattered that practically it is not possible to move it directly from the place of procurement to rail heads and arrange its loading in such a short period.

Neither the FCI can arrange to move it directly to rail heads and load them into wagons nor the railways can organise such a heavy movement in such a short time. Systemwise it is not possible. However, every effort is made by the FCI to clear the procured stocks as early as possible.

Railways supply special trains for movement of procured foodgrains as per demand placed by the FCI. Whenever there is a shortfall in supply of wagons, the Ministry of Food co-ordinates with the railways and extra special trains are arranged. The Committee's recommendation to pursue the matter with the Ministry of Railways for providing special trains during the procurement season for moving procured stocks expeditiously will be kept in view.

[Ministry of Food O.M. No. G-20017/1/94-95 Budget, dated 5-12-94]

Recommendation (Sl. No. 2.48)

The Committee find that the transit and storage shortages loss incurred by FCI was much higher than the norms fixed by BICP. As per actuals for 1992-93 the transit losses were Rs. 142 crores as against Rs. 57.47 crores as per BICP norms. Similarly the storage shortages were Rs. 37.36 crores as against Rs. 73.11 crores as per BICP norms. During evidence the Committee were informed that BICP norms are somewhat stringent and will take more time to achieve. The Committee are not convinced with this argument. They recommend that result oriented efforts should be made to strictly adhere to norms and the Committee informed of the outcome.

Reply of the Government

In order to restrict the losses, in the Memorandum of Understanding for the year 1993-94 signed between the Ministry of Food and FCI, the target for bringing down the storage and transit losses has been fixed at 0.25% and 1.50% respectively. The actual achievement *vis-a-vis* targets will be known after the finalisation of the accounts. However during the year 1994-95, the target has been fixed at 0.30% and 0.70% respectively which are as per BICP norms. All the field officers have been instructed to take all possible measures and ensure that losses do not go beyond the target fixed in the MOU. Some of the measures taken up by the Corporation to achieve the target are as follows:—

- (i) Procurement of foodgrains as per specifications only.
- (ii) Installation of lorry weighbridges at godowns.
- (iii) Augmentations of covered storage capacity.
- (iv) Encouraging machine stitching of bags.

- (v) Installation of in motion wagon weighbridges.
- (vi) Construction of new godown as per scientific norms.
- (vii) Reduction in the quantum of foodgrains to be filled in each bag.
- (viii) Periodical surprise inspection by special squads particularly high loss depots/centres.

[Ministry of Food OM. NO. G-20017/1/94-95 Budget, dated 5-12-94]

Recommendation (Sl. No. 2.49)

210 vigilance cases against persons involved in storage and transit losses 1992 and 168 vigilance cases in 1993 have been initiated. This shows the extent of malpractice prevalent in FCI and the fact that surprise and regular checks conducted to curtail such malpractices are of no avail. The Committee recommend that cases under vigilance should be thoroughly investigated and the persons found guilty should be awarded exemplary punishment.

Reply of the Government

The cases are being thoroughly investigated and the persons found guilty are awarded punishment as per the irregularity committed by them. During the last three years about 1174 officials have been penalised, the details of which may be seen below:

Nature of Penalty imposed	1992	1993	1994 (upto April)
(i) Dismissal/Removal/ Compulsorily retired	14	10	3
(ii) Reduction in rank	18	27	15
(iii) Reduction in time scale of pay	41	38	13
(iv) With-holding of increment/ recovery from pay	106	397	115
(v) With-holding of promotion	3	1	—
(vi) Censure	69	190	54
Total:	311	663	200

It may be seen that during 1993, 663 officials were penalised as compared to 311 penalised during the year 1992. During the year 1994 upto April, 1994, 200 officials have already been penalised.

The above figures indicate the alertness of the Corporation in monitoring the performance of its employees and taking corrective as well as punitive action wherever necessary. In an organisation, which employs about 65931 staff and officers and has a turnover of 41.74 million tonnes (Rs. 180036.97 crores) (1992-93) some cases of omissions and commissions can't be ruled out.

