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**STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS
AND PUBLIC DISTRIBUTION (2019-2020)**

SEVENTEENTH LOK SABHA

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

**DEMANDS FOR GRANTS
(2020-21)**

THIRD REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2020/ Phalguna, 1941 (Saka)

(i)

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AFFAIRS AND PUBLIC DISTRIBUTION
(2019-2020)**

(SEVENTEENTH LOK SABHA)

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

**DEMANDS FOR GRANTS
(2020-21)**

**Presented to Lok Sabha on 13.03.2020
Laid in Rajya Sabha on 13.03.2020**



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2020/ Phalguna, 1941 (Saka)

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Composition of the Standing Committee on Food, Consumer Affairs and Public Distribution (2019-2020) :-

Shri Sudip Bandyopadhyay, Chairperson

Lok Sabha

2. Shri Karadi Sanganna Amarappa
3. Shri C. N. Annadurai
4. Shri Girish Bhalchandra Bapat
5. Shri G. S. Basavaraj
6. Ms. Pratima Bhoumik
7. Smt. Pramila Bisoyi
8. Shri Anil Firojiya
9. Shri Rajendra Dhedy Gavit
10. Shri Bhagwant Mann
11. Shri Khagen Murmu
12. Shri Mitesh Rameshbhai (Bakabhai) Patel
13. Shri Subrat Pathak
14. Shri Manne Srinivas Reddy
15. Dr. Sanjeev Kumar Singari
16. Smt. Himadri Singh
17. Smt. Kavita Singh
18. Shri Ajay Misra Teni
19. Shri Saptagiri Ulaka
20. Shri Rajmohan Unnithan
21. Shri Ve.Vaithilingam

Rajya Sabha

22. Smt. Shanta Chhetri
23. Shri K. G. Kenye
24. Smt. M. C. Mary Kom
25. Shri Rajmani Patel
26. Shri Sakaldeep Rajbhar
27. Dr. Anbumani Ramadoss
28. Shri Amar Shankar Sable
29. Shri Veer Singh
30. Shri Satish Chandra Dubey@
31. Vacant\$

LOK SABHA SECRETARIAT

- | | | |
|----------------------------------|---|---------------------|
| 1. Shri Pawan Kumar | - | Joint Secretary |
| 2. Shri Lovekesh Kumar Sharma | - | Director |
| 3. Shri Khakhai Zou | - | Additional Director |
| 4. Smt. Darshana Gulati Khanduja | - | Executive Officer |

@ Nominated to the Committee w.e.f. 4.02.2020.

\$ vice Shri. K.T. S. Tulsi retired from Rajya Sabha w.e.f. 24.02.2020

INTRODUCTION

I, the Chairperson of the Standing Committee on Food, Consumer Affairs and Public Distribution (2019-2020) having been authorized by the Committee, present on their behalf, this Third Report (Seventeenth Lok Sabha) on Demands for Grants (2020-21) relating to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution).

2. The Committee examined/scrutinized the detailed Demands for Grants (2020-21) of the Ministry which were laid on the Table of the House on 11 February, 2020. The Committee took oral evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) on 25 February, 2020.

3. The Committee wish to express their thanks to the Officers of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) for appearing before the Committee and furnishing the material and information which the Committee desired in connection with the examination of the Demands for Grants (2020-21).

4. The Report was considered and adopted by the Committee at their sitting held on 11 March, 2020.

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

NEW DELHI;
11 March, 2020
21 Phalguna 1941 (Saka)

SUDIP BANDYOPADHYAY,
Chairperson,
Standing Committee on Food,
Consumer Affairs and Public Distribution

CHAPTER - I

INTRODUCTORY

The Ministry of Consumer Affairs, Food and Public Distribution consists of two Departments, namely, the Department of Food and Public Distribution and the Department of Consumer Affairs. The Department of Food and Public Distribution and also the Department of Consumer Affairs work under the overall guidance of Union Minister of Consumer Affairs, Food and Public Distribution. The main functions of the Department of Food and Public Distribution are:-

- (i) Formulation and implementation of National policies relating to procurement, movement, storage and distribution of foodgrains;
- (ii) Implementation of the Public Distribution System(PDS) with special focus on the poor;
- (iii) Provision of storage facilities for the maintenance of central Reserves of foodgrains and promotion of scientific storage;
- (iv) Formulation of national policies relating to export and import, buffer stocking, quality control and specifications of foodgrains;
- (v) Administration of food subsidies relating to rice, wheat and coarse grains;
- (vi) Policy matters relating to sugar and sugarcane sector, fixation of Fair and Remunerative Price (FRP) of sugarcane payable by sugar factories, development and regulation of sugar industry (including training in the field of sugar technology) and sugar supply for PDS; and
- (vii) Monitoring, Price control and Supply of Edible Oils.

1.2 The Department has one Attached Office, namely: (i) Directorate of Sugar and Vegetable Oils. There is one subordinate office under Sugar Division namely National Sugar Institute, Kanpur.

There are other Subordinate Offices under the Department, namely:

- (i) Eleven Quality Control Cells (QCCs) located at New Delhi (headquarter), Kolkata, Hyderabad, Bengaluru, Bhopal, Bhubaneswar, Lucknow, Pune, Chennai, Guwahati and Patna.
- (ii) One Indian Grain Storage Management and Research Institute (IGMRI), Hapur (Uttar Pradesh) with 2 field stations located at Hyderabad, and Ludhiana.

1.3 In addition, there are three Public Sector Undertakings under the administrative control of the Department, namely:

- (i) Food Corporation of India (FCI)
 - (ii) Central Warehousing Corporation (CWC)
 - (iii) Hindustan Vegetable Oils Corporation Ltd.(HVOC); and
- One Regulatory authority viz. Warehouse Development and Regulatory Authority (WDRA)

1.4 The mandate of the Department of Food and Public Distribution is primarily for: (i) Management of foodgrains, (ii) Management of sugar and (iii) Management of edible oils. In respect of management of sugar and edible oils, the Department also caters to the requirements of the Sugar through Public Distribution System and to regulate the sugar manufacturing and management of edible oils in the country through a multi-pronged strategy viz. assessment of the domestic demand for edible oils and its availability from domestic sources and difference is met through import of edible oils so as to maintain their price at reasonable level.

1.5 The Minister for Consumer Affairs, Food and Public Distribution laid on the Table of the Lok Sabha, the Detailed Demands for Grants (2020-21) relating to the Department of Food and Public Distribution on 11th February, 2020. The Detailed Demands for Grants, for the Department of Food and Public Distribution shows a budgetary provision of Rs. 172235.43 crore for the year 2020-21. This includes Rs. 121038.41 crore for Revenue and Rs. 51197.02 crore, for Capital programmes and Schemes.

1.6 The Committee in the present Report have examined various issues related to implementation of various schemes and programmes under the jurisdiction of the Department, in the context of Demands for Grants 2020-21. The detailed analysis along with observations/ recommendations of the Committee on various issues have been given in the succeeding paragraphs/Chapters of the Report.

1.7 The overall allocations in respect of the Department of Food and Public Distribution for the year 2020-21 vis-a-vis 2019-20 with regard to Revenue and Capital Programmes and Schemes are as under :-

As on 31.12.2019 (Rs. In Crores)

2019-20						2020-21	
Revenue			Capital			Revenue	Capital
BE	RE	AE	BE	RE	AE	BE	BE
190914.27	113989.47	145879.06	51326.12	37250.92	122.11	121038.41	51197.02

General Performance of the Department

Analysis of Revenue and Capital Schemes

1.8 The scheme-wise details of BE, RE and actual expenditure incurred by the Department of Food and Public Distribution on its Revenue and Capital Schemes during 2019-20 and BE for 2020-21 are as under:-

Scheme-wise details of Revenue/Capital Outlays and Expenditure: FY 2019-20 & BE 2020-21

REVENUE

(₹ in crores)

Sl. No.	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
1	Secretariat (3451)	66.51	69.89	51.93	-17.96	25.70	Excess in RE 2019-20 is required due to renovation of chamber and visitor room of Hon'ble Minister of CA, F&PD, development of basement area and renovation of 9 rooms, revision of wages of outsourced staffs, nomination of officers for training at ISTM.	71.46

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
							Provision in RE 2019-20 is likely to be utilised up to 31.03.2020.	
2	National Sugar Institute, Kanpur (2408)	20.60	21.14	15.19	-5.95	28.15	Likely to be utilised upto 31.03.2020.	22.51
3	Central Vigilance Committee on PDS (Charged)	0.00	0.01	0.00	-0.01	100.00	Likely to be utilised upto 31.03.2020.	0.00
4	<i>Other Programmes of Food Storage & Warehousing</i>							
	(i) Directorate of Sugar & Vegetable Oils (2408)	7.13	6.58	4.99	-1.59	24.16	Likely to be utilised upto 31.03.2020.	6.89
	(ii) Indian Grain Storage Management & Research Institute (2408)	5.33	4.25	2.71	-1.54	36.24		5.05
	(iii) Central Grain Analysis	0.02	0.01	0.01	0.00	0.00		0.05

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
	Laboratory (2408)							
	(iv) Quality Control Cell (2408)	7.54	7.03	5.04	-1.99	28.31		7.50
	(v) International Cooperation (2408)							
	a. Contribution-International Sugar Council	0.34	0.34	0.01	-0.33	97.06	Contribution for membership will be released soon.	0.34
	b. Contribution-International Grain Council	0.31	0.31	0.00	-0.31	100.00		0.33
	Total - Other Programmes of Food Storage & Warehousing	20.67	18.52	12.76	-5.76	31.10		20.16

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
5	Food Subsidy to FCI (2408)	151000.00	75000.00	111000.00	36,000.00	11.20	Expenditure is as per Monthly Expenditure Plan (MEP), Cash Management System and with prior permission of MoF, wherever required. Excess expenditure w.r.t. RE 2019-20 is due to communications of ceiling of RE 2019-20 by MoF on 29.01.2020. However, expenditure of Rs. 111000 crore was done on 31.12.2019 itself. The same has been intimated to MoF and requested to take necessary action.	77982.54

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
6	Food Subsidy to DCP States (2408)	33000.00	33508.35	31499.85	-2008.50	5.99	During the current financial year Rs. 13268 crore has been paid as arrears of previous year's claim (FY 2018-19). Accordingly, excess in RE 2019-20 is against the total additional demand of Rs. 13268 crore including current year's subsidy requirement. However the additional provision in RE 2019-20 shall be sought in the 2nd supplementary demands for grants. The provisions are likely to be utilized upto 31.03.2020.	37337.14
7	Sugar subsidy payable under PDS (2408)	220.00	180.00	125.23	-54.77	30.43	Fund has been reduced as per expenditure trend and the remaining funds are likely to be utilised upto 31.03.2020.	250.00

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
8	Central assistance to State/ UTs for meeting expenditure on intra-state movement, handling of foodgrains and FPS dealers margin under NFSA (Grants) (2408)	4102.21	1678.78	1433.26	-245.52	14.62	Provision had already been reduced at RE stage due to following reasons: (i) non-receipt of proposals and pending UCs or receipt of incomplete/ wrong proposal and UCs from the States / UTs, (ii) during current year, in an attempt to strengthen the process of due diligence, States were required to furnish certain additional documents such as Certificate of payment of fair price shop dealers' margin, certificate of door step delivery, certificate of inclusion exclusion criteria etc, which were not submitted by many States. (iii) Several claims	3982.54

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
							<p>delayed due to new practice of checking the details of foodgrains distribution on Annavitran portal in addition to offtake reported by the Food Corporation of India as per the recommendations of IFD.</p> <p>(iv) Further, the delay is also due to difficulties being faced due to introduction of EAT module on PFMS for release of fund as per the instruction of Department of Expenditure, Ministry of Finance.</p>	
9	Fortification of Rice and its Distribution under Public Distribution	42.65	1.00	0.00	-1.00	100.00	This is a new Centrally Sponsored Scheme launched on pilot basis from current FY 2019-20 for distribution of	20.00

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
	System (2408/3601) (Centrally Sponsored Scheme)						fortified rice. However, the scheme is in its initial phase of implementation and State Governments are yet to submit claims. Hence, saving occurred.	
10	Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity	100.00	50.00	0.00	-50.00	100.00	RE has already been reduced due to low pace of expenditure and the remaining funds are likely to be utilized upto 31.03.2020.	50.00
11	Scheme for Assistance to Sugar Mills for 2018-19 season	1000.00	2000.00	999.76	-1000.24	50.01	BE 2019-20 has almost been utilized. Additional fund approved in RE 2019-20 will be available through re-appropriation with prior approval of MoF.	200.00

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
12	Scheme for defraying expenditure towards internal transport, freight, handling and other charges on export	500.00	550.00	336.20	-213.80	38.87	Likely to be utilised upto 31.03.2020.	200.00
13	Scheme for extending soft loan to sugar mills	200.00	100.00	50.00	-50.00	50.00	RE has already been reduced due to low pace of expenditure and the remaining funds are likely to be utilized upto 31.03.2020.	120.00
14	Scheme for Assistance to Sugar Mills for 2017-18 season	100.00	63.00	39.75	-23.25	36.90	RE has already been reduced due to low pace of expenditure and the remaining funds are likely to be utilized upto 31.03.2020.	0.00
15	Scheme for Creation and Maintenance of Buffer Stock of Sugar	350.00	450.00	264.34	-185.66	41.26	Saving was due to receipt of less claims than anticipated. However, funds are likely to be utilized	0.00

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
							upto 31.03.2020.	
16	Financial Assistance to Sugar Undertakings / Other Expenditure of SDF (Administration of Sugar Development Fund) (2408)	21.00	21.00	21.00	0.00	0.00	Not Applicable	22.00
17	Re-imbursment of Internal Transport and freight charges to sugar factories on export shipment of sugar and payment of other permissible claims	0.63	0.63	0.63	0.00	0.00	Not Applicable	0.00

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
18	Scheme for Assistance to Sugar Mills for 2019-20 Season (New scheme)	0.00	100.00	0.00	-100.00	100.00	This is a new scheme notified on 12.09.2019. Funds have been approved in 1st supplementary demands for grants notified on 20.12.2019 through token supplementary. Hence, the funds will be released after necessary re-appropriation with prior approval of MoF.	500.00
19	Scheme for Creation and Maintenance of Buffer Stock of 40 LMT of Sugar (New scheme)	0.00	100.00	0.00	-100.00	100.00	This is a new scheme notified on 31.07.2019. Funds have been approved in 1st supplementary demands for grants notified on 20.12.2019 through token supplementary. Hence, the funds will be released after necessary re-appropriation with prior approval of MoF.	200.00

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
20	Scheme for Extending Financial Assistance to Sugar Undertaking, 2014 (2408)	60.00	5.00	0.00	-5.00	100.00	Under this scheme, advance interest subvention is released on priority basis to the Nodal Bank (SBI, TUFS cell) as per the demand raised by them. BE 2019-20 was estimated keeping in view of the tentative estimates furnished by the Nodal Bank. However, as per the information submitted by the Nodal Bank, the calculation sheet for all sugar mills accounts availing interest subvention under the scheme has been worked out, considering Term loan accounts that are either closed or reported as NPA or Sub-standard (nil demand is raised in	0.00

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
							such cases). Therefore, only few sugar mills accounts are running. The savings occurred because no demand has been received from the Nodal Bank.	
21	Storage & Godowns- Construction of Godowns by State Governments in North Eastern Region (2552/2408)	21.00	16.00	0.00	-16.00	100.00	Saving was due to non-furnishing of Utilization Certificates by the State Governments.	10.00
22	Strengthening of PDS Operation(2408/ 2552/3456)	30.00	17.00	7.38	-9.62	56.59	This is an umbrella schem and major Saving is due to release of funds in instalments after fulfilment of certain conditions. The proposal submitted by some of the States were not fulfilling the requisite conditions.	8.70

Sl. No .	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
23	Integrated Management - Public Distribution System (IM-PDS)	50.00	25.00	14.06	-10.94	43.76	However, revised proposals are awaited and funds are likely to be released in the last quarter of current FY 2019-20 itself.	25.00
24	Warehousing Development and Regulatory Authority (2408)	8.40	13.55	7.12	-6.43	47.45	Likely to be utilised upto 31.03.2020.	16.36
25	Hindustan Vegetable Oils Corporation (HVOC) (2408)	0.60	0.60	0.60	0.00	0.00	Not Applicable	0.00
	Total-Revenue Expenditure	190914.27	113989.47	145879.06	-18110.41	11.04		121038.41

CAPITAL

(₹ in crores)

Sl. No.	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
1	Investment in Equity Capital of Food Corporation of India (New Scheme)	1000.00	1000.00	0.00	-1000.00	100.00	Saving was due to pending approval for enhancing authorized capital limit of FCI. Likely to be utilized upto 31.03.2020 now.	1000.00
2	National Sugar Institute, Kanpur (4408)	7.12	6.92	1.60	-5.32	76.88	Fund has been reduced as per expenditure trend and the remaining funds are likely to be utilised upto 31.03.2020.	7.02
3	Storage & Godowns- Construction of godowns by FCI in North Eastern Region (4552/4408)	45.00	45.00	30.00	-15.00	33.33	Likely to be utilized upto 31.03.2020.	25.00
4	Storage & Godowns- Construction of godowns by FCI (4408)	4.00	4.00	1.00	-3.00	75.00	Fund has been reduced as per expenditure trend and the remaining funds are likely to be utilised upto 31.03.2020.	15.00

Sl. No.	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
5	Ways and Means Advance payable to FCI (6408)	50000.00	36000.00	0.00	-36000.00	100.00	Ways and Means advance is provided to FCI as per their cash flow requirement and the same is repaid within the same financial year. Hence, there is no actual saving.	50000.00
6	Loans for consumer Industries (6860)							
	i) Loans for Modernization / Rehabilitation of Sugar Mills.	75.00	10.00	0.00	-10.00	100.00	Loan schemes under SDF are demand-driven schemes. The process of disbursement of SDF loan is an ongoing process. The process involves several stages such as the execution	20.00

Sl. No.	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
	ii) Loans to Sugar Mills for Cane Development	10.00	0.00	0.00	0.00	0.00	of Tripartite Agreement (TPA), the creation of charge on the assets of the Sugar Undertaking for securing SDF loans etc. After charge creation, which involves a lot of documentation/ completion of legal formalities, the request of disbursement is received from the Sugar Factory/Nodal Agency which agains is processed and scrutinised from all angles and final disbursement is made subject fulfilment of all necessary rules and guidelines which are revises from time to time. The savings occurred under these schemes are due to non-maturity of the proposal for disbursement under these schemes.	5.00
	iii) Loans to Sugar Factories for Bagasse based co-generation Power Projects.	125.00	50.00	29.51	-20.49	40.98		75.00

Sl. No.	Name of the Scheme / Project	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual Expenditure 2019-20 as on 31.12.2019	Variations between 4 & 5 [Shortfall (-) / Excess (+)]	Percentage (%) shortfall / excess expenditure w.r.t. RE	Reasons for variations under Col.6	Budget Estimates 2020-21
1	2	3	4	5	6	7	8	9
	iv) Loans for production of anhydrous alcohol or ethanol from alcohol	60.00	135.00	60.00	-75.00	55.56	BE 2019-20 has been utilized. Additional fund approved in RE 2019-20 will be available through re-appropriation with prior approval of MoF.	50.00
	Total-Capital Expenditure	51326.12	37250.92	122.11	-37128.81	99.67		51197.02

1.9 When asked about the status of implementation of various schemes/programmes/projects and the difficulties being faced by the Department in the implementation of various schemes/projects/programmes, the Department stated as under:-

I. Storage of Foodgrains: Construction of Godowns by FCI/ State Government.

Schemes/projects for augmentation of storage capacity:-

- Under the Private Entrepreneurs Guarantee (PEG) Scheme, construction of conventional godowns has been undertaken in 22 States in PPP mode. Food Corporation of India (FCI) guarantees 10 years usage of storage capacities to the private investors and 9 years to Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs). The total capacity sanctioned i.e. tenders finalised for godowns as on 31.01.2020 is for 150.30 lakh MT. Out of this, 143.63 lakh MT has been completed and 5.37 lakh MT is under construction. Thus, this scheme is almost in its final stage.
- Under the Central Sector (erstwhile Plan) Scheme, funds are released to the FCI in the form of equity for construction of storage godowns. Funds are also released as Grants-in-aid to the State Governments of North Eastern Region including Jammu & Kashmir (J&K) for construction of intermediate storage godowns. Under the 12th Five Year Plan (2012-17) cumulative capacity of 1,37,680 MT had been created by FCI. This scheme has been continued for the next five years i.e. 2017-18 to 2021-22. From 01.04.2017 to 31.01.2020, a capacity 45,870 MT has been created/added by FCI.
- The main difficulty faced in the implementation of this scheme is issues with regard to identification and acquisition of land by State Governments, which is an obvious reason, takes a lot of time. Besides, the North Eastern region has several specific location problems like difficult terrains, inclement weather, law and order problems, etc. These factors create a lot of uncertainty in adhering to the time lines.

