

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA
UNSTARRED QUESTION NO.875
TO BE ANSWERED ON 7TH FEBRUARY, 2024

STRENGTHENING OF FCI

†875. SHRI RAMDAS C. TADAS:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether any new plan is being made to further strengthen the Food Corporation of India (FCI) and any committee has been formed for this purpose;
- (b) if so, the details thereof along with the main observation and recommendations made by the Committee and the response of the Government thereto; and
- (c) the various other steps taken or being taken by the Government to streamline FCI and make it more efficient in preventing leakages and losses of grains?

A N S W E R

MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)

(a) to (c): The strengthening of Food Corporation of India (FCI) through modernization and reforms is an ongoing and continuous process. Several steps have been taken to streamline FCI and make it more efficient in preventing losses and leakages of foodgrains. Details are at annexure.

ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (c) OF THE UNSTARRED QUESTION NO.875 FOR ANSWER ON 07.02.2024 IN THE LOK SABHA.

Digital Transformation

- **Food-grain procurement operations across the country have been computerized ensuring transparency and quicker services to farmers.**
- **One Nation, one MSP through DBT has been implemented ensuring direct online payment to all farmers.**
- **Total workflows of the organization has been digitized through implementation of e-Office and Depot Online System (DOS).**
- **Linking of rice mills with depots for delivery of rice and allocation of space at individual warehouses has been digitized ensuring absolute transparency in the procurement process.**
- **A Vehicle Location Tracking System (VLTS) has been implemented ensuring real time tracking of trucks carrying food grains.**

Standardization and Modernization of Storage facilities

- **Third party assessment of 556 warehouses of FCI was done by Quality Council of India. Accordingly, an action plan was prepared for upgradation of warehouses. 479 FCI owned depots are upgraded to 5 star and above category.**
- **180 LMT of Covered and Plinth (CAP) storage has been phased out.**
- **Construction of silos under Private Partnership Mode (PPP) Mode.**
- **Warehousing Development Regulatory Authority (WDRA) Certification- To standardize FCI owned godowns, certification of 552 warehouses of FCI have been obtained from WDRA.**
- **All Food storage godowns have been designed on the BIS/CPWD specifications to keep buffer stocks in good condition all the time.**

Grievance Redressal Mechanism

- **Whistle blower policy framed and circulated to address the issues of internal stake holders.**
- **Dedicated Call centre is set up for addressing grievances of all external stake holders.**

Operational Reforms

- **Departmentalized labour across the country was rationalized achieving an annual saving of about Rs. 600 Cr**

- **Operational losses brought down substantially as under:**
 - a. **Storage Losses in rice brought down from 0.39% in 2013-14 to 0.10% in 2022-23.**
 - b. **Transit Losses in rice brought down from 0.58% in 2013-14 to 0.26% in 2022-23**
 - c. **Transit Losses in wheat brought down from 0.35% in 2013-14 to 0.17% in 2022-23.**
- **A chemical based solution developed to address the menace of recycling of rice.**
- **Mechanization of Warehouse operations-The provision of mandatory mechanized handling was introduced w.e.f. 11.04.2023 for new contracts, to encourage innovation and modernization of operations.**

Measures taken to reduce Storage Losses

- **Periodic prophylactic and curative treatment of foodgrains stocks is undertaken to keep them free from pests/infestations i.e. to minimize losses due to biotic factors.**
- **Depots exhibiting high storage losses are inspected at the level of ED (Zones), GM (Regions) and other senior officers regularly.**
- **CCTV cameras are installed in owned depots for better surveillance and supervision.**
- **Physical measures like installation of barbed wire fencing of the boundary walls, provision of streetlights for illumination of godowns and proper locking of the sheds are taken to secure the godowns.**
- **Security staff of FCI, Home Guards and other external agencies are being deployed at FCI depots to ensure safety and security of the stock.**
- **Disciplinary action is initiated against delinquents wherever abnormal/unjustified losses are reported after due investigation.**

Measures taken to reduce Transit Losses (TL)

- **Investigation of High Transit Losses at HQ/Zone/Region/District levels at regular intervals. Further, Joint Verification (JV) of high Transit Loss cases are undertaken to fix responsibility. The lower limit of TL for JV's has been reduced from 1% to 0.75% and further 0.50% w.e.f. 01.10.2022.**
- **Spreading of Polythene Sheet on the floor of railway wagons to retrieve the spilled-over grains.**
- **Implementation of high security cable seals on wagons at the time of loading of foodgrains to avoid tampering/en-route pilferage w.e.f 01.01.2022. This led to 92% reduction in number of Rakes reporting abnormal Transit Losses i.e. more than 0.5%.**

- **Made-up bags accrued at railhead are being accounted.**
- **Deployment of Independent Consignment Certification Squad (ICCS) at the time of loading/unloading.**
- **Only covered rail wagons are used for movement of foodgrains to avoid damage during transit.**

Additional steps taken by FCI to prevent wastage of foodgrains

- **Foodgrains are stored by adopting proper scientific code of storage practices.**
- **Adequate dunnage materials such as wooden crates, bamboo mats, polythene sheets are used to check migration of moisture from the floor to the foodgrains.**
- **Fumigation covers, nylon ropes, nets and insecticides for control of stored grain insect pests are provided in all the godowns.**
- **Effective rat control measures are taken.**
- **Regular periodic inspections of the stocks/godowns are undertaken by qualified and trained staff and senior officers to monitor the health of foodgrains.**
- **The principle of "First in First Out" (FIFO) is followed to avoid longer storage of foodgrains in godowns.**
- **Damage Monitoring Cells have been set up at District, Regional and Zonal levels to regularly monitor quality of stocks and reduce damages.**
- **Identification and repair all the leakage point on the roof is done periodically.**
- **Periodic cleaning of drainages in the godown premises.**
- **Ensuring no seepage and clogging up of water in the godowns.**
- **Replacement of the Roofing sheet of the Godowns from old Asbestos Sheets to Colour Coated Profile Sheets to prevent leakage that was caused due to breakage and wear and tear of the ACC sheets. Further to this, the new under construction godowns are being constructed with truss-less sheet roofing, which has additional advantage of providing increased storage capacity by increasing the stack height of Food.**
- **Installation of the turbo-ventilators in the Godowns to create flow of fresh air in the Godown Compartments for better storage conditions.**