[Ministry of Food OM No. G-20017/1/94-95/Budget, dated 5.12.94]

Recommendation (Sl. No. 2.50)

The Committee note that open sale of wheat was undertaken to reduce mounting stock level release of space for the storage of foodgrains and to moderate price rise on account of wheat. The whole operation has caused loss to FCI to the tune of Rs. 32 lakhs due to high economic cost of wheat procured by FCI. FCI has sold 20 lakh tonnes of wheat and the loss per quintal is Rs. 160. The Committee find that in January, 1994 against a minimum norms of 7.7 million tonnes the actual stocks of wheat was 11.1 million tonnes. Similarly in case of rice against a minimum norms of 7.7 million tonnes, the actual stock was 12 million tonnes. A record rice procurement is expected during current Kharif season. There is every likelyhood of carry-over of stocks both wheat and rice exceeding the minimum buffer stocks norms. In view of this development, the Committee desire that Government should plan well in time the sale of foodgrains in the open market taking into considerations the PDS requirement to keep to the minimum the subsidy on account of carrying heavy buffer stocks. The possibility of export could also be explored.

Reply of the Government

The stock of foodgrains with the Government agencies is monitored on regular basis and whenever the stock become significantly higher than the minimum prescribed level of stocks to be held, steps are taken to release foodgrains under open sale, in consultation and with the approval of the Ministry of Food.

In October, 1993, with the increased level of stocks, with the approval of Ministry of Food, FCI started sale of wheat in the open market from Oct. '93 onwards and rice from Jan. '94 onwards. The sale of wheat and rice under open sale scheme is likely to continue upto Dec. '94. Open sale of foodgrains not only helps in reducing the stock level and creating storage space to accommodate fresh arrivals, it is also instrumental in controlling the inflationary trend during lean period. While effecting the open sale the prices are fixed separately for each State

every month taking into consideration the prevailing market prices, the expected quantum of sale, availability of stocks etc. The open sale is closely monitored for adopting the strategy to be followed during the next month.

The details of the quantity of wheat and rice sold under open sale scheme is given below:

Period	Wheat Qty. sold (In Lakh tonnes)	Rice Qty. sold (In Lakh tonnes)
Oct. '93 to 31.3.94	28.31	0.17
April '94	2.23	0.13
May '94	0.72	0.11
June '94	1.17	0.17
July '94	1.87	0.24
August '94	2.11	0.42
Sept. '94 upto 19.9.94	0.32	0.06

The value realised against the quantity sold upto 31st March 1994 has resulted in reduction in subsidy to the tune of Rs. 160 crores which is the gain over and above sales which would have been realised under PDS.

A decision to allow export of non-drum wheat of 5 lakh MTs from the open market without MEP has already been taken. On certain conditions the FCI has also been advised to export wheat out of their stock, within the said ceiling. As regards, export of rice from the Central Pool held by FCI, their proposal is under consideration.

[Ministry of Food OM No. G-20017/1/94-95/Budget, dated 5.12.94]

Recommendation (Sl. No. 3.10)

The Committee note that Planning Commission had strongly recommended creation of additional storage capacity to remove regional imbalances and to cater the needs of hilly and inaccessible areas. The Committee find that targets fixed for 1992-93 and 1993-94 have not been achieved by Food Corporation of India. The Committee fail to understand how in these circumstances FCI will be able to achieve the capacity recommended by Planning Commission. The Committee are also concern to note that no capacity has been realised in hilly and remote areas and NE Regions due to certain reasons. The Committee recommend that

FCI should gear up their machinery to ensure that the target set are achieved without fail.

Reply of the Government

During 8th Five Year Plan, it has been recommended by the Planning Commission to create additional storage capacity of 10 lakh MTs. However, considering lower capacity realisation during the 1st three years of the Plan (*i.e.* from 1992-93 to 1994-95) on account of various factors, it is expected that the total realisation of the capacity during the 8th Five Year Plan would be around 6.60 lakh MT only. During the 1st three years of the Plan, capacity realisation is expected to be around 3.72 lakh tonnes. Out of which around 0.67 lakh MT would be achieved during 1994-95. The Corporation would make all out efforts to realise the plan capacity of 6.6 lakh tonnes during the 8th Five Year Plan.

In the construction plan of the FCI, emphasis is being laid and priority is being attached to the construction of godowns in the hilly and remote areas and the North-Eastern Regions. However, due to difficult topography, problems of logistics, natural calamities like land-slides, floods, earthquakes etc. and the prevailing law and order situations, the construction of godowns in the N.E. Regions, hilly and remote areas is generally time consuming which retards the pace of construction. Even then with the concerted efforts made by the FCI, it has been possible to double FCI owned capacity in J&K from 35720 MT as on 1.4.86 to 72140 MT as on 1.7.94. Taken into account the capacity hired from the State Government, the storage capacity with FCI in J&K stands at 84790 MT against 41970 MT as on 1.4.86.