II. Strengthening of PDS Operations

A. End-to-End Computerization of Targeted Public Distribution System (TPDS) Operations.

- Present status of the implementation of “End-to-End Computerization of PDS Operations” scheme is given as under:-

Status of End-to-End Computerization of PDS Operations Scheme

Sl.	States/UTs	Ration Card Digitization		Aadhaar Seeding with Ration Cards	Online Allocation	Online Grievance/Toll Free Number	Online Supply Chain Management	Fair Price Shop (FPS) Automation		
		Total Ration Cards under NFSA	Digitization (%)					Total FPS	Operational ePoS	FPS Automation (%)
1	Andaman & Nicobar	16,342	100%	98%	Implemented	Yes	Implemented	479	459	96%
2	Andhra Pradesh	90,27,634	100%	100%	Implemented	Yes	Implemented	28,936	28,936	100%
3	Arunachal Pradesh	1,77,607	100%	57%	Implemented	Yes	-	1,943	25	1%
4	Assam	57,87,006	100%	0%	Implemented	Yes	Implemented	38,237	-	0%
5	Bihar	1,67,23,631	100%	76%	Implemented	Yes	Implemented	46,800	44,856	96%
6	Chandigarh	67,527	100%	99%	DBT	Yes	DBT	DBT	NA	NA
7	Chhattisgarh	52,82,969	100%	98%	Implemented	Yes	Implemented	12,304	11,990	97%
8	Dadra & Nagar Haveli	45,736	100%	100%	Implemented	Yes	Implemented	63	63	100%
9	Daman & Diu	19,993	100%	100%	Implemented	Yes	Implemented	51	51	100%
10	Delhi	17,48,526	100%	100%	Implemented	Yes	Implemented	2,254	-	0%
11	Goa	1,42,147	100%	98%	Implemented	Yes	Implemented	456	456	100%
12	Gujarat	65,81,540	100%	100%	Implemented	Yes	Implemented	17,210	17,210	100%
13	Haryana	26,97,110	100%	100%	Implemented	Yes	Implemented	9,526	9,526	100%
14	Himachal Pradesh	6,78,675	100%	100%	Implemented	Yes	Implemented	4,934	4,934	100%
15	Jammu & Kashmir (incl. Ladakh)	16,75,443	100%	84%	Implemented	Yes	-	6,411	6,411	100%
16	Jharkhand	57,19,194	100%	95%	Implemented	Yes	Implemented	25,532	25,532	100%
17	Karnataka	1,26,78,228	100%	100%	Implemented	Yes	Implemented	19,935	19,759	99%
18	Kerala	37,29,759	100%	100%	Implemented	Yes	Implemented	14,374	14,335	100%
19	Lakshadweep	5,153	100%	100%	Implemented	Yes	NA	39	39	100%
20	Madhya Pradesh	1,17,47,674	100%	90%	Implemented	Yes	Implemented	24,732	24,619	100%
21	Maharashtra	1,50,67,403	100%	99%	Implemented	Yes	Implemented	52,532	52,532	100%
22	Manipur	5,88,837	100%	82%	Implemented	Yes	-	2,682	327	12%

23	Meghalaya	4,21,502	100%	0%	Implemented	Yes	Implemented	4,736	10	0%
24	Mizoram	1,55,643	100%	93%	Implemented	Yes	-	1,252	-	0%
25	Nagaland	2,82,209	100%	70%	Implemented	Yes	-	1,691	396	23%
26	Odisha	93,20,884	100%	99%	Implemented	Yes	Implemented	12,577	12,577	100%
27	Puducherry	1,77,977	100%	100%	DBT	Yes	DBT	DBT	NA	NA
28	Punjab	35,18,327	100%	100%	Implemented	Yes	Implemented	17,525	17,525	100%
29	Rajasthan	1,11,06,203	100%	97%	Implemented	Yes	Implemented	25,682	25,579	100%
30	Sikkim	94,704	100%	91%	Implemented	Yes	Implemented	1,362	1,352	99%
31	Tamil Nadu	1,01,41,800	100%	100%	Implemented	Yes	Implemented	34,776	34,776	100%
32	Telangana	53,24,508	100%	99%	Implemented	Yes	Implemented	17,170	17,170	100%
33	Tripura	5,78,828	100%	100%	Implemented	Yes	Implemented	1,806	1,806	100%
34	Uttar Pradesh	3,53,22,427	100%	100%	Implemented	Yes	Implemented	80,493	80,493	100%
35	Uttarakhand	13,36,938	100%	94%	Implemented	Yes	Implemented	9,908	6,484	65%
36	West Bengal	5,63,49,434	100%	80%	Implemented	Yes	Implemented	20,806	19,241	92%
	Summary	23,43,39,518	100%	90%	34	36	28	5,39,214	4,79,469	88.9%

- Initially the implementation of the scheme was slow and uneven across State/UTs owing to which the validity of scheme has been extended by the Government up to 31/03/2020 only without escalation in the total project cost of the scheme. However, all the Ration Cards/Beneficiaries under NFSA have been completely digitized in all States/UTs. Online Allocation of foodgrains up to FPS levels is implemented in all States/UTs. The Supply Chain Management is also computerized in 28 States/UTs so far. Transparency portals, online grievance redressal facility and Toll-free helpline numbers are available in all States/UTs.
- Under the scheme on “Integrated Management of Public Distribution System (IM-PDS)” the Department is implementing nation-wide portability of ration card holders through 'One Nation One Ration Card' plan, which enables any eligible ration card holder/beneficiary covered under National Food Security Act, 2013 (NFSA) to lift their entitled foodgrains from any Fair Price Shop (FPS) of their choice in the country by using their existing/same ration card after biometric/Aadhaar authentication on electronic Point of Sale (ePoS) devices installed at the FPSs. So far, the facility of inter-State/national portability of ration cards under this plan is available in 12 States, namely – Andhra Pradesh, Goa, Gujarat, Haryana, Jharkhand, Kerala, Karnataka Madhya Pradesh, Maharashtra, Rajasthan, Telangana and Tripura. Further, integration of remaining States/UTs depends on the readiness of States/UTs to implement the same.

- For the implementation of the schemes, Department is continuously pursuing with the States/UTs through regular meetings/VCs, national level consultations, trainings & capacity building of States/UTs, etc. from time to time.
- The validity of the scheme on 'End-to-End Computerization of TPDS Operations' has been extended by up to 31.03.2020. Funds are sanctioned to States/UTs in installments on fulfillment of various conditions laid down by this department. As per GFR, the UCs should be submitted within 12 months of the closure of financial year by the State/UT concerned. Out of Rs.394.85 crore sanctioned to 33 States/UTs, an amount of Rs. 14.39 crore was sanctioned to States during 2018-19 while the amount Rs 1.32 crore has been sanctioned during 2019-20. UCs have already been received for an amount of Rs.330.13 crore. This Department is pursuing matter with States/UTs through letters, VCs and meetings to complete all activities under the scheme at the earliest and also submit all pending UCs.
- Integrated Management of Public Distribution System (Scheme approved for implementation during 2018-19 and 2019-20). The validity of the scheme on 'IM-PDS' has been extended by one year up to 31.03.2021. Funds are sanctioned to States/UTs in installments on fulfillment of various conditions laid down by this Department. As per GFR, the UCs should be submitted within 12 months of the closure of financial year by the organization concerned. Out of Rs.23.42 crore sanctioned to 29 States/UTs, amount of Rs. 7.00 crore was sanctioned to states during 2018-19 while the amount Rs 16.42 crore has been sanctioned during 2019-20. UCs are not pending for IM-PDS scheme.

B. Strengthening of PDS & Capacity Building

B (i) Financial Assistance to the States for generating awareness amongst TPDS beneficiaries about their entitlement and redressal mechanism.

- The funds under the scheme are released to States/UTs on the basis of proposal received from them. The utilization of the budget allocation has been low during 2019-20 due to lack of proposals from States/UTs and UCs pending with them. Various letters are being issued to States/UTs along with

the guidelines of the scheme for invitation of proposal for awareness generation.

Name of the scheme	Period	Sanctioned date	State	Pending UCs (Amount in Rs.)
Publicity-Cum-Awareness Campaign For TPDS	2007-08	28.03.2008	Assam	77788/-
	2015-16	24.09.2015	Uttar Pradesh	12,00,000/- (12.00 lakhs)
VGB Scheme (scheme) discontinued w.e.f. 1.1.14)	2006-07	31.05.2006	Assam	1697784/-

B(ii) PDS – Training

- Guidelines for conducting training programmes in 2019-20 have been revised for covering broader aspects, inter-alia, Supply Chain Management Application etc. and thus forwarding towards better implementation of provisions of NFSA. Further, State/UT Govts. have been pursued regularly to send proposals for conducting training programmes of the functionaries associated with PDS so that they become well acquaint with evolving digital tools and other advancements made for achieving the objectives of NFSA.
- In spite of continuous follow-up, most of the States/UTs are not coming forward to avail financial assistance for conducting training programmes under PDS-Training.
- Utilization Certificates UCs) from only 02 States i.e Assam and Madhya Pradesh are pending. Actions are being taken to recover the pending amount from the other financial assistances being given to these States.

B (iii) PDS – Evaluation, Monitoring & Research

- DoFPD had engaged 26 Monitoring Institutions of repute to undertake concurrent evaluation exercise of the implementation of NFSA in 27 States/UTs. In view of strengthening the PDS operations, quarterly reports shared by MIs are being shared with the respective State/UT for remedial action.

- No Monitoring Institutions (MIs) came forward for undertaking the exercise in most of the North-Eastern States and few UTs, such as, Lakshadweep, Dadar and Nagar Haveli, Daman and Diu, thus evaluation could be done in these states/UTs

C. Consultancies, Training & Research

C(i) Consultancies for research/ monitoring in domestic/ global market for foodgrains

- Under this Scheme, Food Corporation of India (FCI) is entrusted by the Department of Food & Public Distribution to appoint a Consultant in order to have a market intelligence system which could provide regular price alerts and early warnings on possible increases in prices of essential commodities, crucial for policy decisions. This component of the scheme aims to have a market intelligence system which could provide regular market alerts and early warning on likely increase of prices of foodgrains, crucial in formulation of policy measures and interventions for management of food economy. Such market intelligence is also useful in deciding the import-export policy for foodgrains, sugar and edible oils. Reports generated through the study provide periodical price data on wheat, rice, sugar and edible oils.

C(ii) E-Governance

- The status of implementation of e-Governance scheme is in-line with projected annual plan and also meets the MEP/QEP targets proposed for this scheme. Till date an expenditure of around Rs. 13.40 lakh has been incurred out of the allocated funds of Rs. 15 lakh (RE 2019-20). As detailed at para-1, an expenditure of Rs. 13.40 lakh is made as on 10.02.2020 and an amount of Rs. 1.30 lakh is expected to incur for 'extension of AMC of website for 1 year' in the month of February, 2020 itself. Thus, it may be observed that, no

difficulty is being faced in implementation of e-Governance scheme in FY2019-20.

- e-Governance scheme doesn't involve any Utilization Certificate. Thus, it doesn't pertain to this scheme.

D. Strengthening of Quality Control Mechanism

- Under the Plan Component "Strengthening of Quality Control Mechanisms" Sub Components namely, (i) Opening of 3 new Quality Control Cells i.e. QCC, Guwahati, Patna and Chennai (ii) Upgradation of laboratories at IGMRI, Hapur, CGAL and QCCs/NABL accreditation for the laboratories at CGAL and IGMRI, Hapur, (iii) Capacity Building are being implemented smoothly. However, three new QCCs at Chennai, Guwahati and Patna were made operational during 2015-16.

E. Assistance to States/ UTs for non-building assets for SFC

E(i) Status of implementation of various schemes/ programmes:

- Under the Sub-Scheme "Financial Assistance to States/UTs for non-building assets for State Food Commissions under the, NFSA Act, 2013 , in case a State decides to set up State Food Commission on exclusive basis, Central Government will provide one time financial assistance for non building assets for setting up of the State Food Commission subject to maximum of Rs.50 lakh for the State/UT. The assistance is to be released in two installments on the approval of the proposal by a Departmental Committee. 75% is released as First Installment and on the receipt of the Utilization Certificate, the remaining 25% is released.
- 29 States/UTs have set up independent SFCs. The remaining 7 States/UTs have constituted designated agencies under Section 18 of the Act which provides that "The State Government may, if considers it necessary, by notification, designate any statutory commission or a body to exercise the powers and perform the functions of the State Commission".
- There is no report from any of the States/UTs regarding difficulty in implementation of the Scheme.

E(ii) Status of pending Utilization Certificates:

- As per guidelines for grant of one time financial assistance to State Food Commission for non-building assets, the State Government is required to furnish the Utilization Certificate (UC) to this Ministry within twelve months of the closure of the financial year in prescribed form. The 2nd installment of 25% would be released after receipt of the UC, duly authenticated in prescribed Proforma.

- First Installment has been released to 10 States. However, even after various requests and reminders, no State has submitted Utilization Certificate for the amount sanctioned to them by this Department as 1st installment of one time Financial Assistance for non-building assets.

1.10 The Committee note that BE was Rs. 190914.27 crore for Revenue Schemes during 2019-20 which was reduced to Rs. 113989.47 crore at RE stage but Actual Expenditure (AE) was Rs. 145879.06 crore. For the Captial Scheme, the BE was Rs. 51326.12 crore which was reduced to Rs. 37250.92 crore at RE stage and the AE was only Rs. 122.11 crore which is 99.67% shortfall with respect to RE. The Department faces various difficulties in the implementation of various schemes such as identification and acquisition of land by State Governments, Non-receipt of Utilization Certificates from the State Governments, Law and Order problems etc. The Committee are, however, constrained to note that though the BE was sharply reduced at RE stage, yet the Department could not utilize the allocated funds fully which indicate lack of proper planning and monitoring on the part of the Department. The BE of the Department for the year 2020-21 has been accordingly reduced as compared to BE of 2019-20 both on the Revenue and Capital Schemes.

The Committee, therefore, urge the Department to improve its planning and monitoring mechanism to ensure that the allocated funds are fully utilized and the physical and financial targets are achieved within the financial year so that the Department may receive enhanced BE allocation in the next financial year.

1.11 The Committee also note that under the Private Entrepreneurs Guarantee (PEG) Scheme, construction of conventional godowns has been undertaken in 22 States in Public Private Partnership (PPP) Mode. Of the total capacity sanctioned i.e. tenders finalized for godowns as on 31.01.2020 is for 150.30 LMT, 143.63 LMT has been completed and 5.37 LMT is under construction. The Committee hope that the godowns are constructed at locations spread across the various States of the country for easy access by the small and marginal farmers. The Committee further emphasise that in future, many more small and conventional godowns are constructed in remote and hilly regions of the country also keeping in view the interest of the small and marginal farmers in the country.

CHAPTER- II MANAGEMENT OF FOOD

The Department of Food and Public Distribution is concerned with the formulation and implementation of various national policies on foodgrains relating to procurement, movement, scientific storage, distribution and sale. The aim of such policies is to ensure that interests of farmers as well as consumers are saved, which is done by providing remunerative prices to the farmers and making foodgrains available at reasonable prices to consumers, especially to the vulnerable sections of the society. The main elements of the Government's food management policy are procurement, storage and movement of foodgrains; distribution through public distribution system and maintenance of buffer stocks.

(a) Decentralised Procurement Scheme

2.2 Under Decentralized Procurement Scheme (DCP), introduced in 1997-98, foodgrains is procured, stored and distributed by the State Governments themselves. Under this scheme, the States procure, store and issue foodgrains under TPDS and other welfare schemes of the Government of India. The decentralized system of procurement has the objectives to ensure that MSP is passed in a focused way on to the farmers, and to encourage procurement in non-traditional States, thereby extending the benefits of MSP to local farmers, which also saves on transportation cost. This also enables procurement of foodgrains more suited to local taste for distribution under the PDS.

2.3 Under this scheme, the State Government and its agencies undertake procurement of Paddy/Rice and wheat on behalf of Government of India and also store and distribute these food grains under NFSA and Other Welfare Schemes. The Central Government undertakes to meet the entire expenditure incurred by the State Governments on the procurement operations as per the approved costing. If the stock procured by a DCP State is more than its requirement under NFSA/OWS, then the surplus is handed over by the State to FCI for distribution to other deficit States. In case stock procured by a DCP State is less than its requirement, the deficit portion is supplied by FCI from other surplus states. For the surplus stocks handed over by the surplus DCP states to FCI, the Acquisition cost is reimbursed by FCI to the State Government on the basis of the Cost Sheet issued by GOI. In the DCP States, FCI carries out procurement only in those areas where the State makes specific request for the same keeping in view lack of infrastructure, man power etc. and its inability to carry out the procurement in those areas. The Central Government also monitors the quality of foodgrains procured under the scheme and reviews the arrangements made to ensure that the procurement operations are carried on smoothly. The status of DCP states is as under:

Sl.No.	State/UT	DCP adopted for
1.	A&N Islands	Rice
2.	Bihar	Rice/Wheat
3.	Chhattisgarh	Rice/Wheat
4.	Gujarat	Rice/Wheat
5.	Karnataka	Rice
6.	Kerala	Rice
7.	Madhya Pradesh	Rice/Wheat
8.	Odisha	Rice
9.	Tamil Nadu	Rice
10.	Uttarakhand	Rice/Wheat
11.	West Bengal	Rice/Wheat
12.	Andhra Pradesh	Rice
13.	Telangana	Rice
14.	Jharkhand (6 district only)	Rice
15.	Maharashtra	Rice
16.	Tripura (KMS 2018-19, Rabi Crop only)#	Rice
17.	Punjab*	Wheat

*Punjab is a DCP State for wheat from RMS 2016-17 onwards, but on request of Govt. of Punjab, FCI is participating in procurement operations in Punjab.

Tripura was DCP State for procurement of Paddy/rice in KMS 2018-19 (Rabi Crop only), FCI is procuring paddy under Hybrid Model in Tripura in the ongoing KMS 2019-20 (Kharif crop)

2.4 In response to a query regarding State-wise procurement of wheat and rice under Decentralized Procurement for the last three years, the Ministry informed as under:-

(Fig. in LMT)

SL No	STATES	RMS 2016-17	RMS 2017-18	RMS 2018-19	RMS 2019-20
DCP States					
1	Gujarat	0.00	0.07	0.37	0.05
2	M.P.	39.92	67.25	73.13	67.25
3	Uttarakhand	0.02	0.02	1.10	0.42
4	Bihar	0.00	0.00	0.18	0.03
DCP Total		39.94	67.34	74.78	67.75
(% share of Total)		17.39%	21.85%	20.89%	19.85%
Non DCP States					
1	Chandigarh	0.07	0.08	0.14	0.13
2	H.P.	0.00	0.00	0.01	0.01
3	Haryana	67.52	74.32	87.84	93.20
4	Punjab	106.49	117.06	126.92	129.12
5	Rajasthan	7.62	12.45	15.32	14.11

6	UP	7.97	36.99	52.94	37.00
Non-DCP Total		189.67	240.9	283.17	273.57
(% share of Total)		82.61%	78.15%	79.11%	80.15%
Grand total		229.61	308.24	357.95	341.32

*Punjab is a DCP State for wheat from RMS 2016-17 onwards, but on request of Govt. of Punjab, FCI is participating in procurement operations in Punjab.

State-wise procurement of Rice under DCP Scheme for the last three and current years are as follows:

S.No.	STATES/ UTs	KMS 2016-17	KMS 2017-18	KMS 2018-19	KMS 2019- 20 ^{\$}
DCP States					
1	AP	37.24	40.00	48.06	26.75
2	Telangana	35.96	36.18	51.90	31.57
3	Chattisgarh	40.22	32.55	39.71	53.26
4	Karnataka	0.00	0.00	0.59	0.00
5	Kerala	3.08	3.29	4.65	1.29
6	M.P.	13.14	10.96	13.95	15.35
7	Odisha	36.30	32.87	44.47	28.74
8	Tamilnadu	1.44	10.11	12.94	3.01
9	Uttarakhand	7.06	0.38	4.62	6.24
10	West Bengal	19.23	16.73	19.79	8.48
11	Bihar	12.34	7.93	9.49	3.00
12	Maharashtra	3.09	1.79	5.80	4.41
13	Tripura			0.00	0.00
14	Gujarat		0.00	0.09	0.14
DCP Total		209.10	192.79	256.06	182.24
% Share of Total		54.87%	50.49%	57.67%	49.33%
Non - DCP States					
1	Assam	0.46	0.35	1.03	0.38
2	Chandigarh	0.13	0.14	0.13	0.15
3	Gujarat	0.01	0.00	0.00	0.00
4	Haryana	35.83	39.92	39.41	43.03
5	Jharkhand	1.39	1.43	1.53	0.53
6	J&K	0.08	0.13	0.09	0.10
7	Punjab	110.52	118.33	113.34	108.76
8	U.P.	23.54	28.75	32.33	34.21
9	Tripura	0.00	0.00	0.07	0.00
Non-DCP Total		171.96	189.05	187.93	187.16
% Share of Total		45.13%	49.51%	42.33%	50.66%
Grand Total		381.06	381.84	443.99	369.40

\$ Procurement in progress. Figures reported as on 17.02.2020.

2.5 The Ministry has stated that since adoption of DCP mode requires substantial responsibility on the part of the State Govt. like arrangements for funds, storage space, gunny, manpower etc. they hesitate to adopt the same. However, regular efforts are made to persuade them to adopt the DCP mode by addressing their concerns. In the process, now 15 States & UT are procuring Rice and 6 States are procuring Wheat under DCP Scheme.

2.6 In reply to a query, the Ministry has stated that on the request of this Department, an Evaluation Advisory Committee under NITI Aayog has been constituted to carry out performance evaluation of the DCP scheme. The study entrusted to Niti Aayog for evaluation of DCP scheme is still underway.