Similarly in NEF Region of the FCI comprising of states of Meghalaya, Manipur, Nagaland, Mizoram & Tripura, FCI owned capacity has been more than doubled up from 23800 MT as on 1.4.86 to 55690 MT as on 1.7.94. As regards the capacity hired from various agencies, the total hired storage capacity in the NEF Region of the FCI has gone up from 62470 MT as on 1.4.86 to 99120 MT as on 1.7.94. Taking into consideration all the 7 states of NE Zone of the FCI (*i.e.* including Assam and Arunachal Pradesh in addition to 5 states of NEF Region), the FCI owned capacity has gone up from 2.06 lakh tonnes as on 1.4.86 to 2.5 lakh tonnes as on 1.7.94. The total storage capacity (*i.e.* owned and hired) in all the 7 States of NE Zone has been raised from 3.44 lakh tonnes as on 1.4.86 to 3.99 lakh tonnes as on 1.7.94.

During the 8th Five Year Plan, 9000 MT storage capacity was constructed during 1993-94 in the North-Eastern States and other hilly areas. During 1994-95, it is expected that additional capacity of 13000 MT would be further achieved.

Storage capacity of NEF Regions and Assam & Arunachal Pradesh

('000 tonnes)

Regions	1.4.86			1.7.94		
	Owned	Hired	Total	Owned	Hired	Total
Meghalaya	10.00	9.25	19.25	10.00	8.62	18.62
Manipur	7.50	2.60	10.10	12.50	1.00	13.50
Mizoram	—	2.50	2.50	8.00	4.79	12.79
Nagaland	0.50	3.60	4.10	7.72	10.13	17.85
Tripura	5.80	20.72	26.52	17.47	18.89	36.36
Total:	23.80	38.67	62.47	55.69	43.43	99.12
Assam	182.16	99.05	281.21	192.16	94.94	287.10
Arunachal Prd.	—	—	—	12.50	—	12.50
Total:	182.16	99.05	281.21	204.66	94.94	299.60
Total NE Zone:	205.96	137.72	343.68	260.35	138.37	398.72

[Ministry of Food OM No. G-20017/1/94-95/Budget, dated 5.12.94]

Recommendation (Sl. No. 4.4)

The Committee note with concern that National Sugar Institute, Kanpur could utilise less than 40% of the amount sanctioned for the scheme undertaken in the year 1992-93. Out of an amount sanctioned to the tune of Rs. 111.75 lakhs the actual expenditure was only Rs. 39 lakhs. In the year 1993-94 two schemes could not commence due to non-receipt of estimates from CPWD. The Committee regret to note the delay in completion of the projects. This *inter-alia* shows that the monitoring mechanism to over-see the projects undertaken by the Ministry is not effective. The Committee recommend that monitoring mechanism should be strengthened and progress of work undertaken should be monitored regularly.

Reply of the Government

The recommendation regarding National Sugar Institute, Kanpur has been carefully considered by the Ministry. In implementation of the recommendation, it has been decided that to ensure expeditious completion of the various schemes, the existing system of monitoring of progress of work of NSI, Kanpur would be strengthened by holding quarterly meetings at the Ministry level with officers of

CPWD and Director, NSI, Kanpur. During these meetings the progress of various works would be reviewed to find out ways and means to expedite completion of the schemes. Director, NSI, Kanpur has also been advised to hold monthly meetings with the local senior officers of CPWD to ensure early completion of schemes. The Director has also been advised to send copies of the minutes of monthly meetings to the Ministry regularly for perusal. The problems discussed in the monthly meetings and the suggestions made by the officers to overcome the same would be taken into account during quarterly meetings which would be held at the level of the Ministry with the Senior Officers of CPWD. It is also proposed to hold a meeting at the level of Secretary (Food) with the Director General (Works), CPWD around October 1994 to focus attention on the areas as may require immediate intervention to ensure timely completion of various construction works assigned to CPWD.

The first quarterly meeting between officers of the Ministry of Food and CPWD was held on 8.7.1994. During this meeting, the need for timely completion of works was emphasized.

[Ministry of Food OM No. G-20017/1/94-95/Budget, dated 5.12.94]

CHAPTER III

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

Recommendation (Sl. No. 2.43)

The Committee note that large portion of food subsidy goes towards meeting interest liability. The interest charges which were Rs. 817.22 crores in 1992-93 rose to Rs. 1200 crores in 1993-94 and are expected to be 2092 crores in 1994-95. They have observed that interest charges incurred on distribution of wheat and rice was 33% in 1992-93, 24.8% in 1993-94 and 42% in 1994-95, of the total distribution cost. The interest liability for carrying buffer stock was 62.89% in 1993-94 and budget estimates for 1994-95 is 60.13% of the total buffer carrying cost.

Reply of the Government

The Ministry of Food has taken up the matter with the Reserve Bank of India for reduction of interest rate to 10 per cent as a special case. The Reserve Bank of India in response thereto, stated that Banks are required to provide credit to all foodgrains procurement agencies at a fixed rate of 15% per annum (excluding interest tax) while for all other borrowers in the category of Rs. 2 lakh and above, the banks are free to charge higher rates as they deem appropriate. As such, the rate of interest already has an element of concessionality. Furthermore, even for smaller loans in the range of Rs. 25,000/- to Rs. 2 lakhs, the rate of interest is 15% as fixed. As such, a reduction in the interest rate on food credit advances would not be feasible. Hence, the request of the Ministry of Food for reduction of interest rate is not likely to be accepted by Reserve Bank of India.

[Ministry of Food OM No. G-20017/1/94-95/Budget, dated 5.12.94]

Recommendation (Sl. No. 2.44)

The Committee were informed during evidence that current rate of interest charged by consortium of banks led by S.B.I. is 15.75 per cent which appears to be too high, and the Ministry propose to take up the matter with R.B.I. and Ministry of Finance. The Committee would like to be informed of the outcome.

Reply of the Government

The Ministry of Food has taken up the matter with the Reserve Bank of India for reduction of interest rate to 10 per cent as a special case. The Reserve Bank

of India in response thereto stated that Banks are required to provide credit to all foodgrains procurement agencies at a fixed rate of 15% p.a. (excluding interest tax) while for all other borrowers in the category of Rs. 2 lakhs and above, the banks are free to charge higher rates as they deem appropriate. As such, the rate of interest already has an element of concessionality. Furthermore, even for smaller loans in the range of Rs. 25000/- to Rs. 2 lakhs, the rate of interest is 15% as fixed. As such, a reduction in the interest rate of food credit advances would not be feasible. Hence, the request of the Ministry of Food for reduction of interest rate is not likely to be accepted by Reserve Bank of India.

[Ministry of Food OM No. G-20017/1/94-95/Budget, dated 5.12.94]

CHAPTER IV

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

Recommendation (Sl. No. 1.9)

The Committee find that the non-plan expenditure on Secretariat Economic Services has been rising continuously. An amount of Rs. 3.45 crores and Rs. 3.68 crores were spent on this account in the years 1990-91 and 1991-92. It rose to Rs. 4.11 crores in 1992-93. The BE for 1993-94 stood at Rs. 4.71 which was subsequently revised to Rs. 4.79 crores. The BE for 1994-95 is Rs. 4.98 crores. The Ministry have assured that they are taking steps to control non-plan expenditure. The Committee recommend that Government should monitor regularly and closely the non-plan expenditure for achieving maximum economy.

Reply of the Government

Office expenses for the Ministry of Food are incurred on various things of maintenance and consumables (which include among others, expenditure on telephones, vehicles, stationery, furniture and fixture, equipment, etc.) on the increasing rise in price of which the Ministry has no control. These expenditure on office expenses has increased in 1993-94 and 1994-95. But compared to the escalation in the cost of procured items, and increased cost of maintenance/inputs, expenditure on office expenses for 1993-94 are still within the reasonable limits.

2. The non-plan expenditure of Ministry including office expenses are being monitored regularly and closely for attaining maximum economy. However, because of the upward revision in costs of some of the expenses like those on telephones, stationery, fuel, etc. which constitute the major share of total expenses are not within the control of the Ministry. It is proposed to attain utmost economy in various other expenses while maintaining efficiency and keeping the commitments of modernisation of office equipments/information system. These include increasing the fuel efficiency of cars, purchase of furniture from Kendriya Bhandar, restricting the number of direct lines and monitoring supervision of expenses on consumables and the like. Besides, in order to control expenditure in the stationery items, the scale of issue of stationery have been reduced vide Circular No. D 15015/1/94-Genl. dated 26-9-94 (copy enclosed).