2.7 The Committee note that the Decentralized Procurement Scheme was introduced by the Government in 1997-98 with a view to encouraging local procurement to the maximum extent, thereby extending the benefit of MSP to local farmers, to enhance efficiency of procurement and Public Distribution System (PDS). Besides, such a system helps to provide foodgrains under PDS more suited to the local taste and also results in saving transportation and handling cost of FCI. Till date, 17 States, i.e. A& N Islands, Bihar, Chhattisgarh, Gujarat, Karnataka, Kerala, Madhya Pradesh, Odisha, Tamil Nadu, Uttarakhand, West Bengal, Andhra Pradesh, Telengana, Jharkhand, Maharashtra, Tripura and Punjab have adopted the system of Decentralized Procurement. The Committee further note that there is considerable improvement in the Procurement in these States after the Decentralized Scheme of Procurement has been adopted. The Committee feel that it has become all the more essential for the States/UTs to adopt the DCP Scheme for smooth and successful implementation of National Food Security Act (NFSA) and other Welfare Schemes. The Committee desire that FCI should create necessary infrastructure for procurement of foodgrains in coordination with the State Governments and motivate them to adopt the scheme of Decentralized Procurement. The Committee understand that certain claims of State Governments are in pipeline and, therefore, urge the Department to approach the Ministry of Finance for increase in DCP allocation. The Committee also note that an Evaluation Advisory Committee under NITI Aayog has been constituted to carry out performance evaluation of the scheme. The Committee would like to be apprised of the findings of Evaluation Advisory Committee under NITI Aayog and also recommend that the Department should communicate

specific benefits of adopting the DCP Scheme to the remaining States/UTs so as to convince them to adopt the Scheme.

(b) Food Subsidy - Regular/Under NFSA

2.8 Food Subsidy is paid to the Food Corporation of India (FCI) for reimbursement of the difference between the economic cost of food grains and their issue price, carrying cost of buffer stocks, and on account of levy sugar, import of sugar etc. The economic cost comprises of procurement price, procurement incidentals and distribution cost.

2.9 The year-wise break-up of subsidy released on foodgrains to FCI and the States operating the Decentralized Procurement Scheme is as under:-

(Amount in Rs. crore)

	2017-18		2018-19		2019-20	
	FCI	DCP States	FCI	DCP States	FCI	DCP States
Requirement	124060.00	45800.00	1,67,098 (RE)	36,500(RE)	185049.00	46268.00
Allocated	101981.69*	38000.00	1,40,098**	31029.49	75,000***	33508.35

*Includes NSSF loan of Rs.40,000crore to FCI

**Includes NSSF loan of Rs.70,000 crore to FCI

***Does not include repayment of NSSF loan portion

2.10 The Ministry has stated that the gap between requirements of funds vis-a-vis availability of funds for food subsidy can be bridged by allocation of additional funds in the Budget. Further to meet out the shortfall of budgetary allocation in case of FCI, Food Corporation of India (FCI) takes Short Term Loans (STL) from various banks as per requirement, avails Ways and Means Advance (WMA) & National Small Saving Fund (NSSF) Loan from the Government, borrows funds through a Cash Credit Limit (CCL) from consortium of banks and issues Government Guarantee bonds.

2.11 When asked about the opinion of experts in food management in this regard, the Ministry stated that the Expenditure Management Commission constituted by Ministry of Finance vide its report dated 26.02.2016 recommended that as an immediate step, the timely reimbursement of subsidies, increase in the frequency of releases and appropriate enhancement in the quantum of ways and means advances could result in savings in food subsidy bill. The Commission also observed that reduction in food grain subsidy would require a combination of measures to moderate increase in MSP, limit procurement and increase in Central Issue Prices (CIP).

2.12 A statement showing State-wise release of subsidy under DCP Scheme is as under:-

Statement indicating the food subsidy released to DCP States during the last three years i.e. 2017-18, 2018-19 and 2019-20 State/UT-wise:

(Rs in crores)					
S.No.	Name of the State	2016-17	2017-18	2018-19	2019-20 (as on 17.02.2020)
1	Andhra Pradesh	3212.82	6060.17	4542.57	4623.25
2	Bihar	1495.24	4535.11	2291.68	2535.71
3	Chhattisgarh	3141.28	4272.36	3303.19	3640.76
4	Gujarat	46.21	0.00	9.31	0.00
5	Karnataka	0.00	166.95	417.53	205.79
6	Kerala	419.25	782.06	620.23	165.07
7	Madhya Pradesh	5354.97	8113.23	6026.97	5936.97
8	Maharashtra	-	583.66	0.00	107.20
9	Odisha	3847.72	5133.57	4651.01	3824.55
10	Punjab	2877.68	796.33	1722.33	1612.09
11	Rajasthan	0.00	0.00	0.00	-----
12	Tamil Nadu	2303.76	651.70	1136.61	2054.13
13	Telangana	1716.71	3853.71	2559.31	4246.07
14	Uttar Pradesh	-	-	-	-
14	Uttarakhand	346.80	860.11	329.8	628.67

15	West Bengal	2441.93	2042.30	3279.69	1941.17
16	DBT*	133.97	148.74	139.25	134.95
	योग Total	27338.35	38000.00	31029.485	31656.37

* Under DBT scheme, w.e.f. 2015-16 subsidy is released to UTs of Chandigarh, Puducherry, Dadra & Nagar Haveli.

It may be noted from the above statement that food subsidy released during the last three years is very high.

2.13 The Ministry has further stated that they are fully aware about the need for containing the increase in food subsidy and making regular efforts in this regard. The Government has taken several measures to contain the food subsidy, which includes:

- Encouraging decentralized procurement and distribution of foodgrains.
- Issue of bonds by FCI at lower coupon rates, backed by Government guarantee.
- Improving the operational efficiency of FCI.
- Negotiating with the banks of the consortium of food credit to reduce the rate of interest on cash credit.
- Bringing in overall cost-effectiveness in the operation of FCI.
- Bringing down the level of surplus food grains stock through more liquidation under Open Market Sale Scheme and optimization of procurement through increasing market competitiveness.

2.14 The Ministry further stated that as far as Minimum Support Price (MSP) and Central Issue Price (CIP) of foodgrains are concerned, it is decided by the Government of India (GOI). The expenses at comparative rates towards incidental charges like transportation, storage can result in lowering of food subsidy. However, so far, no study has been initiated by this Department in this regard.

2.15 The Committee note that food subsidy is provided to FCI for reimbursement of the difference between economic cost of foodgrains and their issue price. Though the allocation of food subsidy to FCI as well as DCP States has been increasing every year, yet the allocation made every year is much less than the requirement projected. The FCI has been allocated food subsidy amounting to Rs. 101981.69 crore, Rs. 1,40,098.00 crore and Rs. 75,000.00 crore against the projected requirement of Rs. 124060.00 crore, Rs. 1,67,098.00 crore and Rs. 185049.00 crore during the years 2017-18, 2018-19 and 2019-20 respectively. In case of DCP States, the allocation was Rs. 38,000.00 crore, Rs. 31029.49 crore and Rs. 33508.35 crore against the requirement of Rs. 45800.00 crore, Rs. 36500.00 crore and Rs. 46268.00 crore, respectively during the same period. The Committee also note that less amount of subsidy will affect the functioning of FCI which is the principal agency of food policy of the Government of India. The Committee also feel that inadequate allocation of food subsidy also has a cascading effect as interest on cost credit increases, thereby increasing the subsidy bill further. The Decentralized Procurement operation of the States will also be seriously affected due to cash crunch on account of inadequate subsidy. The Committee while keeping various difficulties of the Department under consideration, recommend that subsidy given to FCI should be realistic and based on the actual expenditure/cost. The Ministry of Finance may accordingly be requested to allocate sufficient funds as per the requirement under food subsidy.

(c) Public Distribution System (PDS)

2.16 The Public Distribution System (PDS) was evolved as a system of management of scarcity and for distribution of food grains at affordable prices. Over the years, PDS has become an important part of Government's policy for management of food economy in the country. PDS is supplemental in nature and is not intended to make available the entire requirement of any of the commodities distributed under it to a household or a section of the society.

2.17 PDS is operated under the joint responsibility of the Central and the State governments. The Central Government, through FCI, has assumed the responsibility for procurement, storage, transportation and bulk allocation of food grains to the State Governments. The operational responsibility including allocation within State, identification of families below the poverty line, issue of Ration Cards and supervision of the functioning of FPS, rest with the State Government. Under the PDS presently the commodities namely wheat, rice and sugar are being allocated to the States/UTs for distribution. Some States/UTs also distribute additional items of mass consumption through the PDS outlets such as cloth, exercise books, pulses, salt and tea, etc.

2.18 When asked about the criteria of income in rural and urban areas for priority households/AAY households and whether any complaints regarding irregularities in AAY under TPDS have been received from States/UTs for the last three years, the Ministry stated that the Targeted Public Distribution System (TPDS) is now operated as per provisions of NFSA, which is implemented in all States/UTs. Under NFSA coverage for receiving subsidies foodgrains has been delinked from poverty estimates as the coverage is under following two categories namely; Antyodaya Anna Yojana (AAY) Households, and Priority Households (PHH). As per NFSA, within the coverage of population determined for each State/UT, States/UTs are required to identify AAY households in accordance with guidelines applicable to this scheme, as the remaining households as priority households in accordance with such guidelines as State

Governments specify. Accordingly, States/UTs have prescribed their own criteria for exclusion and inclusion of households under NFSA, which differs from state to state.

2.19 The eligible households i.e. the households covered under priority households and AAY are entitled to receive foodgrains (rice, wheat or coarse grains or any combination thereof) under TPDS @ Rs 3/-, 2/- & Re 1/- per kg respectively with entitlements of priority households being @ 5kgs per person per month and AAY families getting @ 35 kg per family per month as per the AAY scheme.

2.20 The Ministry has stated that the Targeted Public Distribution System (TPDS) is now governed as per the provisions of the National Food Security Act, 2013 (NFSA), which is operated under the joint responsibility of the Central and State/Union Territory (UT) Governments. Central Government is responsible for procurement, allocation and transportation of foodgrains upto the designated depots of the Food Corporation of India. The operational responsibilities for allocation of foodgrains within the States/UTs, identification of eligible beneficiaries/ families, issuance of ration cards to them, distribution of foodgrains to eligible beneficiaries under TPDS and supervision over and monitoring of functioning of Fair Price Shops (FPSs), etc rest with the concerned State/UT Government. Within the coverage under TPDS determined for each State, the work of identification of eligible households is to be done by States/UTs. It is the responsibility of the State Governments/UTs, to evolve criteria for identification of priority households and their actual identification. Section 10 of the Act provides that within the number of persons determined for coverage under TPDS, the State Government shall identify the households under AAY as per guidelines applicable to the said scheme and the remaining households as priority households to be covered under TPDS, in accordance with such guidelines as the State Government may specify.

2.21 The Ministry furnished statements indicating State/UT-wise beneficiaries under each of the categories i.e. Priority Households and AAY under erstwhile TPDS and NFSA as on 09.01.2018, 19.11.2018, 22.05.2019 and 14.1.2020 and Statement regarding deleted ration cards due to various reasons are as under:-

STATEMENT INDICATING STATE-WISE NUMBER OF PERSONS COVERED AND RATION CARDS UNDER NATIONAL FOOD SECURITY ACT, 2013

राष्ट्रीय खाद्य सुरक्षा अधिनियम, 2013 के अंतर्गत कवर किए गए व्यक्तियों और राशन कार्डों की राज्य-वार संख्या

(Compilation of information received from States/UTs by 09.01.2018)

(दिनांक 09.01.2018 तक राज्य/संघ राज्य क्षेत्र से प्राप्त सूचना का संकलन)

(Figures in lakhs) (आंकड़े लाख में)

S. No. क्र. सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एवाई + पीएचएच)
1	Andhra Pradesh आंध्र प्रदेश #	Yes	493.77	60.96	41.14	200.20	68.03	268.23	15.58	9.16	85.12	94.27
2	Arunachal Pradesh अरुणाचल प्रदेश	Yes	13.83	66.31	51.55	7.09	1.62	8.71	0.38	0.37	1.39	1.76
3	Assam असम	Yes	311.69	84.17	60.35	225.41	26.49	251.90	7.04	6.91	50.54	57.45
4	Bihar बिहार	Yes	1,038.05	85.12	74.53	783.74	87.42	871.16	25.01	25.01	129.00	154.01
5	Chhattisgarh छत्तीसगढ़	Yes	255.40	84.25	59.98	165.16	35.61	200.77	7.19	7.30	46.18	53.48
6	Delhi दिल्ली	Yes	167.53	37.69	43.59	1.58	71.20	72.78	1.57	0.74	18.69	19.43
7	Goa गोआ	Yes	14.58	42.24	33.02	2.33	2.99	5.32	0.18	0.13	1.27	1.39
8	Gujarat गुजरात	Yes	603.84	74.64	48.25	258.78	124.06	382.85	8.13	8.16	63.88	72.04
9	Haryana हरियाणा	Yes	253.53	54.61	41.05	90.28	36.21	126.49	3.03	2.64	26.99	29.63
10	Himachal Pradesh हिमाचल प्रदेश	Yes	68.57	56.23	30.99	34.68	2.13	36.82	1.97	1.94	5.19	7.13
11	Jammu & Kashmir जम्मू-कश्मीर	Yes	125.49	63.55	47.1	58.05	16.08	74.13	2.82	2.38	14.24	16.62

S. No. क्र. सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एवाई + पीएचएच)
				12	Jharkhand झारखंड	Yes	329.66	86.48		60.2	216.52	47.73
13	Karnataka कर्नाटक	Yes	611.31	76.04	49.36	285.55	116.38	401.93	12.00	7.84	107.43	115.27
14	Kerala केरल	Yes	333.88	52.63	39.5	91.87	62.93	154.80	5.96	5.96	29.07	35.03
15	Madhya Pradesh मध्यप्रदेश	Yes	725.98	80.1	62.61	420.83	125.59	546.42	15.82	14.04	101.06	115.10
16	Maharashtra महाराष्ट्र	Yes	1,123.73	76.32	45.34	469.71	230.45	700.17	25.05	25.05	123.23	148.28
17	Manipur मणिपुर	Yes	28.56	88.56	85.75	17.90	7.15	25.06	0.64	0.70	4.85	5.56
18	Meghalaya मेघालय	Yes	29.64	77.79	50.87	18.43	3.03	21.46	0.70	0.60	3.61	4.22
19	Mizoram मिजोरम	Yes	10.91	81.88	48.6	4.33	2.73	7.06	0.26	0.26	1.19	1.45
20	Nagaland नागालैंड	Yes	19.81	79.83	61.98	11.23	3.56	14.79	0.48	0.48	2.37	2.85
21	Odisha ओड़ीशा	Yes	419.47	82.17	55.77	287.19	39.02	326.21	12.65	11.10	75.40	86.51
22	Punjab पंजाब	Yes	277.04	54.79	44.83	94.88	46.57	141.45	1.79	1.20	34.89	36.09
23	Rajasthan राजस्थान	Yes	686.21	69.09	53	356.09	90.53	446.62	9.32	6.75	92.01	98.76
24	Sikkim सिक्किम	Yes	6.08	75.74	40.36	3.45	0.61	4.07	0.17	0.17	0.80	0.97
25	Tamil Nadu तमिलनाडु	Yes	721.39	62.55	37.79	232.62	132.08	364.69	18.65	18.78	76.38	95.16
26	Telangana तेलंगाना \$	Yes	352.89	60.96	41.14	143.08	48.62	191.70		5.56	43.72	49.28

S. No. क्र. सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एवाई + पीएचएच)
27	Tripura त्रिपुरा	Yes	36.71	74.75	49.54	20.26	4.76	25.02	1.13	1.09	4.79	5.88
28	Uttar Pradesh उत्तर प्रदेश	Yes	1,995.81	79.56	64.43	1,234.06	286.52	1,520.59	40.95	40.95	295.27	336.21
29	Uttarakhand उत्तराखंड	Yes	101.17	65.26	52.05	45.85	16.09	61.94	1.91	1.84	11.46	13.30
30	West Bengal प. बंगाल *	Yes	913.48	74.47	47.55	463.31	138.53	601.84	19.86	53.82	548.03	601.85
31	A&N Island अंडमान और निकोबार द्वीप समूह	Yes	3.80	24.94	1.7	0.61	0.02	0.63	0.11	0.04	0.09	0.13
32	Chandigarh चंडीगढ़	Yes	10.55	38.54	47.26	0.11	4.85	4.96	0.09	0.00	0.63	0.63
33	D & N Haveli दा. एवं न. हवेली	Yes	3.43	84.19	51.54	1.54	0.82	2.36	0.07	0.04	0.38	0.43
34	Daman & Diu दमण एवं दीव	Yes	2.43	26.66	56.47	0.16	1.03	1.19	0.02	0.01	0.23	0.24
35	Lakshadweep लक्षद्वीप	Yes	0.64	35.3	33.56	0.05	0.17	0.22	0.01	0.01	0.04	0.05
36	Puducherry पुडुचेरी	Yes	12.44	59.68	46.94	2.35	3.99	6.34	0.32	0.26	1.44	1.70
TOTAL *			12,103.27	75.00	50.00	6249.30	1885.61	8,134.91	250.00	270.38	2,049.05	2319.43

percentage(%age) coverage under NFSA & Accepted number of AAY Households include figures for Telangana also

\$ percentage(%age) coverage under NFSA including figures of Andhra Pradesh also

* In place of one card for one family, West Bengal issues ration card to all eligible individual beneficiaries separately

@ Total number of AAY cards comes to 236.42 lakhs if the figures of AAY cards issued by West Bengal is taken as 19.86 (Accepted number of AAY households for West Bengal)

STATEMENT INDICATING STATE-WISE NUMBER OF PERSONS COVERED AND RATION CARDS UNDER NATIONAL FOOD SECURITY ACT, 2013
राष्ट्रीय खाद्य सुरक्षा अधिनियम, 2013 के अंतर्गत कवर किए गए व्यक्तियों और राशन कार्डों की राज्य-वार संख्या

(Compilation of information received from States/UTs by 19.11.2018)
(दिनांक 19.11.2018 तक राज्य/संघ राज्य क्षेत्र से प्राप्त सूचना का संकलन)

(Figures in lakhs) (आंकड़े लाख में)

S. No. क्र. सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
1	Andhra Pradesh आंध्र प्रदेश #	Yes	493.77	60.96	41.14	200.20	68.03	268.23	15.58	9.09	86.09	95.18
2	Arunachal Pradesh अरुणाचल प्रदेश	Yes	13.83	66.31	51.55	7.09	1.62	8.71	0.38	0.37	1.39	1.76
3	Assam असम	Yes	311.69	84.17	60.35	225.41	26.49	251.90	7.04	7.03	50.88	57.91
4	Bihar बिहार	Yes	1,038.05	85.12	74.53	783.74	87.42	871.16	25.01	25.01	129.00	154.01
5	Chhattisgarh छत्तीसगढ़	Yes	255.40	84.25	59.98	165.16	35.61	200.77	7.19	7.19	45.65	52.84
6	Delhi दिल्ली	Yes	167.53	37.69	43.59	1.58	71.20	72.78	1.57	0.76	18.68	19.44
7	Goa गोआ	Yes	14.58	42.24	33.02	2.33	2.99	5.32	0.18	0.13	1.28	1.41
8	Gujarat गुजरात	Yes	603.84	74.64	48.25	258.78	124.06	382.85	8.13	8.12	58.68	66.80
9	Haryana हरियाणा	Yes	253.53	54.61	41.05	90.28	36.21	126.49	3.03	2.68	24.07	26.75
10	Himachal	Yes	68.57	56.23	30.99	34.68	2.13	36.82	1.97	1.82	4.98	6.80

S. No. क्र. सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
	Pradesh हिमाचल प्रदेश											
11	Jammu & Kashmir जम्मू-कश्मीर	Yes	125.49	63.55	47.1	58.05	16.08	74.13	2.82	2.36	14.30	16.66
12	Jharkhand झारखंड	Yes	329.66	86.48	60.2	216.52	47.73	264.25	9.18	9.17	47.98	57.15
13	Karnataka कर्नाटक	Yes	611.31	76.04	49.36	285.55	116.38	401.93	12.00	10.97	114.12	125.09
14	Kerala केरल	Yes	333.88	52.63	39.5	91.87	62.93	154.80	5.96	5.96	29.07	35.03
15	Madhya Pradesh मध्यप्रदेश	Yes	725.98	80.1	62.61	420.83	125.59	546.42	15.82	13.98	103.58	117.56
16	Maharashtra महाराष्ट्र	Yes	1,123.73	76.32	45.34	469.71	230.45	700.17	25.05	25.05	120.74	145.79
17	Manipur मणिपुर	Yes	28.56	88.56	85.75	17.90	7.15	25.06	0.64	0.64	4.94	5.58
18	Meghalaya मेघालय	Yes	29.64	77.79	50.87	18.43	3.03	21.46	0.70	0.15	3.52	3.67
19	Mizoram मिजोरम	Yes	10.91	81.88	48.6	4.33	2.73	7.06	0.26	0.26	1.21	1.47
20	Nagaland नागालैंड	Yes	19.81	79.83	61.98	11.23	3.56	14.79	0.48	0.48	2.37	2.85
21	Odisha ओड़ीशा	Yes	419.47	82.17	55.77	287.19	39.02	326.21	12.65	12.40	74.30	86.70

S. No. क्र. सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
22	Punjab पंजाब	Yes	277.04	54.79	44.83	94.88	46.57	141.45	1.79	1.79	34.12	35.91
23	Rajasthan राजस्थान	Yes	686.21	69.09	53	356.09	90.53	446.62	9.32	9.32	98.03	107.35
24	Sikkim सिक्किम	Yes	6.08	75.74	40.36	3.45	0.61	4.07	0.17	0.17	0.79	0.95
25	Tamil Nadu तमिलनाडु	Yes	721.39	62.55	37.79	232.62	132.08	364.69	18.65	17.17	81.56	98.73
26	Telangana तेलंगाना \$	Yes	352.89	60.96	41.14	143.08	48.62	191.70		5.67	44.97	50.64
27	Tripura त्रिपुरा	Yes	36.71	74.75	49.54	20.26	4.76	25.02	1.13	1.10	4.70	5.80
28	Uttar Pradesh उत्तर प्रदेश	Yes	1,995.81	79.56	64.43	1,234.06	286.52	1,520.59	40.95	40.94	309.71	350.65
29	Uttarakhand उत्तराखंड	Yes	101.17	65.26	52.05	45.85	16.09	61.94	1.91	1.84	11.46	13.30
30	West Bengal प. बंगाल *	Yes	913.48	74.47	47.55	463.31	138.53	601.84	19.86	15.86	546.25	562.11
31	A&N Island अंडमान और निकोबार द्वीप समूह	Yes	3.80	24.94	1.7	0.61	0.02	0.63	0.11	0.04	0.11	0.15
32	Chandigarh चंडीगढ़	Yes	10.55	38.54	47.26	0.11	4.85	4.96	0.09	0.00	0.64	0.64
33	D & N Haveli दा. एवं न. हवेली	Yes	3.43	84.19	51.54	1.54	0.82	2.36	0.07	0.04	0.40	0.44
34	Daman & Diu	Yes	2.43	26.66	56.47	0.16	1.03	1.19	0.02	0.01	0.19	0.20

S. No. क्र. सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
	दमण एवं दीव											
35	Lakshadweep लक्षद्वीप	Yes	0.64	35.3	33.56	0.05	0.17	0.22	0.01	0.01	0.04	0.05
36	Puducherry पुडुच्चेरी	Yes	12.44	59.68	46.94	2.35	3.99	6.34	0.32	0.26	1.51	1.77
TOTAL			12,103.27	75.00	50.00	6249.30	1885.61	8,134.91	250.00	237.83	2071.33	2309.17

percentage(%age) coverage under NFSA & Accepted number of AAY Households include figures for Telangana also

\$ percentage(%age) coverage under NFSA including figures of Andhra Pradesh also

* In place of one card for one family, West Bengal issues ration card to all eligible individual beneficiaries separately

@ Total number of AAY cards comes to 236.42 lakhs if the figures of AAY cards issued by West Bengal is taken as 19.86 (Accepted number of AAY households for West Bengal)

STATEMENT INDICATING STATE-WISE NUMBER OF PERSONS COVERED AND RATION CARDS UNDER NATIONAL FOOD SECURITY ACT, 2013

राष्ट्रीय खाद्य सुरक्षा अधिनियम, 2013 के अंतर्गत कवर किए गए व्यक्तियों और राशन कार्डों की राज्य-वार संख्या

(Compilation of information received from States/UTs by 22.05.2019)

(दिनांक 22.05.2019 तक राज्य/संघ राज्य क्षेत्र से प्राप्त सूचना का संकलन)

(Figures in lakhs) (आंकड़े लाख में)

S. No. क्र. सं.	Name of the State/UT राज्य/ संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
1	Andhra Pradesh आंध्र प्रदेश #	Yes	493.77	60.96	41.14	200.20	68.03	268.23	15.58	9.08	83.85	92.93
2	Arunachal Pradesh अरुणाचल प्रदेश	Yes	13.83	66.31	51.55	7.09	1.62	8.71	0.38	0.38	1.40	1.78
3	Assam असम	Yes	311.69	84.17	60.35	225.41	26.49	251.90	7.04	6.92	50.95	57.88
4	Bihar बिहार	Yes	1,038.05	85.12	74.53	783.74	87.42	871.16	25.01	22.74	140.71	163.45
5	Chhattisgarh छत्तीसगढ़	Yes	255.40	84.25	59.98	165.16	35.61	200.77	7.19	7.27	45.59	52.86
6	Delhi दिल्ली	Yes	167.53	37.69	43.59	1.58	71.20	72.78	1.57	0.68	16.51	17.19
7	Goa गोआ	Yes	14.58	42.24	33.02	2.33	2.99	5.32	0.18	0.12	1.29	1.41
8	Gujarat गुजरात	Yes	603.84	74.64	48.25	258.78	124.06	382.85	8.13	8.08	58.18	66.26
9	Haryana हरियाणा	Yes	253.53	54.61	41.05	90.28	36.21	126.49	3.03	2.52	24.14	26.66
10	Himachal Pradesh हिमाचल प्रदेश	Yes	68.57	56.23	30.99	34.68	2.13	36.82	1.97	1.84	4.99	6.83

S. No. क्र. सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
11	Jammu & Kashmir जम्मू-कश्मीर	Yes	125.49	63.55	47.1	58.05	16.08	74.13	2.82	2.39	14.36	16.76
12	Jharkhand झारखंड	Yes	329.66	86.48	60.2	216.52	47.73	264.25	9.18	9.11	47.92	57.03
13	Karnataka कर्नाटक	Yes	611.31	76.04	49.36	285.55	116.38	401.93	12.00	7.70	116.79	124.49
14	Kerala केरल	Yes	333.88	52.63	39.5	91.87	62.93	154.80	5.96	5.89	30.75	36.64
15	Madhya Pradesh मध्यप्रदेश	Yes	725.98	80.1	62.61	420.83	125.59	546.42	15.82	13.83	103.65	117.48
16	Maharashtra महाराष्ट्र	Yes	1,123.73	76.32	45.34	469.71	230.45	700.17	25.05	24.01	122.00	146.01
17	Manipur मणिपुर	Yes	28.56	88.56	85.75	17.90	7.15	25.06	0.64	0.74	5.13	5.87
18	Meghalaya मेघालय	Yes	29.64	77.79	50.87	18.43	3.03	21.46	0.70	0.70	3.51	4.21
19	Mizoram मिजोरम	Yes	10.91	81.88	48.6	4.33	2.73	7.06	0.26	0.25	1.22	1.48
20	Nagaland नागालैंड	Yes	19.81	79.83	61.98	11.23	3.56	14.79	0.48	0.47	2.37	2.85
21	Odisha ओड़ीशा	Yes	419.47	82.17	55.77	287.19	39.02	326.21	12.65	12.63	74.21	86.84
22	Punjab पंजाब	Yes	277.04	54.79	44.83	94.88	46.57	141.45	1.79	1.14	34.19	35.33
23	Rajasthan राजस्थान	Yes	686.21	69.09	53	356.09	90.53	446.62	9.32	6.67	99.33	106.00

S. No. क्र. सं.	Name of the State/UT राज्य/ संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
	राजस्थान											
24	Sikkim सिक्किम	Yes	6.08	75.74	40.36	3.45	0.61	4.07	0.17	0.17	0.79	0.95
25	Tamil Nadu तमिलनाडु	Yes	721.39	62.55	37.79	232.62	132.08	364.69	18.65	18.60	82.11	100.71
26	Telangana तेलंगाना \$	Yes	352.89	60.96	41.14	143.08	48.62	191.70		5.14	44.58	49.73
27	Tripura त्रिपुरा	Yes	36.71	74.75	49.54	20.26	4.76	25.02	1.13	1.08	4.71	5.79
28	Uttar Pradesh उत्तर प्रदेश	Yes	1,995.81	79.56	64.43	1,234.06	286.52	1,520.59	40.95	40.81	312.57	353.38
29	Uttarakhand उत्तराखंड	Yes	101.17	65.26	52.05	45.85	16.09	61.94	1.91	1.83	11.42	13.24
30	West Bengal प. बंगाल *	Yes	913.48	74.47	47.55	463.31	138.53	601.84	19.86	16.41	546.73	563.13
31	A&N Island अंडमान और निकोबार द्वीप समूह	Yes	3.80	24.94	1.7	0.61	0.02	0.63	0.11	0.04	0.11	0.15
32	Chandigarh चंडीगढ़	Yes	10.55	38.54	47.26	0.11	4.85	4.96	0.09	0.00	0.70	0.70
33	D & N Haveli दा. एवं न. हवेली	Yes	3.43	84.19	51.54	1.54	0.82	2.36	0.07	0.04	0.41	0.45
34	Daman & Diu दमण एवं दीव	Yes	2.43	26.66	56.47	0.16	1.03	1.19	0.02	0.01	0.19	0.20
35	Lakshadweep	Yes	0.64	35.3	33.56	0.05	0.17	0.22	0.01	0.01	0.04	0.05

S. No. क्र. सं.	Name of the State/UT राज्य/ संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
	लक्षद्वीप											
36	Pudducherry पुडुच्चेरी	Yes	12.44	59.68	46.94	2.35	3.99	6.34	0.32	0.27	1.50	1.77
TOTAL			12,103.27	75.00	50.00	6249.30	1885.61	8,134.91	250.00	229.58	2088.89	2318.46

percentage(%age) coverage under NFSA & Accepted number of AAY Households include figures for Telangana also

\$ percentage(%age) coverage under NFSA including figures of Andhra Pradesh also

* In place of one card for one family, West Bengal issues ration card to all eligible individual beneficiaries separately

@ Total number of AAY cards comes to 236.42 lakhs if the figures of AAY cards issued by West Bengal is taken as 19.86 (Accepted number of AAY households for West Bengal)

STATEMENT INDICATING STATE-WISE NUMBER OF PERSONS COVERED AND RATION CARDS UNDER NATIONAL FOOD SECURITY ACT, 2013

राष्ट्रीय खाद्य सुरक्षा अधिनियम, 2013 के अंतर्गत कवर किए गए व्यक्तियों और राशन कार्डों की राज्य-वार संख्या

(Compilation of information received from States/UTs by 14.01.2020)

(दिनांक 14.01.2020 तक राज्य/संघ राज्य क्षेत्र से प्राप्त सूचना का संकलन)

(Figures in lakhs) (आंकड़े लाख में)

S. No. क्र. सं.	Name of the State/UT राज्य/ संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एवाई + पीएचएच)
1	Andhra Pradesh आंध्र प्रदेश #	Yes	493.77	60.96	41.14	200.20	68.03	268.23	15.58	9.18	81.10	90.28
2	Arunachal Pradesh अरुणाचल प्रदेश	Yes	13.83	66.31	51.55	7.09	1.62	8.71	0.38	0.38	1.40	1.78
3	Assam असम	Yes	311.69	84.17	60.35	225.41	26.49	251.90	7.04	6.92	50.95	57.87
4	Bihar बिहार	Yes	1,038.05	85.12	74.53	783.74	87.42	871.16	25.01	24.79	142.44	167.24
5	Chhattisgarh छत्तीसगढ़	Yes	255.40	84.25	59.98	165.16	35.61	200.77	7.19	7.26	45.57	52.83
6	Delhi दिल्ली	Yes	167.53	37.69	43.59	1.58	71.20	72.78	1.57	0.69	16.80	17
7	Goa गोआ	Yes	14.58	42.24	33.02	2.33	2.99	5.32	0.18	0.12	1.30	1
8	Gujarat गुजरात	Yes	603.84	74.64	48.25	258.78	124.06	382.85	8.13	8.08	57.74	66
9	Haryana हरियाणा	Yes	253.53	54.61	41.05	90.28	36.21	126.49	3.03	2.51	24.46	27

S. No. क्र. सं.	Name of the State/UT राज्य/ संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
10	Himachal Pradesh हिमाचल प्रदेश	Yes	68.57	56.23	30.99	34.68	2.13	36.82	1.97	1.80	4.99	7
11	Jammu & Kashmir जम्मू-कश्मीर	Yes	125.49	63.55	47.1	58.05	16.08	74.13	2.82	2.39	14.36	17
12	Jharkhand झारखंड	Yes	329.66	86.48	60.2	216.52	47.73	264.25	9.18	9.13	48.06	57
13	Karnataka कर्नाटक	Yes	611.31	76.04	49.36	285.55	116.38	401.93	12.00	10.95	115.83	127
14	Kerala केरल	Yes	333.88	52.63	39.5	91.87	62.93	154.80	5.96	5.94	31.36	37
15	Madhya Pradesh मध्यप्रदेश	Yes	725.98	80.1	62.61	420.83	125.59	546.42	15.82	13.83	103.65	117.48
16	Maharashtra महाराष्ट्र	Yes	1,123.73	76.32	45.34	469.71	230.45	700.17	25.05	24.42	126.25	150.67
17	Manipur मणिपुर	Yes	28.56	88.56	85.75	17.90	7.15	25.06	0.64	0.65	5.23	5.89
18	Meghalaya मेघालय	Yes	29.64	77.79	50.87	18.43	3.03	21.46	0.70	0.70	3.51	4.22
19	Mizoram	Yes	10.91	81.88	48.6	4.33	2.73	7.06	0.26	0.26	1.30	1.56

S. No. क्र. सं.	Name of the State/UT राज्य/ संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
	मिजोरम											
20	Nagaland नागालैंड	Yes	19.81	79.83	61.98	11.23	3.56	14.79	0.48	0.47	2.35	2.82
21	Odisha ओड़ीशा	Yes	419.47	82.17	55.77	287.19	39.02	326.21	12.65	12.60	80.60	93.21
22	Punjab पंजाब	Yes	277.04	54.79	44.83	94.88	46.57	141.45	1.79	1.04	34.14	35.18
23	Rajasthan राजस्थान	Yes	686.21	69.09	53	356.09	90.53	446.62	9.32	6.64	104.42	111.06
24	Sikkim सिक्किम	Yes	6.08	75.74	40.36	3.45	0.61	4.07	0.17	0.17	0.78	0.95
25	Tamil Nadu तमिलनाडु	Yes	721.39	62.55	37.79	232.62	132.08	364.69	18.65	18.61	82.81	101.42
26	Telangana तेलंगाना \$	Yes	352.89	60.96	41.14	143.08	48.62	191.70		5.64	47.61	53.25
27	Tripura त्रिपुरा	Yes	36.71	74.75	49.54	20.26	4.76	25.02	1.13	1.09	4.70	5.79
28	Uttar Pradesh उत्तर प्रदेश	Yes	1,995.81	79.56	64.43	1,234.06	286.52	1,520.59	40.95	40.83	312.40	353.22
29	Uttarakhand उत्तराखंड	Yes	101.17	65.26	52.05	45.85	16.09	61.94	1.91	1.84	11.53	13.37
30	West Bengal प. बंगाल *	Yes	913.48	74.47	47.55	463.31	138.53	601.84	19.86	16.39	547.11	563.49

S. No. क्र. सं.	Name of the State/UT राज्य/ संघ राज्य क्षेत्रों के नाम	NFSA Adoption राष्ट्रीय खाद्य सुरक्षा अधिनियम अपनाना	Population (Census 2011) जनसंख्या (जनगणना 2011)	Percentage (%age) Coverage under NFSA एनएफएसए के अंतर्गत प्रतिशत में कवरेज		Accepted no. of persons under NFSA एनएफएसए के अंतर्गत स्वीकृत व्यक्तियों की संख्या			Accepted no of AAY House holds एएवाई परिवारों की स्वीकृत संख्या	Ration Cards राशन कार्ड		
				Rural ग्रामीण	Urban शहरी	Rural ग्रामीण	Urban शहरी	Total कुल		AAY एएवाई	PHH पीएचएच	Total (AAY +PHH) कुल (एएवाई + पीएचएच)
				31	A&N Island अंडमान और निकोबार द्वीप समूह	Yes	3.80	24.94		1.7	0.61	0.02
32	Chandigarh चंडीगढ़	Yes	10.55	38.54	47.26	0.11	4.85	4.96	0.09	0.00	0.67	0.68
33	D & N Haveli दा. एवं न. हवेली	Yes	3.43	84.19	51.54	1.54	0.82	2.36	0.07	0.04	0.41	0.46
34	Daman & Diu दमण एवं दीव	Yes	2.43	26.66	56.47	0.16	1.03	1.19	0.02	0.01	0.19	0.20
35	Lakshadweep लक्षद्वीप	Yes	0.64	35.3	33.56	0.05	0.17	0.22	0.01	0.01	0.04	0.05
36	Puducherry पुडुचेरी	Yes	12.44	59.68	46.94	2.35	3.99	6.34	0.32	0.27	1.51	1.78
TOTAL			12,103.27	75.00	50.00	6249.30	1885.61	8,134.91	250.00	235.70	2107.70	2343.40

percentage(%age) coverage

under NFSA & Accepted number of AAY Househols include figures for Telangana also
\$ percentage(%age) coverage under NFSA including figures of Andhra Pradesh also
* In place of one card for one family, West Bengal issues ration card to all eligible individual beneficiaries seperately
@ Total number of AAY cards comes to 236.42 lakhs if the figures of AAY cards issued by West bengal is taken as 19.86
(Accepted number of AAY households for West Bengal)

State/UT-wise number of Deleted* Ration Cards during 2016-18

Sl.	States/UTs	2016	2017	2018	State-wise Total
1	Andhra Pradesh	4,75,023	5,449		4,80,472
2	Andaman & Nicobar	-			0
3	Arunachal Pradesh	4,396	56		4,452
4	Assam	1,08,681	42,077	1,35,250	2,86,008
5	Bihar	6,291			6,291
6	Chandigarh	-	88		88
7	Chhattisgarh	1,50,000	1,50,000		3,00,000
8	Dadra & Nagar Haveli	549			549
9	Daman & Diu	101	272	4,898	5,271
10	Delhi	22,696	3,969	486	27,151
11	Goa	10,115			10,115
12	Gujarat	22,119	18,965	95,659	1,36,743
13	Haryana	19,648	29,686	2,91,926	3,41,260
14	Himachal Pradesh	1,148	172	56,858	58,178
15	Jammu and Kashmir	50,709	664		51,373
16	Jharkhand	4,46,025			4,46,025
17	Karnataka	1,44,432	3,26,382	4,572	4,75,386
18	Kerala	-	-	3,314	3,314
19	Lakshadweep	442			442
20	Madhya Pradesh	3,89,124	1,84,673		5,73,797
21	Maharashtra	11,55,908			11,55,908
22	Manipur	-	336		336
23	Meghalaya	-	-	370	370
24	Mizoram	101	559		660
25	Nagaland	-	8,521		8,521
26	Odisha	6,50,471	35,740		6,86,211
27	Puducherry	9,886			9,886
28	Punjab	-	69,945	34,972	1,04,917
29	Rajasthan	13,71,230	73,110	8,016	14,52,356
30	Sikkim	11,714	1,126		12,840
31	Tamil Nadu	84,470	9,089		93,559
32	Telangana	5,21,790			5,21,790
33	Tripura	92,728			92,728
34	Uttar Pradesh	25,86,541	44,41,748		70,28,289
35	Uttarakhand	89,984	3,18,718	1,26,268	5,34,970
36	West Bengal [§]	-	-	-	0
	Total	84,26,322	57,21,345	7,62,589	1,49,10,256

*Cards deleted due to detection of Ghost/fraudulent/duplicate/ineligible/migration /deaths, etc. during the process of digitization, de-duplication, Aadhaar seeding in run-up /implementation of NFSA. The information is compiled as per information received from the States/UTs.

§West Bengal has individual Ration Cards system

2.22 The Ministry has stated that there have been complaints about irregularities in implementation of TPDS in some States/UTs. Since operational responsibilities of TPDS rest with the concerned State/UT Government, therefore, as and when complaints are received from individuals and organizations as well as through press reports, they are sent to State/UT Governments concerned for inquiry and appropriate action. A statement on complaints regarding irregularities from eligible household comprising Priority household/AAY household received in the Department from 2017 to 2020 is as under:-

STATEMENT: COMPLAINTS ON TPDS RECEIVED IN THE DEPARTMENT FROM INDIVIDUALS, ORGANIZATIONS & THROUGH MEDIA REPORTS ETC FROM 2017 TO 2020 (UPTO 31.01.2020)

S. NO.	STATE/UT	2017	2018	2019	2020
1.	Andhra Pradesh	10	6	6	1
2.	Arunachal Pradesh	-	1	1	
3.	Assam	17	7	8	
4.	Bihar	169	135	119	15
5.	Chhattisgarh	9	9	7	
6.	Delhi	98	76	81	15
7.	Goa	2	-	1	
8.	Gujarat	9	8	9	1
9.	Haryana	47	35	39	7
10.	Himachal Pradesh	6	1	1	
11.	J&K	4	5	3	
12.	Jharkhand	35	33	17	1
13.	Karnataka	28	15	18	2
14.	Kerala	13	11	11	
15.	Madhya Pradesh	21	24	26	11

16.	Maharashtra	77	34	24	3
17.	Manipur	2	2	-	
18.	Maghalaya	-	-	1	
19.	Mizoram	2	-	-	
20.	Nagaland	2	-	1	
21.	Orissa	22	16	16	2
22.	Punjab	5	22	14	
23.	Rajasthan	82	38	24	1
24.	Sikkim	-	-	-	
25.	Tamil Nadu	31	27	16	1
26.	Telangana	4	3	3	1
27.	Tripura	1	-	-	1
28.	Uttarakhand	22	15	14	1
29.	Uttar Pradesh	445	369	343	32
30.	West Bengal	49	43	51	7
31.	A & N Island	-	1	-	
32.	Chandigarh	-	2	-	
33.	D & N Haveli	-	-	-	
34.	Daman & Diu	-	-	-	
35.	Lakshadweep	-	1	-	
36.	Puducherry	1	2	1	
	TOTAL	1213	941	855	102

2.23 A statement indicating action taken on various irregularities as reported by State/UTs under various relevant clauses of PDS/TPDS (Control) Orders from 2017 to 2019 (up to 31st December, 2019) is as under:-

(Compilation of information received from States/UTs by 31.12.2019)

(दिनांक 31.12.2019 तक राज्य/संघ राज्य क्षेत्र से प्राप्त सूचना का संकलन)

Statement showing results of action taken by the State/UT Governments under relevant clauses of the PDS/TPDS (Control)

Orders from January 2017 to December, 2019.