**No. D-15015/1/94-General
Government of India
Ministry of Food**

New Delhi-1, dated 26th Sept., 1994.

OFFICE MEMORANDUM

Subject:— Economy in non-plan expenditure.

It has been observed that there have been a rising tendency of wasteful use of stationery items which goes against the spirit of economy instructions. In order to avoid wasteful use of stationery items and keeping in view the observations of the Parliamentary Committee on Food, Civil Supplies, Public Distribution and Consumer Affairs that non-plan expenditure of the Ministry should be restricted to the minimum, all Sections/Desks and Officers are requested to keep their demands of stationery items to the barest minimum. It is also requested that high valued items like photostat paper, duplicating paper, High-Tech pen, computer stationery etc. should be used in such a manner so as to attain maximum economy.

2. It may please be noted that some items like scissors, hammers, staplers, punches etc. would be issued once in a year and on production of the old/defective ones.

3. In order to ensure better and smooth distribution of stationery items Sections/Officers are requested to send indent for various stationery items in the revised format for the month of October, onwards. Sections/Desks/Officers are requested to ensure that the requisition for stationery items should reach General Section by *10th of every month*. The stationery items will be distributed as usual from 15th to 23rd of respective month.

Sd/-

(A. Bhattacharya)

Under Secretary (A)-I

Tel. No. 389967.

To

All Sections/US/DS/Directors/Personal staff of Senior Officers/MOS(F) Office.

Copy to:—

Parliament Section/Gestetner Operator - with a request to review the existing demand/use of Photostat copy paper/Duplicating paper and project in advance consumption of such items for next three months.

Requisition for stationery items for the month of _____

Section's Name _____ Tel. No. _____ Room No. _____

Staff Strength _____ Officer _____ Asstt. _____

UDC _____ LDC _____ Total: _____

Sl. No.	Name of Stationery items	Scale of issue	Qty. indented
1.	All-Pin	1Pkt	
2.	Ball Pen Ordinary	Restricted to the number of Asstts./PAs.	
3.	Candle	3 Nos.	
4.	Correcting Fluid (White)	1 Bottle	
5.	Correcting Fluid (Red)	1 Bottle	
6.	Envelops	SE-4 SE-5 SE-6 & 7 SE-8	
7.	File Board	Once in 2 months	
8.	File Cover	"	
9.	Gum Bottle	1 Bottle	
10.	Gem Clip	1 Pkt.	
11.	Note Sheet (White)	1 Pad	
12.	Pencil Lead	4-5 (Quarterly)	
13.	Peon Book	Once in Quarter	
14.	Photostat Paper	1 Ream	
15.	Refill ordinary		
16.	T.W. Ribbon	Quarterly	
17.	Shorthand Note Book		
18.	Shorthand Pencil		
19.	Slip Book	Only for S.O.	

Sl. No.	Name of Stationery items	Scale of issue	Qty. indented
20.	Stencil Sheet		
21.	Stamp Pad/Ink Pad		
22.	Tag		
23.	Typing Carbon		
24.	Typing Paper	1 Ream	
25.	High-Tech. Pen	1 (only for S.O.)	
26.	Stapler pin Small/Big	1-2 Pkts.	

()
Section Officer/PA/PS's
Signature

[Ministry of Food O.M. No. G-20017/1/94-95/Budget, dated 5.12.94]

Comments of the Committee

[Please see Paragraph No. 1.10 of Chapter I of the Report]

Recommendation (Sl. No. 2.42)

The Committee note that food subsidy is on the rise. In the year 1990-91, the food subsidy was Rs. 2450 crores which increased to Rs. 2850 crores in the year 1991-92. In 1993-94 as against a provision of Rs. 3000 crores in original budget estimate, it rose to Rs. 5700 crores as per the revised estimates. They also note that issue prices were not raised simultaneously with the announcement of Minimum Support Price. The delay in raising the issue price simultaneously has caused the exchequer a loss to the tune of Rs. 757 crores (Rs. 441 crores for wheat and 316 crores for rice) in the year 1993-94. Similarly during the year 1992-93 the Government had suffered a loss of Rs. 459 crores on this account. The Committee were informed that there was a time lag of 9-10 months in the case of wheat and 3-4 months in case of rice in the year 1992-93, between announcement of MSP and CIP. Again the MSP for Rabi 1994-95 has already been announced for wheat. But the CIP has not yet been decided. According to Ministry although the need for announcing the revision of the MSP and CIP simultaneously as far

as possible or MSP at the time of sowing and CIP at the commencement of marketing year is recognised by the Government, this is not always possible on account of preoccupation of the CCEA. The Committee view this with concern and recommend that there should be close coordination between the Ministry of Food and Ministry of Agriculture in this regard to ensure that there is no avoidable increase in subsidy on this account.