राज्या, जनवरी द्वारा त्रैको यराज् संघ/2017 से दिसम्बर, 2019 तक सार्वजनिक वितरण प्रणाली गई की अंतर्गत के खंडों संबंधित के आदेश) नियंत्रण(विवरण वाला दर्शाने को परिणामों के कार्रवाई

Sl. No. क्र.सं	Name of the State/UT राज्य/संघ राज्य क्षेत्र का नाम	Year वर्ष	Number of inspections निरीक्षणों की संख्या	Number of raids conducted मारे गए छापाओं की संख्या	Number of persons arrested/prosecuted/convicted गिरफ्तार/ मुकद्मा चलाए गए/ दोषसिद्ध व्यक्तियों की संख्या	Number of FPS Licenses suspended/Cancelled/Show cause notices issued/FIR Lodged निलंबित/रद्द उचित दर दुकान लाईसेंस/ जारी किए गए कारण बताओं नोटिस/ दर्ज प्राथमिकियों की संख्या
1	Andhra Pradesh आंध्र प्रदेश	2017	25519	9774	08	811
		2018	27189	10831	13	576
		2019	*	*	*	*
2	Arunachal Pradesh अरुणाचल प्रदेश	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
3	Assam असम	2017	902	441	04	76
		2018	*	*	*	*
		2019	3497	1197	00	82
4	Bihar बिहार	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
5	Chhattisgarh चंडीगढ़	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
6	Delhi दिल्ली	2017	390	60	00	24
		2018	*	*	*	*
		2019	*	*	*	*
7	Goa गोआ	2017	1088	18	00	182
		2018	385	35	00	21
		2019	*	*	*	*
8	Gujarat गुजरात	2017	5704	00	01	197
		2018	7802	00	33	221
		2019	5563	00	02	280
9	Haryana हरियाणा	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
10	Himachal Pradesh हिमाचल प्रदेश	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
11	Jammu & Kashmir	2017	*	*	*	*

Sl. No. क्र.सं	Name of the State/UT राज्य/संघ राज्य क्षेत्र का नाम	Year वर्ष	Number of inspections निरीक्षणों की संख्या	Number of raids conducted मारे गए छापो की संख्या	Number of persons arrested/prosecuted/convicted गिरफ्तार/ मुकद्मा चलाए गए/ दोषसिद्ध व्यक्तियों की संख्या	Number of FPS Licenses suspended/Cancelled/Show cause notices issued/FIR Lodged निलंबित/रद्द उचित दर दुकान लाईसेंस/ जारी किए गए कारण बताओ नोटिस/ दर्ज प्राथमिकियों की संख्या
	जम्मू-कश्मीर	2018	*	*	*	*
		2019	*	*	*	*
12	Jharkhand झारखंड	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
13	Karnataka कर्नाटक	2017	11516	207	08	296
		2018	11622	198	04	149
		2019	14410	322	62	181
14	Kerala केरल	2017	55781	4579	05	215
		2018	34538	2088	01	3139
		2019	*	*	*	*
15	Madhya Pradesh मध्यप्रदेश	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
16	Maharashtra महाराष्ट्र	2017	43394	00	80	257
		2018	*	*	*	*
		2019	*	*	*	*
17	Manipur मणिपुर	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
18	Meghalaya मेघालय	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
19	Mizoram मिजोरम	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
20	Nagaland नागालैंड	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
21	Odisha उड़ीसा	2017	3230	3402	00	94
		2018	22659	178	15	21
		2019	17317	197	20	08
22	Punjab पंजाब	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
23	Rajasthan राजस्थान	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
24	Sikkim सिक्किम	2017	616	24	00	00
		2018	1339	28	00	00
		2019 (upto June 19)	820	19	00	00
25	Tamil Nadu	2017	119481	14709	6787	00

Sl. No. क्र.सं.	Name of the State/UT राज्य/संघ राज्य क्षेत्र का नाम	Year वर्ष	Number of inspections निरीक्षणों की संख्या	Number of raids conducted मारे गए छापो की संख्या	Number of persons arrested/prosecuted/convicted गिरफ्तार/ मुकद्मा चलाए गए/ दोषसिद्ध व्यक्तियों की संख्या	Number of FPS Licenses suspended/Cancelled/Show cause notices issued/FIR Lodged निलंबित/रद्द उचित दर दुकान लाईसेंस/ जारी किए गए कारण बताओं नोटिस/ दर्ज प्राथमिकियों की संख्या
	तमिलनाडु	2018	44702	4732	1717	00
		2019	84432	10379	4373	00
26	Telangana तेलंगाना	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
27	Tripura त्रिपुरा	2017	10795	377	00	243
		2018	8665	446	00	290
		2019	9777	292	00	350
28	Uttarakhand उत्तराखंड	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
29	Uttar Pradesh उत्तर प्रदेश	2017	29804	3141	557	2461
		2018	*	*	*	*
		2019	*	*	*	*
30	West Bengal प. बंगाल	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
31	A&N Islands अंडमान और निकोबार द्वीप समूह	2017	144	00	00	01
		2018	*	*	*	*
		2019	*	*	*	*
32	Chandigarh चंडीगढ़	2017	00	00	00	00
		2018	*	*	*	*
		2019	*	*	*	*
33	D&N Haveli दादरा और नगर हवेली	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
34	Daman & Diu दमन और दीव	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
35	Lakshadweep लक्षद्वीप	2017	*	*	*	*
		2018	*	*	*	*
		2019	*	*	*	*
36	Puducherry पुडुचेरी	2017	3166	376	00	00
		2018	4856	706	00	00
		2019	807	205	00	00
Total जोड़		2017	311530	37108	7450	4857
		2018	163757	19242	1783	4417
		2019	136623	12611	4457	901
Grand Total (सकाल जोड़) = 2017+2018+2019			611910	68961	13690	10175

* Information not provided सूचना उपलब्ध नहीं कराई गई।

2.24 The Committee note that the Targeted Public Distribution System (TPDS) is now governed as per the provisions of the National Food Security Act, 2013 (NFSA) which is operated under the joint responsibility of the Central and State/Union Territory Governments. There have been complaints about irregularities in implementation of TPDS in some States/UTs. Since the operational responsibilities of TPDS rest with the State/UT Governments, complaints as and when received are sent to the concerned State/UT Government for enquiry and appropriate action. The Committee observe that as many as 102 complaints have been received in the first 2 months of the year 2020 against the total complaints of 855 received during the year 2019. The Committee further note that as many as 68961 raids were conducted, 13690 persons were arrested/prosecuted/convicted and 10175 Fair Price Shop licences were suspended/cancelled/show-cause notices issued/FIR lodged during the period from January 2017 to 31 December, 2019. While appreciating the measures taken by the Government, the Committee are constrained to observe that, the vigilance and monitoring mechanism in the implementation of the TPDS Scheme needs to be further strengthened so as to ensure more transparency and accountability in the larger interest of the consumers.

(d) One Nation One Ration Card

2.25 Under the scheme on “Integrated Management of Public Distribution System (IM-PDS)” the Department is implementing nation-wide portability of ration card holders through 'One Nation One Ration Card' plan, which enables any eligible ration card holder/beneficiary covered under National Food Security Act, 2013 (NFSA) to lift their entitled foodgrains from any Fair Price Shop (FPS) of their choice in the country by using their existing/same ration card after biometric/Aadhaar authentication on electronic Point of Sale (ePoS) devices installed at the FPSs. So far, the facility of national/inter-State portability under this plan is available in 12 States, namely - Andhra Pradesh, Goa, Gujarat, Haryana, Jharkhand, Kerala, Karnataka Madhya Pradesh, Maharashtra, Rajasthan, Telangana and Tripura. Further, integration of remaining States/UTs depends on the readiness of States/UTs to implement the same.

2.26 During evidence, the representative of the Department of Food and Public Distribution stated as under:-

“Sir, in fact, by January this year we had brought 12 States into the bandwagon of national portability and by June we want to add 8 more States which are having the pre-requisites for doing this. We must have the automation of fair price shops and we should have Aadhar authenticated transactions by which we get the data. Provided we have these technical requirements ready, we will have 20 States ready on national portability basis by June this year.

2.27 Further, Targeted Public Distribution System (TPDS) is operated under the joint responsibility of the Central and the State/Union Territory (UT) Governments, wherein, inter-alia the operational responsibilities for identification of eligible households/beneficiaries under NFSA, issuance of ration cards to them rest with the concerned State/UT Governments. However, to ensure that the benefits of NFSA are reaching to all vulnerable and economically weakest sections of the society through TPDS, the Department has advised all States/UTs to take pro-active approach for reaching out to such sections of the population through special drives from time-to-time to identify and issue ration cards to them under NFSA.

2.28 Regarding the current status of Intra/Inter-State portability of Ration Cards, the Ministry in their written reply stated that The facility of intra-State (within State) portability of ration card holders, allows the beneficiaries to lift their entitled foodgrains from any ePoS enabled FPS of their choice within the State/UT has been enabled in 18 States. This facility is fully operational in 13 States, namely- Andhra Pradesh, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Telangana, Tripura, Goa, Gujarat, Jharkhand, Punjab, whereas it is partially operational in another 5 States of Uttar Pradesh, Bihar, Odisha, Chhattisgarh and Nagaland in some districts/FPS areas. Beside this, the facility of inter-State (national) portability of ration card holders under 'One Nation One Ration Card' plan is available in a single cluster of 12 States, namely – Andhra Pradesh, Goa, Gujarat, Haryana, Jharkhand, Kerala, Karnataka Madhya Pradesh, Maharashtra, Rajasthan, Telangana and Tripura w.e.f. 1st January 2020. Ration card holders/beneficiaries of these States are now enabled to lift their entitled quota of foodgrains from any ePoS enabled FPS of their choice anywhere across these States through national portability.

2.29 The Ministry has further stated that as part of the scheme on 'End-to-End Computerization of TPDS Operations' States/UTs are installing electronic Point of Sale (ePoS) devices in all FPSs for the distribution of subsidised foodgrains to eligible beneficiaries in a transparent manner. The ePoS devices are also used for unique identification of genuine beneficiaries by means of biometric/Aadhaar authentication of beneficiaries to achieve the rightful targeting of food subsidy. The details of ePoS transactions are uploaded to respective State/UT transparency portals. Furthermore, Department has also set-up a central Annavitran Portal for continuous monitoring of allocation and distribution of foodgrains in all States/UTs wherein details are fetched directly from the States/UTs servers through web-services. The biometric/Aadhaar authentication of beneficiaries is also being done through the ePoS devices at the time of lifting of foodgrains from the FPSs. Because of these technology interventions, State/UT Governments are able to reduce the ghost lifting and diversion/leakages of subsidised foodgrains. Furthermore, to curtail the diversion of unlifted/balance foodgrains at the FPSs, may be due to migration of beneficiaries, etc. the Department

while leveraging the ePoS devices and biometric/Aadhaar authentication of beneficiaries has started the implementation of Intra-State and Inter-State portability of ration card holders, which on one hand is ensuring the food security of migrant beneficiaries, and on the other hand is ensuring the utilization of unlifted foodgrains thereby minimising the diversion/leakages of foodgrains. So far, the installation of ePoS devices at the FPSs has been completed by 26 States/UTs, whereas it is in various stages of implementation/rollout in other States/UT. Presently, about 75% (~12.36 Cr. out of about 16.46 Cr.) ePoS/electronic transactions are being done after biometric/Aadhaar authentication of beneficiaries on a monthly basis. Further, intra-State portability of ration cards has been enabled by 18 States, whereas Inter-State portability of ration card holders is implemented in 12 States so far.

2.30 Besides, as part of the scheme on 'Integrated Management of PDS', the Department is undertaking data analysis of PDS data of all States/UTs as well as making efforts for mainstreaming of data analysis in all States/UTs for continuous improvements in PDS operations. Also, as and when any complaints are received in the Department from individuals, organizations as well as through media/press reports regarding any irregularities in the functioning of the TPDS, including corruption, leakages & diversion of subsidized foodgrains, sub-standard quality of foodgrains, etc., they are forwarded to the concerned State/UT Government for inquiry and appropriate action at their end under various relevant clauses of TPDS (Control) Order 2015.

2.31 Current status of End-to-End Computerization of TPDS Operations is given as under:-

Status of End-to-End Computerization of PDS Operations Scheme

Sl.	States/UTs	Ration Card Digitization		Aadhaar Seeding with Ration Cards	Online Allocation	Online Grievance / Toll Free Number	Online Supply Chain Management	Fair Price Shop (FPS) Automation		
		Total Ration Cards under NFSA	Digitization (%)					Total FPS	Operational ePoS	FPS Automation (%)
1	Andaman & Nicobar	16,342	100%	98%	Implemented	Yes	Implemented	479	459	96%
2	Andhra Pradesh	90,27,634	100%	100%	Implemented	Yes	Implemented	28,936	28,936	100%
3	Arunachal Pradesh	1,77,607	100%	57%	Implemented	Yes	-	1,943	25	1%
4	Assam	57,87,006	100%	0%	Implemented	Yes	Implemented	38,237	-	0%
5	Bihar	1,67,23,631	100%	76%	Implemented	Yes	Implemented	46,800	44,856	96%
6	Chandigarh	67,527	100%	99%	DBT	Yes	DBT	DBT	NA	NA
7	Chhattisgarh	52,82,969	100%	98%	Implemented	Yes	Implemented	12,304	11,990	97%
8	Dadra & Nagar Haveli	45,736	100%	100%	Implemented	Yes	Implemented	63	63	100%
9	Daman & Diu	19,993	100%	100%	Implemented	Yes	Implemented	51	51	100%
10	Delhi	17,48,526	100%	100%	Implemented	Yes	Implemented	2,254	-	0%
11	Goa	1,42,147	100%	98%	Implemented	Yes	Implemented	456	456	100%
12	Gujarat	65,81,540	100%	100%	Implemented	Yes	Implemented	17,210	17,210	100%
13	Haryana	26,97,110	100%	100%	Implemented	Yes	Implemented	9,526	9,526	100%
14	Himachal Pradesh	6,78,675	100%	100%	Implemented	Yes	Implemented	4,934	4,934	100%
15	Jammu & Kashmir (incl. Ladakh)	16,75,443	100%	84%	Implemented	Yes	-	6,411	6,411	100%
16	Jharkhand	57,19,194	100%	95%	Implemented	Yes	Implemented	25,532	25,532	100%
17	Karnataka	1,26,78,228	100%	100%	Implemented	Yes	Implemented	19,935	19,759	99%
18	Kerala	37,29,759	100%	100%	Implemented	Yes	Implemented	14,374	14,335	100%
19	Lakshadweep	5,153	100%	100%	Implemented	Yes	NA	39	39	100%
20	Madhya Pradesh	1,17,47,674	100%	90%	Implemented	Yes	Implemented	24,732	24,619	100%
21	Maharashtra	1,50,67,403	100%	99%	Implemented	Yes	Implemented	52,532	52,532	100%
22	Manipur	5,88,837	100%	82%	Implemented	Yes	-	2,682	327	12%
23	Meghalaya	4,21,502	100%	0%	Implemented	Yes	Implemented	4,736	10	0%
24	Mizoram	1,55,643	100%	93%	Implemented	Yes	-	1,252	-	0%
25	Nagaland	2,82,209	100%	70%	Implemented	Yes	-	1,691	396	23%

26	Odisha	93,20,884	100%	99%	Implemented	Yes	Implemented	12,577	12,577	100%
27	Puducherry	1,77,977	100%	100%	DBT	Yes	DBT	DBT	NA	NA
28	Punjab	35,18,327	100%	100%	Implemented	Yes	Implemented	17,525	17,525	100%
29	Rajasthan	1,11,06,203	100%	97%	Implemented	Yes	Implemented	25,682	25,579	100%
30	Sikkim	94,704	100%	91%	Implemented	Yes	Implemented	1,362	1,352	99%
31	Tamil Nadu	1,01,41,800	100%	100%	Implemented	Yes	Implemented	34,776	34,776	100%
32	Telangana	53,24,508	100%	99%	Implemented	Yes	Implemented	17,170	17,170	100%
33	Tripura	5,78,828	100%	100%	Implemented	Yes	Implemented	1,806	1,806	100%
34	Uttar Pradesh	3,53,22,427	100%	100%	Implemented	Yes	Implemented	80,493	80,493	100%
35	Uttarakhand	13,36,938	100%	94%	Implemented	Yes	Implemented	9,908	6,484	65%
36	West Bengal	5,63,49,434	100%	80%	Implemented	Yes	Implemented	20,806	19,241	92%
	Summary	23,43,39,518	100%	90%	34	36	28	5,39,214	4,79,469	88.9%

2.32 As part of the scheme on End-to-End Computerization of TPDS Operations, States/UTs are also implementing automation of Fair Price Shops, under which electronic Point of Sale (ePoS) devices are being installed in all FPSs for distribution of subsidised foodgrains to eligible beneficiaries in a transparent manner. Further, for unique identification of genuine beneficiaries and to achieve rightful targeting of food subsidy, the biometric/Aadhaar authentication of beneficiaries is also being done through the ePoS devices at the time of lifting of foodgrains from the FPSs. Because of these technology interventions, State/UT Governments are able to reduce the ghost lifting and diversion/leakages of subsidised foodgrains. Furthermore, to curtail the diversion of unlifted/balance foodgrains at the FPSs, may be due to migration of beneficiaries, etc. the Department while leveraging the ePoS devices and biometric/Aadhaar authentication of beneficiaries has started the implementation of Intra-State and Inter-State portability of ration card holders, which on one hand is ensuring the food security of migrant beneficiaries, and on the other hand is ensuring the utilization of unlifted foodgrains thereby minimising the diversion/leakages of foodgrains. The scheme on End-to-End Computerization of TPDS Operations was approved in December 2012 and the validity of scheme has been extended by the

Government up to 31/03/2020. Further, the scheme on Integrated Management of PDS is also being implemented w.e.f. April 2018 for nation-wide portability and its validity is also extended up to 31/03/2021.

2.33 The Committee note that under the scheme on ‘Integrated Management of Public Distribution System’ (IM-PDS), the Department is implementing nationwide portability of ration card holders through ‘One Nation One Ration Card’ Plan, which enables any eligible ration card holder/beneficiary covered under NFSA 2013 to lift their entitled foodgrains from any Fair Price Shop (FPS) of their choice in the country using their existing/same ration card after biometric/Aadhaar authentication on electronic point of sale (ePoS) devices installed at the FPSs. So far, the facility of national/inter-State portability under this plan is available in 12 States, namely - Andhra Pradesh, Goa, Gujarat, Haryana, Jharkhand, Kerala, Karnataka Madhya Pradesh, Maharashtra, Rajasthan, Telangana and Tripura. Further, integration of remaining States/UTs depends on the readiness of States/UTs to implement the same. The Committee also note that as part of the scheme on ‘End-to-End Computerization of TPDS Operations’, States/UTs are also implementing automation of Fair Price Shops under which electronic point of sale (ePoS) devices are being installed in all Fair Price Shops for distribution of subsidized foodgrains to eligible beneficiaries in a transparent manner. This will also curb corruption and improve access of beneficiaries to Fair Price Shops. So far the installation of ePoS devices has been completed in 26 States/UTs, whereas it is in various stages of implementation/roll out in other States/UTs. The Committee, therefore, urge the Department to expedite the installation of ePoS devices at all Fair Price Shops in remaining States/UTs and also complete Aadhaar seeding of Ration Cards with a view to ensuring food security to migrant citizens and also ensuring the utilization of the unlifted foodgrains to the

maximum extent possible thereby minimizing the diversion/leakages of foodgrains.

CHAPTER III

FOOD CORPORATION OF INDIA (FCI)

The Food Corporation of India (FCI) was set up in 1965 under an Act of Parliament namely the Food Corporation Act, 1964. The primary duty of the Corporation is to undertake purchase, storage movement, transport, distribution and sale of foodgrains. As the principal implementing agency of the food policy of Government of India, the FCI undertakes procurement of foodgrains at the minimum support price to provide remunerative prices to farmers and also to prevent distress sale of their produce. The FCI also maintains a satisfactory level of operational and buffer stocks of foodgrains to ensure national food security. It offers foodgrains to various State Governments for being distributed to consumers through a wide network of fair price shops under the Public Distribution System (PDS), at the Central Issue Price fixed by the Government.

3.2 Since the FCI is established under a special Act of Parliament and does not come under the Companies Act, hence the capital of FCI is in the form of Equity only and is not divided into shares.