Reply of the Government

The point has been well noted. However, it is submitted the Minimum Support Price (Procurement Price) of foodgrains are fixed by the Ministry of Agriculture on the recommendations of the Commission on Agricultural Costs & Prices (CACP) and with the approval of the Cabinet Committee on Economic Affairs (CCEA). These are generally announced at the time of sowing of a particular crop so as to enable the farmers to make necessary production plan. The Central Issue Prices (CIPs) are fixed by the Ministry of Food taking into account the procurement prices, the statutory and interest charges with the approval of the CCEA and should normally take effect from the commencement of marketing year.

It is further submitted that with a view to increase Central Issue Prices simultaneously with the announcement of minimum support prices, a close coordination between the Ministry of Agriculture and the Ministry of Food is necessary. Efforts will be made to effect increases in CIP simultaneously with the increase in the MSPs of wheat and paddy to the extent possible. However, in the interest of the Public Distribution System consumers and to keep in check the open market prices of foodgrains it may not be always possible to effect simultaneously increase in CIP.

[Ministry of Food OM No. G-20017/1/94-95/Budget, dated 5.12.94]

Comments of the Committee

[Please see Paragraph No. 1.15 of Chapter I of the Report]

Recommendation (Sl. No. 2.45)

The Committee note that subsidy claims to the tune of Rs. 729.04 crores on account of unregularised transit and storage shortages were pending involving additional burden of interest charges alone to the extent of Rs. 114 crores to F.C.I. They are distressed to find that the subsidy claims on this account are pending since 1980-81. The Committee view with concern the heavy outstandings and the interest charges thereon. The Committee urge that the investigation and write-off

of losses in regard to transit and storage shortages, reimbursable by Government should be expedited to liquidate the arrears to reduce the avoidable expenditure by F.C.I. on subsidy.

Reply of the Government

Although all efforts are being made to expedite regularisation of all the losses to the maximum extent it has not been possible for the Corporation to liquidate the arrears in its entirety as the main pendency of the losses pertains to the past period from 1980-81 onwards. Most of the field officers find it extremely difficult to link up the old records, investigate the high loss cases and take a final decision for regularisation. The regularisation of losses is thus bound to be slow paced and time consuming. For the current year, the Corporation has fixed a target of Rs. 200.00 crores for regularisation of the transit and storage losses and according to the preliminary reports received from the regions upto October, 1994 losses to the tune of Rs. 42 crores have already been regularised. Suitable instructions have been issued to all concerned in the F.C.I. to achieve the target fixed for the year 1994-95. The actual picture will be known after the close of the financial year and finalisation of annual accounts. During the year 1993-94, the Corporation was able to regularise the losses to the tune of Rs. 114.05 crores.

[Ministry of Food OM No. G-20017/1/94-95/Budget, dated 5.12.94]

Comments of the Committee

[Please see Paragraph Nos. 1.24 and 1.25 of Chapter I of the Report]

CHAPTER V

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

-NIL-

NEW DELHI;
4 May, 1995

Vaisakha 14, 1917 (Saka)

SHYAM BIHARI MISRA,
Chairman,
Standing Committee on Food, Civil
Supplies & Public Distribution.

APPENDIX I

MINUTES OF THE SITTING OF THE COMMITTEE HELD ON 10TH APRIL, 1995

The Committee sat from 11.00 Hours to 13.30 Hours and 15.00 Hours to 15.30 Hours on 10th April, 1995.

PRESENT

Shri Shyam Bihari Misra — *Chairman*

MEMBERS

Lok Sabha

2. Shri N.J. Rathva
3. Dr. (Smt.) Padma
4. Shri Bijoy Krishna Handique
5. Shri K.J.S.P. Reddy
6. Shri Gopi Nath Gajapathi
7. Shri Naresh Kumar Baliyan
8. Dr. Ranakrishna Kusmaria
9. Shri Kabindra Purkayastha
10. Shri Lal Babu Rai
11. Shri Ram Awadh
12. Shri Syed Masudal Hossain
13. Shri Ramchandra Marotrao Ghangare
14. Shri Manoranjan Sur
15. Shri Birsingh Mahato

Rajya Sabha

16. Shri Sunder Singh Bhandari
17. Shri Moolchand Meena
18. Shri G.Y. Krishnan
19. Shri Jagannath Singh
20. Shri Ramendra Kumar Yadav 'Ravi'
21. Shri Kanaksinh Mohansinh Mangrola

SECRETARIAT

- | | | |
|-------------------------|---|-----------------------------|
| 1. Shri S.N. Misra | — | <i>Additional Secretary</i> |
| 2. Smt. Roli Srivastava | — | <i>Joint Secretary</i> |
| 3. Shri A.S. Chera | — | <i>Assistant Director</i> |

WITNESSES

Ministry of Food

- | | | |
|------------------------|---|---|
| 1. Shri R.V. Gupta | — | <i>Secretary</i> |
| 2. Shri Kamal Pandey | — | <i>Additional Secretary and Financial Adviser</i> |
| 3. Shri Surendra Kumar | — | <i>Joint Secretary</i> |
| 4. Smt. Sushma Nath | — | <i>Joint Secretary</i> |
| 5. Shri M.P. Varshney | — | <i>Director (Finance)</i> |
| 6. Smt. S. Kacker | — | <i>Director</i> |

Food Corporation of India

- | | | |
|------------------------|---|--|
| 1. Shri Prabhat Kumar | — | <i>Chairman</i> |
| 2. Shri A.V. Gokak | — | <i>Managing Director</i> |
| 3. Dr. S.N. Sharma | — | <i>Executive Director (C)</i> |
| 4. Shri V.K. Bhise | — | <i>Executive Director (G)</i> |
| 5. Shri K. Ramchandran | — | <i>Executive Director (F)</i> |
| 6. Shri J.N. Tripathi | — | <i>Executive Director (T)</i> |
| 7. Shri K. Pandithurai | — | <i>Executive Director (Engg.)</i> |
| 8. Shri G. Mohan | — | <i>Additional Financial Adviser (Cost)</i> |

Central Warehousing Corporation

- | | | |
|---------------------------|---|--------------------------|
| 1. Shri K. Sanjeeva Reddy | — | <i>Chairman</i> |
| 2. Shri R.N. Das | — | <i>Managing Director</i> |
| 3. Shri A.P. Mathur | — | <i>General Manager</i> |

2. In the forenoon session, the Committee discussed with the representatives of Ministry of Food, Food Corporation of India and Central Warehousing Corporation, the various points arising out of List of Points which were replied to by the witnesses. A verbatim record of proceedings was kept.

3. In the afternoon session, when the Committee was deliberating, the Members were informed about, the sad demise of Shri Morarji Desai, former Prime Minister of India. The Committee then adjourned without transacting any further business, as a mark of respect to the departed leader, after observing silence for a short while.

MINUTES OF THE SITTING OF THE COMMITTEE HELD ON
17TH APRIL, 1995

The Committee sat from 11.00 Hours to 13.30 Hours and 15.00 Hours to 17.00 Hours on 17th April, 1995.

PRESENT

Shri Shyam Bihari Misra – *Chairman*

MEMBERS

Lok Sabha

2. Shri V. Krishna Rao
3. Shri Bijoy Krishna Handique
4. Shri K.J.S.P. Reedy
5. Shri Naresh Kumar Baliyan
6. Shri Kabindra Purkayastha
7. Shri Ram Awadh
8. Shri Ramchandra Marotrao Ghangare
9. Dr. (Smt.) K.S. Soundaram

Rajya Sabha

10. Shri Nagmani
11. Shri G.Y. Krishnan
12. Shri Jagannath Singh
13. Shri Ramendra Kumar Yadav 'Ravi'
14. Shrimati Chandra Kala Pandey

SECRETARIAT

1. Shrimati Roli Srivastava – *Joint Secretary*
2. Shri A.S. Chera – *Assistant Director*

WITNESSES

Ministry of Food

1. Shri R.V. Gupta – *Secretary*
2. Shri Kamal Pandey – *Additional Secretary & Financial Adviser*
3. Shri Surendra Kumar – *Joint Secretary*
4. Shrimati Sushma Nath – *Joint Secretary*
5. Shrimati S. Kaker – *Director*