Role of Food Corporation of India (FCI) in Procurement Operations

3.3 As the principal implementing agency of the food policy of Government of India, FCI undertakes procurement of foodgrains at the minimum support price to provide remunerative prices to farmers and also to prevent distress sale of their produce. FCI also maintains a satisfactory level of operational and buffer stocks of foodgrains to ensure national food security. It offers foodgrains to various State Governments for being distributed to consumers through a wide network of fair price shops under the Public Distribution System (PDS) at the Central Issue Price fixed by the Government.

(a) Dues and Liabilities of FCI

3.4 The Ministry has stated that the outstanding dues from Ministry of Rural Development & Human Resource Development and recovery made during the years 2017-18, 2018-19 AND 2019-20 are as under:

Ministry of Rural Development: against the food grains supplied under SGRY Schemes upto 31.03.2008

(Rs. In Crore)

Year	Amount Received	Balance as on 31st March/31.12.2019.
2015-16	NIL	2452.96
2016-17	NIL	2452.96
2017-18	NIL	2452.96
2018-19	NIL	2452.96
2019-20	NIL	2452.96 (as on 31.12.2019)

Schemes have closed on 31.03.2008.

Ministry of Human Resource Development:- against the foodgrains supplied under MDM scheme

(Rs. In Crore)

Year	Amount Received	Balance as on 31st March/31.12.2019.
2016-17	676.52	220.22
2017-18	552.91	179.05
2018-19	487.88	160.19
2019-20	266.41	220.53

In case of Min. of HRD, Revolving Fund of Rs. 400 crore has been provided by the Ministry for due amount.

3.5 The following amount is recoverable from **Ministry of External Affairs** relating to wheat issued to WFP for supply of fortified biscuits to Afghanistan under Government of India's donation to Afghanistan:

Period	Closing Balance
2015-16	48,03,91,811
2016-17	47,99,08,700

2017-18	113,56,20,919
2018-19	47,99,08,700
2019-20	47,99,08,700 (as on 31.12.2019)

3.6 Asked whether any time limit has been fixed within which Ministries are requested to make payment of outstanding dues, the Ministry stated that no time limit was there in case of Min. of RD earlier for issues under SGRY Schemes. Under decentralized scheme of payment in MDM, there is time limit of 20 days for making payment after submission of bills in the subsequent month (time for submission has been decided 10 days) by the District Authorities, but it is not being adhered to strictly.

3.7 In response to a query regarding the steps taken to liquidate outstanding dues of FCI, the Ministry stated that Department of Food & PD and FCI is pursuing the matter with the concerned Ministries for liquidating the outstanding dues of FCI. This Department has convened meetings on 25.07.2018 & 28.12.2018 with concerned Ministries/Departments and these Departments were 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.

3.8 The Committee note with concern that a large amount of Rs. 2452.96 crore is outstanding as on 31.12.2019 for payment to FCI by the Ministry of Rural Development against the foodgrains supplied under SGRY Scheme upto 31.02.2008, i.e. when the scheme was closed. Further, an amount of Rs. 220.53 crore is outstanding in respect of the Ministry of Human Resource Development against the foodgrains supplied under the Mid-Day-Meal (MDM) Scheme whereas an amount of Rs. 47,99,08,700/- is outstanding in respect of Ministry of External Affairs for wheat issued to WFP for supply of fortified biscuits to Afghanistan under Government of India's donation to that country. The Committee feel that the inability to liquidate the outstanding dues of FCI over the years indicate financial indiscipline on the part of the concerned Ministries particularly in respect of the Ministry of Rural Development as the Scheme was closed more than a decade ago. The Committee also feel that the functioning of the FCI as the principal implementing agency of the food policy of the Government of India would have been adversely affected because of these Ministries' inability to liquidate their respective outstanding dues for such a long period of time. The Committee, therefore, strongly recommend that the Department should make serious efforts towards settlement of the outstanding dues and take up the matter with concerned ministries at the highest level, so that the burden on food subsidy bill is reduced.

(b) Establishment Cost of FCI

3.9 The net expenditure incurred by FCI (including establishment cost) is reimbursed by the Government in the form of food subsidy. The details of establishment cost incurred by FCI for the last three years are as under:-

(Amount in Rs. Crore)

S.NO	YEAR	2017-18	2018-19	2019-20 (RE)
(i)	Establishment Cost	2278	2117	3481
(ii)	% Variation over previous year	-	-7.07	64.43
(iii)	Arrears Component in (i)	191	133	650
(iv)	Establishment Cost excluding arrear component (i)-(iii)	2087	1984	2831
(v)	% Variation over previous year	-	4.94	42.69

Note: Arrear component is on account of implementation of Post Retirement Pension scheme (2017-18) and due to wage revision (2018-19 & 2019-20 RE).

3.10 When asked about the remedial/corrective steps proposed to be taken to keep the establishment cost to its barest minimum, the Ministry stated as under:-

- Staff Strength of FCI has reduced from 79,834 to 42,038, as on date, which has gone down more than 45% since 2000.
- Furthermore, 47 posts in Category III and 36 in Category IV have been declared redundant.
- As of now, Audit of staff sanction is under consideration for which bids have been invited to conduct the audit of staff strength of FCI, Technical bids will be opened on 10th instant.
- The labour strength in FCI has been rationalized in light of the directions given by Hon'ble High Court of Bombay, Nagpur Bench in its judgment dated 20.11.2015 passed in the PIL No. 84 of 2014 and the exemption notification dated 06.07.2016 issued by Ministry of Labour & Employment exempting the 226 depots of FCI from the applicability of Section 10 of Contract Labour (R&A) Act allowing FCI to engage contract labour in these depots.
- In view of above notification, a decision was taken by FCI to pool departmentalised labour in fewer depots and deploy contract labour in the vacated depots to optimise the cost of handling. In this exercise, FCI has

been able to vacate 129 depots (and 72 railheads) by way of pooling the departmentalised labour and 29824 contract labours have been deployed in the vacated depots as per labour license. Out of 45009 labours, 9193 labourers [20.42%] have been repositioned to rationalize cost. The service conditions of all the transferred labourers have not been changed.

- Govt. of India, Ministry of Labour and Employment has issued Gazette Notification No. S-16012/05/2011-LW dated 26.06.2018 wherein the 226 notified depots of FCI have been exempted under Section 31 of Contract Labour (Regulation & Abolition) Act 1970 from the purview of said Act for a further period of two years w.e.f. 06.07.2018 in continuation to earlier exemption notification dated 06.07.2016.
- The notification has been implemented by rationalization of labour strength to fewer depots and deployment of contract labour system in the depots vacated after rationalization of labour. Tentative financial savings after repositioning of labour and deployment of Contract labour in vacated depots has been estimated to about 600 crore.
- The datum of departmental labour has been revised from 105 B/S to 135 B/S per worker per day in pursuance to CGIT award at 05.07.2016 which resulted in saving of about 30% incentive.

3.11 The Committee note that the establishment cost of FCI which is reimbursed by the Government along with the expenditure incurred on procurement, transport and storage of foodgrains in the form of food subsidy is constantly showing an upward trend which indicates that a large amount of food subsidy goes towards meeting the expenses on establishment cost. The Establishment Cost during 2019-20 was Rs. 3481 crore, which is much higher as compared to amount during 2018-19 which was Rs. 2117 crore. The Committee is of the view that food subsidy is primarily meant for the poor people of the country and, therefore, diverting a huge amount of Rs. 3481 crore from the food subsidy component tantamount to indirectly depriving the targeted beneficiaries, i.e. the poor people of their legitimate benefits which is unfair. The Committee also do not completely agree with the reasoning that increase in Establishment Cost was due to arrear component on account of implementation of Post Retirement Pension Scheme (2017-18) and due to wage revision (2018-19) & (2019-20-RE). The Committee feel that even after taking into account the payment of implementation of Post Retirement Pension Scheme and wage revision, the Establishment Cost is still very high. The Committee, therefore, desire that the FCI and the Ministry may look for devising new ways and means to contain the Establishment Cost, so as to ensure that more amount of food subsidy reaches the ultimate beneficiaries.

(c) Storage – Capacity Utilization Status

3.12 The Ministry has furnished the following statement showing total storage capacity available with the FCI, stocks held therein and capacity utilization during the last three years:-

(fig. in LMT)

Year		COVERED			CAP			GRAND TOTAL
		OWNED	HIRED	TOTAL	OWNED	HIRED	TOTAL	
2017-18	CAPACITY	128.22	226.42	354.06	26.68	1.43	26.02	379.88
	STOCK	84.16	191.28	275.44	1.37	0	1.37	276.18
	UTILISATION%	66	84	78	5	0	5	73
2018-19	CAPACITY	128.32	232.33	360.65	26.02	0.45	26.47	387.12
	STOCKS	95.07	205.05	300.12	2.22	0.42	2.64	302.76
	UTILIZATION %	74	88	83	9	93	10	78
2019-20 (upto January 2020)	CAPACITY	127.55	250.36	377.92	26.02	0.56	26.58	404.49
	STOCKS	101.99	231.31	333.31	3.84	0.75	4.59	337.90
	UTILIZATION %	80	92	88	15	134	17	84
AVERAGE UTILIZATION %								75

3.13 Apart from owned capacity, FCI hires capacities from Central Warehousing Corporation (CWC)/State Warehousing Corporations (SWCs)/Private Parties/ State agencies etc. As far as the lower utilization of owned capacity as compared to the hired capacity is concerned it may be noted that this is a rather natural phenomenon due to the following reasons:

- The storage capacity is hired only when there is absolute necessity for the same and hence it becomes all the more desirable for it to be fully/more utilized.
- The owned capacity once constructed at a particular place/location cannot be shifted even if capacity is required at a different location due to changed procurement pattern or change in off take of foodgrains on account of consumer preference etc., whereas the hired capacity can be de hired and re hired as per the requirement making its utilization more flexible than the owned capacity.
- Owned capacities are created at certain remote/hill areas also keeping in view the regional requirements where private parties do not come forward to offer

hired capacity. Higher utilization of capacity in such places is not possible due to various factors such as difficult terrain, improper infrastructure, climatic conditions, limitation of railways/other transportation facilities etc. Examples of the same are NE Zone, Himachal Pradesh, Jammu & Kashmir etc.

- Many a times hired capacity is taken on AUB (Actual Utilization Basis) where the capacity hired is shown equal to stock stored therein making the capacity utilization 100% thereby increasing the overall capacity utilization of hired capacity as compared to owned capacity.
- Some part of the owned capacity remains under repair and maintenance resulting in overall less utilization as compared to hired capacity because the hired capacity is taken only when it is fully storage worthy.
- Often it is not cost effective to undertake long distance transportation and double handling of food grains just to ensure utilization of FCI vacant space at far off places instead of hiring fresh storage space at the place where it is required because of proximity to the procurement or consumption centres.
- As has already been stated, CAP capacity is used only for storage of wheat and many a times this becomes the reason for low utilization of CAP capacity as compared to covered capacity which can be used for all the commodities. However, the underlying fact remains that the CAP storage capacity constitute a small fraction of total storage capacity i.e only 26.07 LMT against 408.34 MT of total owned capacity of FCI.

Further, adequate checks and balances are in place in the form of Internal Audit and Comptroller & Auditor General (CAG) audit so as to ensure proper utilization of available capacity whether owned or hired and to ensure that no infructuous expenditure is made on account of rental charges by hiring the godowns unnecessarily. Review of capacity utilization is also carried out by Regional Offices (RO)/ Zonal Offices (ZO)/FCI Head Quarters (HQs) to ensure optimum utilization of storage capacity and to minimize the cost of storage.

3.14 Asked whether the storage capacity is sufficient to store the buffer and operational stock of foodgrains and the steps that have been contemplated to augment the capacity, the Ministry stated that yes, the present storage capacity is sufficient to store the buffer and the operational stock of foodgrains. As on 31.01.2020, the total storage capacity available with FCI and state agencies for storage of central pool stocks was 752.60 LMT, comprising covered capacity of 620.44 LMT and CAP capacity of 132.16 LMT, which is much more than the Central Pool Stock of 578.17 LMT as on 01.02.2020.

3.15 In reply to a query regarding rent paid by FCI to each agency for hiring of godowns agency wise, the Ministry furnished the details of the rent paid by the FCI for hiring of godowns are as under:-

(figures in Rs Cr)

YEAR	CWC	SWC	Pvt. Party	Port Authority	State/ Central Govt.	PEG	Others	Grand Total
2017-18	360.84	957.92	64.61	42.38	5.37	909.22	5.08	2,345.42
2018-19 (unaudited)	395.28	985.12	84.68	21.50	7.84	914.93	4.43	2,413.78
2019-20 (upto Jan, 2020)	330.93	782.46	82.88	16.48	2.65	669.31	2.26	1,886.97

3.16 The Ministry further stated that as per present norm, there is 75% of capacity utilization. However, for better utilisation of the storage capacity and considering higher stock levels, capacity utilisation norm of 80 % has been considered optimum. However, capacity utilization has been often exceeding 80% depending upon stocks level. General Manager (Region), FCI has full powers to hire/de-hire the capacity as per the requirement.

3.17 The Committee note that capacity utilization of hired storage capacity is more due to some natural phenomenon, however, the utilization of CAP (Owned) capacity of only 15% from 2019-20 to January, 2020 appears to be a bit too low whereas the utilization of CAP (Hired) capacity was 134%. While agreeing that the reasons of natural phenomenon are justifiable to some extent, yet the Committee are unable to accept such a gross under-utilization of Owned CAP storage capacity which indirectly results in wastage of resources. The Committee do not dispute the various constraints cited by the Ministry for under-utilization of owned capacity such as owned capacity under repair and maintenance, not cost effective to take long distance transportation etc., but they desire that hiring of storage capacity may be resorted to only when necessary and every effort should be made to minimize the rent paid to various agencies which is as high as Rs. 1886.97 crore during 2019-20 (upto January, 2020). The Committee, therefore, strongly recommend that FCI should utilize their owned capacity to the maximum (whether covered or CAP) before hiring any storage capacity in order to save precious funds spent on hiring the storage space.

(d) Construction of Storage Godowns

3.18 FCI's owned storage capacity is constructed under Central Sector Scheme. Moreover, FCI is augmenting capacity through private investors, CWC and SWCs in PPP mode under PEG scheme.

3.19 FCI is creating new godowns using Central Funds with focus of NE States. The physical and financial performance during the last three years under Central Sector (Erstwhile Plan) Scheme is given below:

(Cap in MT/Rs. in crore)

Year	North East				Other than North East			
	Physical		Financial		Physical		Financial	
	Target	Achievement (capacity constructed)	Target	Achievement (expenditure made by FCI)	Target	Achievement (capacity constructed)	Target	Achievement (expenditure made by FCI)
2017-18	32,530	7,930	47.00	42.62	15,000	Nil	10.49	5.87
2018-19	22,100	17,100	42.50	52.44	18,340	18,340	2.50	9.46
2019-20 (till 19.02.20)	25,000	2,500	45.00	18.01	2,240	-	4.00	3.42

3.20 Asked whether there is perspective plan for construction of mini godowns in various districts/talukas of various States, the Ministry stated that there is no such plan for construction of mini godowns by FCI.

3.21 The year-wise details of capacity added vis-a-vis targets under PEG scheme are as below:-

Year	Target (in LMT)	Capacity added under PEG scheme(in LMT)
2017-18	Nil	4.06
2018-19	Nil	1.40
2019-20 (Upto January 2020)	Nil	1.46
Total	Nil	6.92

3.22 The Ministry further stated that the state-wise details of capacity under construction in PEG scheme (as on 31.01.2020) is as under:-

Sl. No.	State	Capacity under construction (in MT)
1	Andhra Pradesh	25,000
2	Bihar	12,000
2	Haryana	32,300
3	Himachal Pradesh	70,030
4	Jammu & Kashmir	76,660
5	Jharkhand	95,000
6	Madhya Pradesh	76,500
7	Odisha	5,000
8	Tamil Nadu	10,000
9	Telangana	20,000
10	Uttar Pradesh	25,000
11	West Bengal	90,000
	Total	5,37,490

The capacity of silos constructed by FCI/State Governments during the last three years i.e. 2016-17, 2017-18, 2018-19 and 2019-20 (till date) is as under:

Year	Target completion (in LMT)	Capacity completed (in LMT)
2016-17	5.00	6.00
2017-18	15.00	0.25
2018-19	30.00	0.50
2019-20 (up to 31.01.2020)	50.00	0.50
Total	100	7.25

3.23 In case of construction of silos with railway sidings, the primary bottleneck in implementation of the projects remains the requirement of land. Hence, to mitigate this problem thorough review has been done with railway authorities as well as with State Governments to explore the possibility of identifying Railway land or State Government land for construction of silos. However, Railways has conveyed its inability to provide land. Further, barring one or two locations in Punjab and Haryana, land for silos could not be made available by State Governments.

3.24 In order to solve this issue, FCI has contracted M/s RITES to study whether a hub and spoke model of silos with containerized movement would be more effective. The model envisages road side 'Spoke' silo feeding a Container Rail Terminal (CRT) 'Hub silo' in both procuring and consuming regions. FCI plans to modify the existing configuration of silo projects including bulk handling & transportation.

3.25 It has been envisaged to construct only stand-alone silos of appropriate capacity both in procuring & consuming areas with capacities smaller than/upto 50,000 MT scattered over a large number of catchment areas in the procuring locations and near to end consumers in the consuming area. A cluster of standalone silos in procuring regions within a radius of say 50 Km may be linked to CRT/existing FCI silo/Private Freight Terminal (PFT) to be developed. Similar facilities in consuming region may be linked to a number of standalone consuming silos within a radius of say 100 KM. Hence, the silos will need smaller land parcel and less capital investment on curtailed land parcel.

3.26 The Ministry furnished the following details of the silos under construction in different States of the country as under:

(Fig. in LMT)

Agency	State	Completed	Under Implementation	Total
FCI	Assam	0	0.5	0.5
	Bihar	0	6	6
	Delhi	0	0.5	0.5
	Gujarat	0	2.5	2.5
	Haryana	0	3	3
	Maharashtra	0	0.5	0.5
	Punjab	1.25	3	4.25
	Uttar Pradesh	0	5	5
	West Bengal	0	0.5	0.5
Total		1.25	21.5	22.75
State Govt.	MadhyaPradesh	4.5	0	4.5
	Punjab	1.5	0	1.5
Total		6	0	6
Grand Total		7.25	21.5	28.75

As regards NE states, FCI has awarded silo capacity of 50,000 MT under Viability Gap Funding (VGF) mode at Changsari in Assam. The Concession

Agreement for the project has been signed on 15.09.2016 and at present, the project is under implementation and is likely to be completed by 01.10.2020. No other silo capacity is being constructed in NE States, J&K, A&N and Lakshadweep Islands.

3.27 Under Central Sector Scheme the details of construction of godowns which are in progress by FCI (as on 31.01.2020) in the country are as given below:-

S. No.	States	Region	Capacity (MT)	Remarks
1.	Assam	Jonai (Dhemaji)	20000	Physical Progress- 82%
2.	Arunachal Pradesh	Aalo	1670	Physical Progress- 20%
3.		Roing	1120	Physical Progress- 10%
4.	Manipur	Tamenglong	4730	Physical Progress- 15%
5.	Meghalaya	Baghmara	2500	Physical Progress- 80%
6.	Himachal Pradesh	Mandi	3340	Physical Progress- 25%
7.		Palampur	2240	Physical Progress- 55%
8.		Recongpeo	640	Physical Progress- 5%
		Total	36,240	

Progress of construction of storage godowns under Central Sector Scheme from 01.04.2017 to 31.01.2020 by FCI

(A) North Eastern region:-

SI. No.	State	Location	Capacity (MT)
a. Capacity completed			
1	Nagaland	Kohima	4590
2	Arunachal Pradesh	Bomdila	3340
3	Manipur	Imphal East	10,000
4		Bishnupur (approved 5000 MT)	4,600

5		Thoubal	2500
6		Chuchandpur	2,500
Total			27,530
b. Work awarded (Work in Progress)			
7	Assam	Jonai/Dhemaji	20,000
8	Arunachal Pradesh	Aalo	1,670
9		Roing	1,120
10	Manipur	Churachandpur	2,500
11		Tamenglong	4,730
12	Meghalaya	Baghmara	2,500
Total			30,020
c. Work being taken up (Land received)			
13	Mizoram	Sairang	10,000
14	Assam	Kokrajhar	15,000 (approved 2500 MT)
Total			25,000
d. Land identified			
15	Assam	Silchar	20,000
16	Nagaland	Zunheboto	5,000
17	Mizoram	Champai	3,340
Total			28,40
Grand Total (a+b+c+d)			1,10,890

B. Areas other than North East

Sl. No.	State	Location	Capacity (MT)
a. Capacity completed			
1	Kerala	Angadipuram (existing land)	5,000
2		West Hill (existing land)	10,000
3	Himachal Pradesh	Kangra	3,340
Total			18,340
b. Work awarded (Work in Progress)			
4	Himachal Pradesh	Palampur	2,240
5		Mandi	3,340
6		Recongpeo	640
Total			6,220
c. Land identified			
7	Jharkhand	Poreyahaat	10,000
8		Itkhor	10,000
9		Dumka Ph- II	15000

			(approved 20,000)
		Total	35,000
		Grand Total (a+b+c)	59,560

3.28 As regards construction of godowns in J&K, NE states and Lakshadweep, it is submitted that in Central Sector Scheme (2017-22) there is no proposal by FCI to augment /construct godowns in state of J&K, A&N and Lakshadweep Islands. However, the godowns are being constructed in North East Region including Sikkim under Central Sector Scheme (2017-22). As regards, problem being faced by FCI in construction of godown in NE Region they are mainly due to difficult terrains, frequent bandhs and issues with regard to land acquisition, law and order situation and inclement weather which affected construction work in North Eastern States.