Food Corporation of India

1. Shri Prabat Kumar – *Chairman*
2. Shri A.V. Gokak – *Managing Director*
3. Dr. S.N. Sharma – *Executive Director (C)*
4. Shri V.K. Bhise – *Executive Director (G)*
5. Shri K. Ramchandran – *Executive Director (F)*
6. Shri K. Pandithurai – *Executive Director (Engg.)*
7. Shri G. Mohan – *Additional Financial Adviser (Cost)*

Central Warehousing Corporation

1. Shri K. Sanjeeva Reddy – *Chairman*
2. Shri R.N. Das – *Managing Director*
3. Shri A.P. Mathur – *General Manager*

2. At the outset, the Committee adopted the following resolution on the sad demise of Shri Morarji Desai, the former Prime Minister of India:—

“The Standing Committee on Food, Civil Supplies and Public Distribution record its profound sorrow and sense of national loss at the sad demise of Shri Morarji Bhai Desai, the former Prime Minister of India and beloved leader of the nation. Shri Desai worked all his life for the progress and prosperity of his people. He had endeared himself to all the countrymen by his sincerity, great humility, simple living and high thinking. He gave a magnificent, courageous and firm lead to the country. The Committee pays its homage to the departed leader and offers condolence to the bereaved family. The Committee further expects the nation to pledge itself to carry forward his work of national integrity and international amity and peace”.

3. Thereafter, the Members of the Committee stood in silence for a short while in memory of the departed leader.

4. The Committee, then proceeded to discuss with the representatives of Ministry of Food, Food Corporation of India and Central Warehousing Corporation, the various points arising out of List of Points which were replied to by the witnesses.

5. A verbatim record of the proceeding was kept.

The Committee then adjourned.

MINUTES OF THE SITTING OF THE COMMITTEE HELD ON
24TH APRIL, 1995

The Committee sat from 15.00 Hours to 16.20 Hours on 24th April, 1995.

PRESENT

Shri Shyam Bihari Misra – *Chairman*

MEMBERS

Lok Sabha

2. Dr. (Smt.) Padma
3. Shri Bijoy Krishna Handique
4. Shri Gopi Nath Gajapathi
5. Shri Naresh Kumar Baliyan
6. Shri Chhotey Lal
7. Prof. Ram Kapse
8. Shri Ram Awadh
9. Shri Syed Masudal Hossain
10. Shri Ramchandra Marotrao Ghangarc
11. Shri Birsingh Mahato

Rajya Sabha

12. Shri Surender Singh Bhandari
13. Shri Tara Charan Majumdar
14. Shri Jagannath Singh
15. Shri Ramendra Kumar Yadav 'Ravi'
16. Smt. Chandra Kala Pandey

SECRETARIAT

1. Smt. Roli Srivastava – *Joint Secretary*
2. Shri A.S. Chera – *Assistant Director*

I. Consideration and Adoption of Draft Ninth Report.

** ** ** **

II. Consideration and Adoption of Tenth Report.

** ** ** **

III. Consideration and Adoption of Eleventh Report.

The Committee also considered and adopted the Draft Eleventh Report on action taken by the Government on the recommendations contained in Fifth Report (Tenth Lok Sabha) on Demands for Grants (1994-95) pertaining to Ministry of Food.

The Committee authorised the Chairman to make consequential changes arising out of the factual verifications of the Report by the Ministry of Food and present/lay the same in both the Houses of Parliament.

The Committee then adjourned.

APPENDIX II

(Vide Introduction of the Report)

Analysis of Action Taken by Government on the recommendation contained in Fifth Report of Standing Committee on Food, Civil Supplies and Public Distribution (Tenth Lok Sabha)

I	Total number of recommendations	12
II	Recommendations/Observations which have been accepted by Government (Sl. No. 2.46, 2.47, 2.48, 2.49, 2.50, 3.10 and 4.4)	
	Total	7
	Percentage	58.33%
III	Recommendations/Observations which the Committee do not desire to pursue in view of Government replies (Sl. No. 2.43 and 2.44)	
	Total	2
	Percentage	16.67%
IV	Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee. (Sl. No. 1.9, 2.42 and 2.45)	
	Total	3
	Percentage	25%
V	Recommendations/Observations in respect of which final replies of Government are still awaited	Nil