3.29 During evidence, the representative of the Department have stated as under:-

“There is a PPP model. As you have seen in the presentation, we are not possibly getting much support for construction of godowns in the country. We are trying to promote PPP model for conventional godowns and storages as well as for silos.”

3.30 The various projects of construction of 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 writing DO letters at the level of C&MD and EDs. In addition, this Department also monitors the progress and expedites the State Governments for unresolved issues like land acquisition. Meetings are also held at the level of Additional Secretary (Storage) and Secretary (F&PD) to review the progress of implementation of this scheme.

3.31 When asked whether the Department has examined the possibility of increasing storage capacity norms to six months in NE States due to difficult terrain and transportation constraints, the Ministry stated that no decision has been taken so far in this regard.

3.32 The Committee note that construction of godowns in PEG Scheme (as on 31.01.2020) of 5,37,490 MT capacity is going on in 11 States. Construction of Silos by FCI/State Governments during 2016-17 to 2019-20 has been completed for 7.25 LMT against the target set for 100 LMT capacity. The slow progress in construction of silos with railway sidings was attributed to requirement of land. To solve the issue, FCI has contracted M/s RITES to study whether a hub and spoke model of silos with containerized movement would be more effective, and FCI now plans to modify the existing configuration of silos projects including bulk handling and transportation. The Committee further note that construction of 36,240 MT is going at various stages in 8 locations of 6 North-Eastern States. The Committee also note that construction of godowns by FCI under Central Sector Scheme with total capacity of 1,10,890 MT is in progress at 17 locations in NE Region from 01.04.2017 to 30.01.2020. The Committee appreciate the fact that construction of godowns is going on at various locations in the country and hope that the FCI and Ministry will make earnest efforts to expedite completion of construction at all the ongoing projects in the country to enhance the overall efficiency of the PDS.

3.33 The Committee are also concerned to note that FCI could not achieve the physical and financial targets set for construction of godowns during 2019-20 in respect of North-East (NE) States as well as other than NE States. In NE States, against the physical target of 25000 MT, the achievement was only 2500 MT and financial target was Rs. 45 crore but achievement was only Rs. 18.01 crore. In States other than NE, the set physical target was 2240 MT but the achievement was 'NIL'. The Committee understand that FCI encounters various problems in construction of godowns in NE region such as difficult terrain, frequent bandhs and issues relating to acquisition of land etc. The Committee, however, desire that the Department should take up the matter consistently with States/UTs at highest level to resolve every issue including identifying and providing suitable land for construction of godowns and ensure that the funds earmarked for the purpose are fully utilized. The Committee also desire that a road map be chalked out for creation of mini-godowns in various districts/talukas of different States/UTs.

The Committee are also concerned to note that in many States, there are many single-storeyed old godowns which are 30-40 years old and are in dilapidated condition. The Committee are of the view that the FCI/CWC should consider these single-storeyed old godowns for reconstruction/conversion into multi-storey buildings using the latest technology/lifts etc. instead of wasting time in finding suitable land. This will also ensure scientific storage which will further reduce storage and transit losses as well.

(e) Corruption in FCI

3.34 On being enquired about the details of incidents of corruption cases detected against FCI Officers/staff and action taken during the last 3 years i.e. 2017-18, 2018-19 and 2019-20, the Ministry stated that details of corruption / bribery cases in FCI during the last 3 Years and current year and action taken with regard to fixation of responsibility on delinquents is as under:-

S.NO.	Region	Year	Case	Complaint against (If specified)	Status of the Case	Brief Status
1	Kerala	2017	Cheating, criminal misconduct, conspiracy, breach of trust by public servant.	Shri. A.C. Ramakrishnan Manager (D) (A1) and Shri. P. Gireeshan Asst. Grade II (D) FSD, Meenngadi (A2)	Chargesheet issued under Reg. 58 on 15.11.17 to Sh. Ramakrishnan. And penalty imposed on 13.05.2019. The Penalty was imposed on 16.10.18 upon Sh. Gireesan P., AG-II (D)	Departmental action completed.
2	Punjab	2017	Illegal gratification	Sh Pankaj Singh AG-II (T)	(i)C/s under reg. 58 was issued to Sh. Pankaj Kumar Singh, AG-II(T) on 12.06.2018. Pending under trial and next date fixed on 20.12.2019 for prosecution evidence.	Pending at CBI / ACB Court
3	J&K	2017	Criminal conspiracy, cheating & criminal Misconduct (Abuse of official position)	FCI Officials, State Govt. officials and contractors	CBI Enquiry is under process. Vide DO Letter from GM (Vig), FCI Hqrs. dated: 05.12.2018, the GM (R)s of J&K Region and Punjab Region have been instructed to initiate action against the delinquents on the basis of Audit Squad report received from ZO(N). Action has been initiated	Departmental action under process

					by RO Jammu & Kashmir and Punjab. Chargesheet has been issued by PB & 16 SCN issue be GM(J&K) to Cat.- II/III and others.	
4	Punjab	2017	Demanded Rs 114000 for cleaing of transport bills/-	Prabha Shankar AG-II (D) and Praveen Kumar AG-II (D)	Chargesheet Issued on 19.12.2018 under Major Penalty. The case is stayed by Hon'be High Court of Punjab and Haryana which was at prosecution evidence stage. Next date of hearing 30.12.2019.	Departmental proceedings stayed by Court
5	Kerala	2017	Cheating, criminal misconduct, conspiracy, breach of trust by public servant.	[1] Smt. Anamma Mani M(D) [2] Shri. Naveen K Narayanan A.G.I (D, [3] Shri. Sreeraj A A.G. II(Tech.) [4] Shri. Madhusoodhana M.K. A.G. III (D) and [5] Shri. C.K. Preman A.G. II (D)	CBI has registered FIR No. 16 (A) / 2017 / CBI / ACB / Cochin dated 29.12.2017 against Smt. Anamma Mani M(D) Shri. Naveen K Narayanan A.G.I (D), Shri. Sreeraj A A.G. II(Tech.) Shri. Madhusoodhana M.K. A.G. III (D) and Shri. C.K. Preman A.G. II (D). CS Vig.4(15)/17/KER dt. 29.8.17 issued to M(D) under Reg-58. CS No. Vig.4(4)/17 dt. 22.8.17 issued to Seeraj, Madhusoodhanan, Preman under Reg-58. No Disciplinary against Naveen. Penalty imposed vide No. Vig.4(4)/17 dt.25.1.19 upon Preman by reduction of rank AG-II to AG-II at initial stage and penalty, reduction to three stage for two years imposed upon Madhusoodhanan and Seeraj. Penalty upon	Departmental action completed.

					Ansamma Mani, M(D) by reduction of two stage of pay with cummulative effect. vide order dated 14.01.19. RO, Kerala informed on 02.11.19 that Prosecution saction was sought by CBI on 30.9.19.	
6	Jharkhand	2018	Proc2/Kharif/2017-18/inspection	Sri Arbind Paswan, AG-III(D)	RO Patna vide letter dated 02.01.2019 to Supt. Of Police CBI, ACB, Patna with a copy to this office has requested CBI to intimate the present status of these cases. This office vide letter dated 05.02.2019 has requested RO, Patna to keep this office updated about any development in these cases. Penalty of dismissal imposed and rigorous imprisonment for 4 years.	Departmental action completed.
7	Punjab	2018	Trap Case by CBI	Manish Kumar Yadav AG-III (T) and Jagdish Lal AG-I (D)	RO PB vide order dt. 20.09.2018 has revoked the suspension of SH. Jagdish Lal, AG-I(D) & Sh. Manish Kr. Yadav, AG-I(D) and the services of these officials wouldn't be utilized on sensitive seats during pendency of disciplinary proceedings. Chargesheets under major penalty have been issued vide order dated 02.08.2018. Next Date of hearing 11.10.2019 for prosecution evidence at CBI Court.	Pending at CBI / ACB Court
8	Punjab	2018	Trap Case	Virender	ZO (N) vide letter dt.	Pending at

			by CBI	Singh M (D), Krishan Kumar M (QC) and Bhogal M (Soma)	22.11.18 intimated that CBI has requested prosecution sanction against Sh. Veerendra Singh (M) & Sh. Kishan Lal M(QC) has been sent to CBI on 16.11.18. Disciplinary action against Sh. Veerendra Singh, M(D) , Sh. Kishan Lal, M(QC) and Sh.Ghanshyam Yadav, AG-III(T) has already been initiated under Regulation 58 vide Memo dated 19.12.2018. Next date for 27.11.2019 for prosecution evidence at CBI Court	CBI / ACB Court
9	Gujarat	2018	Trapped by ACB Baroda for Bribe of RS.1000/-. Both Official have been suspended by this office from 16.10.2018	Shri Hemant Parashar, AG- III(D) & Shri Neeraj Kumar, AG- II(D)	On Bail, Chargesheet filed by ACB, Baroda. Official was suspended vide order dated 16.10.2018, on review of the same, Suspension was extended vide order dated 29.01.2019. Suspension has been revoked on 29.04.2019. Prosecution Sanction has been accorded in r/o both the Official on 07.01.2019. Shri Hemant Varshney, AGM(A/Cs) , FCI, RO Ahmedabad appointed as IO and Shri Maulik Joshi, M(D), FCI, RO Ahmedabad appointed as PO on 14.05.19. DEP is under process at RO level.	Department al action under process
10	Uttar Pradesh	2018	Criminal conspiracy & illegal gratification	Sh.Brijesh, M(QC), PEG Arjunaha, Kushinagar &	Chargesheet under major regulation has been issued vide memorandum no.Vig.4(26)/ROLKO/GKP/	Department al action under process

			based on the complaint dated 03.07.2018 made by Sh.Subodh Kumar Singh	Sh.Sushant Kumar, AG-III(D), Depot-In-Charge, PEG Arjunaha, Kushinagar	2018 dated 05.12.18. Reply of COs awaited as COs are in Jail. Committee has been formed to review the suspension. This office vide letter dated 16.04.2019 requested RO(UP) to furnish the latest status of the case and details of departmental action taken against the delinquents. Chargesheet has been issued u/s 58 to both delinquents.	
11	Uttar Pradesh	2019	Demanding and accepting illegal gratification . Public servants obtains or accept an undue advantage with intention to perform of public duty improperly or dishonestly based on the complaint adted 20.01.2019.	Nitesh Kumar Pandey, AG-II(T), Raghwapur, Deoria	This office vide letter dated 18.04.019 requested RO(UP) to follow the matter with CBI & take necessary action in the matter and furnish the latest status of the case along with details of departmental action taken against the delinquents. Reminder 17.06.2019, 22.07.2019 & 26.08.2019. The delinquent is in Jail. Prosecution sanction has been granted. Chargesheet is pending.	Departmental action under process
12	Jharkha	2019	Trap case in	Sh.Ataullah	Suspension has been	Department

	nd		connection with hiring of godown by FCI	Sikander, AGM(Genl.), the then Area Manager, DO, Ranchi	revoked with immediate effect, without prejudice to the disciplinary proceedings and criminal case pending against him vide order no 37(06)/2018/EZ/Jhk/922 dated 17.06.2019.	al action under process
13	Madhya Pradesh	2019	Charges of demand of illegal gratification	Shri Vinod Kumar, Manager(D) & Shri Kirti Sagar Mishra, AG-III(D)	Deemed Suspended w.e.f 13.03.2019. Suspension was extended for another 90 days with effect from 11.06.2019. Suspension has been revoked vide Order No.Vig.4(03)/DO Sagar/2019 dated 07.09.2019. Draft Charge sheet UR-58 has been requested from GM(R), Bhopal for initiating DEP against Shri Vinod Kumar, Manager(D). Shri Kirti Sagar Mishra, AG-III(D), Deemed Suspended w.e.f 13.03.2019. Suspension was extended for another 90 days with effect from 11.06.2019. Suspension has been revoked vide Order No.Vig.4(03)/DO Sagar/2019 dated 07.09.2019.	Departmental action under process
14	Uttar Pradesh	2019	Demanding and accepting bribe of Rs 10,400/- from complainant Shri Narendra Mishra.	Shri Syed Mehadi Hasan Rizvi, AG-I(D), unit In-charge, FCI, Talkatora, Lucknow	This office vide letter dated 17.06.2019 requested RO (UP) to take necessary action in the matter & follow up the matter with CBI and furnish latest status of the case along with details of departmental action taken against the	Departmental action under process

			Demand of undue advantage by public servant with intention to perform of public duty improperly or dishonestly based on the complaint dated 13.05.2019 made by Shri Narendra Mishra		delinquent. Reminder dated 22.07.2019, 26.08.2019. Prosecution sanction granted by GM(UP). Suspension has been revoked. C/s is being issued.	
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Summary

Departmental Action Completed	3
Departmental Action under process	7
Pending at CBI / ACB Court	3
Departmental Proceeding Stayed by Court	1
Total Cases	14

3.35 The Ministry have furnished the details of vigilance cases registered during the last three years i.e. 2017-18, 2018-19 and 2019-20 (till December, 2019) as under:-

Details of Vigilance Cases registered during 2017-18 to 2019-20 (Till Dec-19):-

Year	NO. OF CASES			ACCEPTANCE OF ILLEGAL GRATIFICATION/ DISPROPORTIONATE ASSETS		PURCHASE OF SUB-STANDARD STOCKS		AWARD OF CONTRACT		TRANSIT LOSSES		STORAGE LOSSES		DOWNGRADATION /DAMAGE OF STOCKS		DEFALCATION / MISAPPROPRIATION OF STOCKS, A/Cs ETC.		ADMN. LAPSES/ MISC.	
	MAJOR	MINOR	TOTAL	Maj or	Minor	Maj or	Minor	Maj or	Minor	Maj or	Minor	Maj or	Minor	Maj or	Minor	Maj or	Minor	Maj or	Minor
2017-18	64	753	817	2	0	1	28	1	5	4	160	10	289	2	16	21	40	23	215

2018 -19	92	736	828	6	2	6	55	6	5	4	14 9	3	26 3	6	11	13	46	48	205
2019 - 20(till Dec- 19)	60	475	535	1	0	3	60	0	1	4	70	8	18 1	0	2	10	21	34	140

Number of cases referred to CBI / CVC during 2017-18 to 2019-20 (Till Dec-19)

Year	CBI	CVC
2017-18	1	0
2018-19	1	2
2019-20 (Upto Dec-19)	1	3

3.36 When asked about the remedial steps being taken to check corruption, the Ministry replied that in order to effectively carry out objectives of FCI and curb the instances of corruption, following preventive measures aimed to reduce the scope for corruption/ irregularities/ frauds are being taken:

Preventive measures in Procurement:

- Through periodical checks and surveys, it is ensured that the MSP payments to the farmers and payments to State Govts. and its Agencies are made within the stipulated timeframe through e-payment system.
- Pictorial depiction of quality parameters in rice is introduced to field functionaries and also put up in public domain as a ready visual reference to bring accuracy in analysis of rice quality.
- Regular Inspections and test checks of the procurement reports are made to ensure conformity as per GOI specifications. In case of any deviation, responsibility fixation is done on the delinquents.
- Process Audit is done for tagging of mandis/mills to depots.
- Online issue of A-Note (Acceptance Note) to the foodgrains suppliers has been introduced to capture real-time and accurate information.
- Identity-blind/ Coding system for marking samples of foodgrains is implemented to ensure unbiased analysis of foodgrain quality.

- Computerized Rice Analyzers (Annadarpan Smart) have been installed at 30 locations of 07 major procuring regions namely Punjab, Haryana, Uttar Pradesh, Orissa, West Bengal, Chhattisgarh and Andhra Pradesh. The said regions carry out rice acceptance operations using these analyzers.

Preventive measures in Storage and Contracts:

- A comprehensive on-line depot management system FCI Depot Online System (FCIDOS) has been implemented in FCI own depots. This will help to improve and automate record keeping as well as provide real-time data/ information about the activities in godowns as well as bring in transparency and reliability in day-to-day operations.
- E-tendering has been made mandatory for all contracts above the value of Rupees Two Lakhs.
- Norms are defined alongwith proper reporting mechanism and fixation of responsibility for storage shortages reaching abnormal levels due to misappropriation / theft & pilferage of foodgrains.
- Regular inspections keep a check on damage of foodgrains / misappropriation / storage shortages beyond normal levels.
- Sensitive Districts have been identified on the basis of specific parameters and are constantly reviewed from time to time. This has been reviewed vide Circular No. 1/2019 dated 18.01.2019.
- CCTV Cameras are installed in owned godowns to keep a check on instances of various irregularities in day to day operations.
- Grievance Redressal Committees are constituted to address the grievances of contractors.

Preventive measures in Transportation/ Movement

- E-tendering and tender results are published on FCI website as well as on GOI website for enabling ease of access, prompt dissemination of information and transparency.
- Assessment of transit losses is made based on the trend reports. Cases of abnormal transit losses call for fixation of responsibility. Responsibility in case of abnormal Transit losses is invariably fixed.

- Independent Consignment Certification Squad (ICCS) is deputed at the time of loading and unloading of foodgrains moved through Railways.

Preventive measures in Distribution

- Stock quality is verified by Joint Sampling at the time of issue to the State Govt. agency.
- Open Market Sale of Foodgrains is done only through e-auction.

Preventive measures in matters related to Labour

- Regular review of handling cost is done. Investigation is mandatorily done in case of depot involving high handling costs.
- Making investigation necessary in cases where Department labourers and Direct Payment System (DPS) labourers earn monthly wages of more than 1 Lakh and 50,000 respectively.
- Process of installation of Aadhar Number based Biometric Attendance Machines for labour is also initiated to prevent proxy labour.

3.37 The Committee note that the FCI/Government has taken several preventive measures to check corruption in the process of procurement, storage and contracts, transportation/movement, distribution and also in matters related to labour. However, the number of cases of corruption reported during the last three years i.e. 817 cases in 2017-18, 828 cases in 2018-19 and 535 cases in 2019-20 (till December, 2019) is considerably very high. The Committee are of the view that vigilance mechanism needs to be tightened up and should be made more transparent and effective. All cases of corruption should be viewed seriously and investigated promptly with a view to fixing responsibility even at the level of senior officers so as to root out corruption at all levels. The Committee, therefore, desire that more concerted efforts should be made to ensure quick disposal of vigilance cases and prevent incident of corrupt practices at all levels.

CHAPTER IV

MANAGEMENT OF SUGAR

India is one of the largest producers of sugar and sugarcane in the world and the sugar industry is the largest agro-based industry located in rural India. About 45 million sugarcane farmers, their dependents and a large mass of agricultural labourers are involved in sugarcane cultivation, harvesting and ancillary activities constituting 7.5 per cent of rural population. Maharashtra and Uttar Pradesh contribute more than 50 per cent share in the country's sugar output. India is also the largest consumer of sugar in the world.

(a) Production of Sugar

4.2 In past, sugar production in India has been cyclic in nature. Every 3-4 years of high sugar production are followed by 2-3 years of low sugar production. From sugar season 2010-11 onwards, the production of sugar has exceeded domestic requirements in the country till sugar season 2015-16. During sugar season 2016-17, the production was lower than the demand due to drought in major sugar producing states of Maharashtra and Karnataka. However, since 2017-18 sugar season the production has been higher than the domestic demand. Because of improved variety of sugarcane, the production of sugarcane/sugar production would likely to remain surplus in coming seasons. As such, the cyclicity in sugar production has reduced. Details of production, consumption, demand, availability and carry-over stock, buffer stock, import-export of sugar in the country during the last three years are given below:-

(Figures in Lakh MT)

Particulars	Sugar season 2017-18	Sugar season 2018-19(P)	Sugar season 2019-20(E)
Carry-over stocks	39.62	107.00	145.00
Production of sugar	322.00	331.30	273.00
Imports	-	-	-
Availability	361.62	437.89	418.00
Consumption / demand	253.21	255.00	260.00
Exports	6.19	38.00	50.00

(P) – Provisional.

4.3 Asked about the rate of Statutory Minimum Price (SMP) for sugarcane, the Ministry stated that the Central Government fixes Fair and Remunerative Price (FRP) of sugarcane, earlier called Statutory Minimum Price (SMP), having regard to the factors mentioned in Clause 3(1) of the Sugarcane (Control) Order, 1966 based on the recommendations of the Commission for Agricultural Costs and Prices (CACP) and after consultations with State Governments and other stakeholders. It is the benchmark price below which no sugar mill can purchase sugarcane from the farmers. FRP of sugarcane, linked to recovery rate, is uniform throughout the country and not fixed state-wise. However, four states namely Uttar Pradesh, Uttarakhand, Punjab and Haryana also fixes State Advise Price (SAP) which is higher than the FRP.

FRP for 2018-19 and 2019-20 sugar season has been fixed at Rs. 275/- per qtl. linked to a basic recovery of 10.00% subject to a premium of Rs. 2.75 per qtl. for every 0.1 percentage point increase above 10% and proportionately decreases by Rs. 2.75 per qtls. for every 0.1% decrease in recovery falling below 10% but above 9.5%. The FRP of sugarcane payable by sugar factories for each sugar season from 2017-18 and onwards is tabulated below:-

Sugar Season	FRP (Rs. per quintal)	Basic Recovery Level
2017-18	255.00	9.5%
2018-19	275.00	10.00%
2019-20	275.00	10.00%

4.4 When asked whether the Government proposes to take any short-term and long-term measures to address the problems faced by the sugar-cane growers and sugar industry, the Ministry stated that in order to safeguard the interest of the cane farmers, the Central Government fixes Fair and Remunerative Price (FRP) of sugarcane having regard to the factors mentioned in Clause 3(1) of the Sugarcane (Control) Order, 1966. FRP of sugarcane, so fixed is a statutory minimum price below which no sugar producer can purchase cane from the growers. The Sugarcane (Control) Order, 1966 also stipulates payment of cane price within 14 days of supply, failing which interest at the rate of 15% per annum on amount due for the delayed period beyond 14 days is

payable. Besides, with a view to facilitate payments of outstanding dues to the sugarcane farmers, the Central Government takes various steps in the form of policy interventions from time to time as and when required.

4.5 To prevent cash loss of the mills, Government fixed Minimum Selling Price (MSP) of white sugar at Rs. 29/kg for sugar season 2017-18 vide Sugar Price (Control) Order, 2018 taking into account the components of Fair & Remunerative Price (FRP) of sugarcane and minimum cash conversion cost of the most efficient mills. The MSP has been further revised to Rs. 31/kg for sugar season 2018-19. Since introduction of MSP in June, 2018, the all India ex-mill price of sugar has been improved from the range of Rs. 24-27/kg to Rs. 31-34/kg. As a result of this, it is expected that, requirement of government interventions in the form of financial assistance in surplus phases may be minimal and it may act as a long term measure to reduce dependence of the sector on government interventions.

4.6 Government is also encouraging production of ethanol by diverting excess sugar. The Government has also allowed production of ethanol from sugarcane juice, sugar syrup and sugar and has fixed remunerative prices for ethanol derived from these feedstocks. For the development and promotion of the sugar industry and also to assist them by way of financing, loans are disbursed to the sugar mills under Sugar Development Fund (SDF) for facilitating the rehabilitation and modernisation, bagasse-based co-generation power projects, production of anhydrous alcohol or ethanol from alcohol, conversion of existing ethanol plant into Zero Liquid Discharge (ZLD) plant, and development of Sugarcane.

4.7 The Committee are happy to note that though sugarcane production in the country has been cyclic in nature, the production of sugarcane has been higher than the domestic demand since 2017-18 sugar season. The Committee hope that while fixing the Fair and Remunerative Price of sugarcane, the Central Government should ensure that the interest of the sugarcane farmers are taken into consideration. The Committee also note that the country has been exporting sugar since the sugar season of 2017-18 onwards and due to improved variety of sugarcane, sugarcane/sugar produce would likely to remain surplus in coming seasons. The Committee hope that the Department should continue to take appropriate steps to increase sugarcane production and ensure timely declaration of Fair and Remunerative Price of Sugarcane to encourage farmers for cultivation of sugarcane in the coming years.

(b) Cane Price Arrears

4.8 State wise details of cane price arrears(on SAP/FRP basis wherever applicable) for 2019-20, 2018-19, 2017-18, and 2016-17 & earlier sugar seasons is as under:-

STATEMENT SHOWING CANE PRICE ARREARS FOR 2019-20, 2018-19, 2017-18 AND 2016-17 & EARLIER SUGAR SEASONS (position as on 18.02.2020)

S.No	Name of State	Cane Price Arrears (in Rs./Cr.)				
		2019-20	2018-19	2017-18	2016-17 & earlier	Total
1	Bihar	692	109	1	39	841
2	Haryana		13	0	0	13
3	Punjab	570	256	6	0	832
4	Uttarakhand	369	151	75	25	620
5	Uttar Pradesh	6448	600	39	135	7222
6	Andhra Pradesh	188	100	5	1	294
7	Telangana	117	5	0	0	122
8	Gujarat	556	25	1	35	617
9	Maharashtra		195	62	172	429
10	Karnataka		38	0	33	71
11	Tamil Nadu	226	142	60	1529	1957
12	Puducherry				21	21
13	Chhattisgarh		6	2	0	8
14	Odisha		0	0	3	3
15	Madhya Pradesh		3	4	8	15
16	Goa		2			2
	All India	9166	1645	255	2001	13067

4.9 The details of the Sugar mills having cane price arrears for last three years and current year are available at the website of the Department viz. www.dfpd.nic.in. The Sugarcane (Control) Order, 1966 stipulates payment of cane price within 14 days of supply, failing which interest at the rate of 15% per annum on amount due for the

delayed period beyond 14 days is payable. The powers for enforcing this provision are vested with the State Governments/UT Administrations. Further, the Central Government advises the State Governments/UTs from time to time to ensure timely payment of cane dues to the farmers and to take action against the defaulting sugar mills.

4.10 The Ministry further stated that in order to facilitate sugar mills to clear cane price arrears, Government has taken following measures in past five years from time to time:-

- In order to prevent cash loss and to facilitate sugar mills to clear cane dues of farmers in time, the Government on 07.06.2018 fixed a minimum selling price (MSP) of sugar at Rs.29/kg for sale at factory gate in domestic market, below which no sugar mill can sell sugar. Government has further increased MSP of sugar from Rs.29/kg to Rs.31/kg with effect from 14thFebruary, 2019.
- The Government has also notified a soft loan scheme on 02.03.2019 for extending loans to sugar mills through banks to clear cane dues of farmers for sugar season 2018-19, for which Government would bear interest subvention of about Rs 738 crore @ 7% for one year. Under the scheme, soft loans of about Rs. 7402 crores have been disbursed to sugar mills to enable them to clear cane dues of farmers for sugar season 2018-19.
- With a view to support sugar sector and in the interest of sugarcane farmers, the Government has notified two schemes on 08.03.2019 for extending soft loans of about Rs. 15500 crores through banks to sugar mills and molasses based stand alone distilleries for enhancement and augmentation of ethanol production capacity for which Government would bear interest subvention amounting to Rs. 3355 crore for five years including moratorium period of one year.
- Government on 05.10.2018 notified a scheme for extending assistance to sugar mills @Rs.13.88/quintal of cane crushed for sugar season 2018-19 to offset the cost of cane. Under the scheme, about Rs. 1000 crores have been disbursed in year 2019 to sugar mills to enable them to clear cane dues of farmers for sugar season 2018-19.
- Government on 05.10.2018 notified a scheme for extending assistance to sugar mills for defraying expenditure towards internal transport, freight, handling and other charges to facilitate export of sugar from the country in sugar season 2018-

19. Under the scheme, about Rs. 284.53 crores have been disbursed in year 2019 to sugar mills to enable them to clear cane dues of farmers for sugar season 2018-19.

- Government on 15.06.2018 has notified a scheme for Creation and maintenance of buffer stock of 30 LMT of sugar for a period of one year from 1st July, 2018 to 30th June, 2019 for which Government is reimbursing carrying cost towards maintenance of buffer stock. Under the scheme, about Rs. 458 crores have been disbursed in year 2019 to sugar mills to enable them to clear cane dues of farmers for sugar season 2018-19.

4.11 Current sugar season 2019-20 has also commenced with huge carry-over/opening stock which may affect the liquidity position of sugar mills. In order to maintain demand supply balance and to stabilize sugar prices and to improve liquidity position of sugar mills thereby enabling them to clear cane price dues of farmers, the Government has taken following measures for sugar season 2019-20:

- Notified a scheme on 31.07.2019 for Creation and maintenance of buffer stock of 40 LMT of sugar for a period of one year from 1st August, 2019 to 31st July, 2020 for which Government is reimbursing carrying cost of Rs.1674 crore towards maintenance of buffer stock.
- With a view to facilitate export of sugar during the sugar season 2019-20, the Government vide notification dated 12.09.2019 has notified a scheme for providing assistance to sugar mills to meet expenses on export of 60 LMT of sugar to the extent of Maximum Admissible Export Quantity (MAEQ) for sugar season 2019-20. Under the scheme, Govt would be providing a lump sum assistance @ Rs 10448/MT to sugar mills to facilitate export in sugar season 2019-20 for which an estimated expenditure of Rs 6268 Cr would be borne by Govt.
- The Government has allowed production of ethanol from sugar and sugar syrup for current ethanol supply year 2019-20 (December,2019 - November,2020) and has fixed the remunerative ex-mill price of ethanol derived from C-heavy molasses @ Rs. 43.75/litre; from B-heavy molasses @ Rs. 54.27/ litre and @ Rs. 59.48/litre for the ethanol derived from sugarcane juice/ sugar/ sugar syrup.

4.12 As a result of various measures taken by the Government, cane price arrears of 2018-19 have come down to Rs. 1645 crores on SAP basis as on 18.02.2019 (more than 98.1% cane dues have been cleared). Further, for sugar season 2019-20 cane arrear of Rs. 7705 crores on FRP basis and Rs. 9166 crore on SAP basis are due for payment (about 60% cane dues have been cleared).

4.13 The Committee note that the Government has taken several measures to clear cane price arrears and as a result thereof, the cane price arrears of 2018-19 have come down to Rs. 1645 crores on SAP basis as on 18.02.2019 (more than 98.1% cane dues have been cleared). Further, for sugar season 2019-20 cane arrears of Rs. 7705 crores on FRP basis and Rs. 9166 crore on SAP basis are due for payment (about 60% cane dues have been cleared). Despite various steps taken by the Government to reduce cane price arrears, the Committee are, however, constrained to note that a huge amount of Rs. 13067 crore is outstanding as on date which include Rs. 9166 crore for 2019-20, Rs. 1645 crore for 2018-19, Rs. 255 crore for 2017-18 and Rs. 2001 crore for 2016-17 and earlier seasons. The Committee are of the view that as the cane price arrears since 2016-17 and earlier are still outstanding, it is time to take action against the sugar mills for recovery of cane price arrears alongwith interest @ 15% as per the provision of the Sugarcane (Control) Order, 1966. The Committee also feel that non-payment of cane price arrears to the farmers in time can be a deterrent and might force the farmers to stop cultivation of sugarcane and force them to go in for production of some other crops. The Committee, therefore, reiterates its earlier recommendation and urge the Government to prevail upon the State Governments/UT Administrations for enforcing the provision of Sugarcane (Control) Order, 1966 without any further delay.

(C) Buffer Stock of Sugar

4.14 The Ministry has stated that the Government has allowed creation of Buffer Stock of sugar of 30 LMT and 40 LMT for the period 1st July, 2018 to 30th June, 2019 and 1st August, 2019 to 31st July, 2020 respectively, keeping in view of the surplus stocks, projected production, estimated domestic demand and projected exports. The Government is reimbursing the carrying cost towards interest, insurance and storage @ 13.5% maximum to sugar mills for maintaining of buffer stock. Assistance is not provided out of the Sugar Development Fund (SDF) and sourcing of funds is from the budgetary process from Consolidated Fund of India.

4.15 Asked whether any time limit has been prescribed for retention of sugar stocks by the sugar mills, the Ministry informed affirmatively and stated that Buffer Stock are to be maintained for one year.

4.16 When asked whether any cases of violation of said limit has been reported, the Ministry replied that it is open to the sugar mills, to maintain Buffer Stock of sugar; carrying cost are being reimbursed only to those sugar mills which are maintaining Buffer Stock. Hence, question of violation by the sugar mills does not arise.

4.17 The Committee note that the Government has allowed creation of Buffer Stock of sugar of 30 LMT and 40 LMT for the period 1st July, 2018 to 30th June, 2019 and 1st August, 2019 to 31st July, 2020 respectively, keeping in view the surplus stocks, projected production, estimated domestic demand and projected exports. The Government is reimbursing the carrying cost towards interest, insurance and storage @ 13.5% maximum to sugar mills for maintaining of buffer stock. The Committee find that years of bumper cane harvests and record sugar production have hammered sugar prices in India, making it hard for mills to pay money to farmers. The Committee feel that creation of buffer stock of sugar is very much essential to meet any situation in the years of deficit sugar production. The Committee note that it is a positive step and will improve the liquidity position of sugar mills enabling them to clear cane price arrears of farmers and stabilize domestic sugar price. The Committee also feel that creation of buffer stock higher than last year (one million tonnes) will also protect the interest of sugarcane farmers and ensure that dues are paid to them on time. The Committee, therefore, desire that the Government should take appropriate measures to maintain a strategic stock of sugar beyond 31 July, 2020.

NEW DELHI:
March, 2020
Phalguna 1941Saka

SUDIP BANDYOPADHYAY,
Chairperson,
Standing Committee on Food,
Consumer Affairs and Public Distribution

Appendix -I

MINUTES OF THE SEVENTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2019-2020) HELD ON TUESDAY, 25 FEBRUARY, 2020

The Committee sat from 1500 hrs. to 1700 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Sudip Bandyopadhyay - Chairperson

Members

Lok Sabha

2. Shri Girish Bhalchandra Bapat
3. Ms. Pratima Bhoumik
4. Shri Mitesh Rameshbhai (Bakabhai) Patel
5. Shri Manne Srinivas Reddy
6. Dr. Sanjeev Kumar Singari
7. Smt. Kavita Singh
8. Shri Saptagiri Ulaka
9. Shri Rajmohan Unnithan

Rajya Sabha

10. Smt. Shanta Chhetri
11. Shri Sakaldeep Rajbhar
12. Shri Satish Chandra Dubey

SECRETARIAT

1. Shri Pawan Kumar - Joint Secretary
2. Shri Lovekesh Kumar Sharma - Director
3. Shri Khakhai Zou - Additional Director

WITNESSES

SI No.	Name	Designation
Department of Food & Public Distribution		
1.	Shri Edwin Kulbhushan Majhi	AS (Policy & FCI)
2.	Shri Gudey Srinivas	AS & FA
3.	Shri S. Jagannathan	Joint Secretary (BP&PD)
4.	Shri Subodh Kumar Singh	Joint Secretary (Sugar & Admn.)
5.	Ms. Nandita Gupta	Joint Secretary (Storage & PG)
6.	Ms. Manisha Sensarma	Economic Advisor
7.	Shri Mohamaad Hanif	Advisor (Cost)
8.	Shri Petluri Shrinivas	Member
9.	Shri. T.K.Manoj Kumar	Special Secretary
10.	Shri Vivek Shukla	Director (S&VO)
11.	Shri Dinesh Kumar Gupta	Director (PD)
12.	Smt. Hema Jaiswal	Director (Finance & Budget)
Food Corporation of India		
13.	Shri D.V.Prasad	CMD, FCI
14.	Shri Piush Kumar Gupta	CVO/ED (Vigilance/A&R)
15.	Shri Bijay Kumar Singh	ED (Pers/RTI/IFS/Trg/P&IR/Sports,IT)
16.	Shri Daljit Singh	ED (T/S&C)
17.	Shri B.S.Mohapatra	ED (Finance/Law)
18.	Shri Ajay Kumar	ED (IA)
19.	Ms. Seema Kakar	ED (Purchase/Security/Board Cell)
20.	Shri Sanjeev Kumar	ED (Procurement)
Central Warehousing Corporation		
21.	Shri Arun Kumar Shrivastava	MD
22.	Shri Savari Muthu Charles	Director (Finance)
23.	Shri Narinder Kumar Grover	MD, CRWC
Warehousing Development Regulatory Authority		
24.	Shri Pethril Srinivas	Chairman

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to take oral evidence of the representatives of Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) in connection with examination of the Demands for Grants (2020-21).

[The witnesses were then called in.]

3. The Chairperson then welcomed the representatives of the Department of Food and Public Distribution to the sitting and apprised them about Direction 55 (1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings. The

Hon'ble Chairperson in his welcoming remarks requested the witnesses to elaborate on various issues such as Construction of Godowns by FCI/State Governments, Assistance to Warehousing Development and Regulatory Authority, Strengthening of PDS Operations, Creating awareness amongst TPDS beneficiaries, Quality Control Mechanism, Financial Assistance to States/UTs Food Commissions for Non-Building Assets, Functioning of the Department including the problems, if any, in implementation of various schemes including subsidy for foodgrains to FCI, Decentralized Procurement Scheme, etc. Then, the representatives of Department of Food and Public Distribution with the permission of Chairperson made a power point presentation highlighting functions of the Department, Major provisions of Demands for Grants (2020-21) of the Department including detailed allocation to various schemes, Procurement of foodgrains, Storage and Transportation, Public Distribution, Responsibilities of Centre and States under NFSA, Budget allotment in Sugar Sector during 2020-21, etc. The Additional Secretary who represented the Ministry in the sitting in the absence of the Secretary and other representatives of the Department addressed to the issues raised by the Hon'ble Chairperson in his opening remarks. The issues raised by the Hon'ble Chairperson were further supplemented by the members of the Committee.

4. The Committee then held detailed discussion on the following issues:-

- (i) Procurement, Storage and Distribution of foodgrains and problems related to storage and steps taken to improve procurement system;
- (ii) Food Subsidy to DCP States;
- (iii) Food Subsidy to FCI;
- (iv) Sugar subsidy to States for PDS;
- (v) Creation and Maintenance of Buffer Stock of Sugar of 40 LMT;
- (vi) Strengthening of PDS Operations; and
- (vii) Integrated Management of PDS.

The queries raised by the Chairperson and the Members on various issues during the course of discussion were responded to by the representatives of the Department.

5. The Chairperson directed the representatives of the Department of Food and Public Distribution to furnish written replies to the queries raised by the Members, which could not be responded to during the sitting of the Committee.

6. The Hon'ble Chairperson then thanked the Additional Secretary and other representatives of the Department of Food and Public Distribution for their free and frank discussion.

[The *witnesses* then *withdrew*.]

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

APPENDIX II

MINUTES OF THE NINTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2019-20) HELD ON WEDNESDAY, 11 MARCH, 2020

The Committee sat from 1500 hrs. to 1530 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Sudip Bandyopadhyay - Chairperson

Members

Lok Sabha

2. Shri Karadi Sanganna Amarappa
3. Shri C.N.Annadurai
4. Ms.Pratma Bhoumik
5. Shri Anil Firojiya
6. Shri Khagen Murmu
7. Shri Mitesh Rameshbhai (Bakabhai) Patel
8. Shri Ajay Misra Teni
9. Shri Saptagiri Ulaka
10. Shri Ve. Vaithilingam

Rajya Sabha

11. Shri Sakaldeep Rajbhar
12. Shri Veer Singh

SECRETARIAT

1. Shri Pawan Kumar - Joint Secretary
2. Shri Lovekesh Kumar Sharma - Director
3. Shri Khakhai Zou - Additional Director

2. At the outset, Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for consideration and adoption of the Draft Reports on Demands for Grants (2020-21) relating to the (i) Department of Food and Public Distribution, and (ii) XXXXXX XXXXXX XXXXXX XXXXX under the Ministry of Consumer Affairs, Food and Public Distribution.

3. Thereafter the Committee took up for consideration the following Draft Reports :-
(i) The Demands for Grants (2020-21) of the Department of Food & Public Distribution; and
XXXXXX XXXXXXXX XXXXXX XXXXXX XXXXXX XXXXXX

4. After due discussion, the Committee adopted the Draft Report without any amendments/modifications.

5. The Committee then authorized the Chairperson to finalize the aforesaid Draft Report in the light of verbal and consequential changes and also in the light of factual verification from concerned Department and also present the same to Parliament during the current Session.

The Committee then adjourned.

XXXXXXXXXXXXX Matter does not relate to the Report.

SUMMARY OF SOME IMPORTANT RECOMMENDATIONS/OBSERVATIONS

Sl, No.	Para No.	Recommendations/Observations
1.	2.	3.
1.	2.7	The Committee desire that FCI should create necessary infrastructure for procurement of foodgrains in coordination with the State Governments and motivate them to adopt the scheme of Decentralized Procurement. The Committee understand that certain claims of State Governments are in pipeline and, therefore, urge the Department to approach the Ministry of Finance for increase in DCP allocation.
2.	2.15	The Committee while keeping various difficulties of the Department under consideration, recommend that subsidy given to FCI should be realistic and based on the actual expenditure/cost. The Ministry of Finance may accordingly be requested to allocate sufficient funds as per the requirement under food subsidy.
3.	2.33	The Committee urge the Department to expedite the installation of ePoS devices at all Fair Price Shops in remaining States/UTs and also complete Aadhaar seeding of Ration Cards with a view to ensuring food security to migrant citizens and also ensuring the utilization of the unlifted foodgrains to the maximum extent possible thereby minimizing the diversion/leakages of foodgrains.
4.	3.37	The Committee are of the view that vigilance mechanism needs to be tightened up and should be made more transparent and effective. All cases of corruption should be

		<p>viewed seriously and investigated promptly with a view to fixing responsibility even at the level of senior officers so as to root out corruption at all levels. The Committee, therefore, desire that more concerted efforts should be made to ensure quick disposal of vigilance cases and prevent incident of corrupt practices at all levels.</p>
5.	4.13	<p>The Committee are of the view that as the cane price arrears since 2016-17 and earlier are still outstanding, it is time to take action against the sugar mills for recovery of cane price arrears alongwith interest @ 15% as per the provision of the Sugarcane (Control) Order, 1966. The Committee, therefore, reiterates its earlier recommendation and urge the Government to prevail upon the State Governments/UT Administrations for enforcing the provision of Sugarcane (Control) Order, 1966 without any further delay.</p>