

[23 July, 2004]

RAJYA SABHA

**Transit Loss of FCI**

1071. SHRI R.K.ANAND: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government are aware that thousands of crores of rupees are lost on account of transit of foodgrains and shortages found in FCI in stocks which are later regularized by purchase of sub-standard foodgrains;

(b) if so, the details thereof together with the reasons for having no accounts for three years and disappearing of grains in transit etc.;

(c) whether Government have made any enquiry into these matters and if so, the outcome thereof and the action taken thereon; and

(d) what steps Government have taken to check the bungling in the FCI and streamlining its functioning?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Losses occur in foodgrains storage and transit due to drriage of moisture, multiple handling long duration of storage, bird/rodent menace, weevling due to insects, theft, movement, etc.

(b) The details of storage and transit shortages reported by FCI during the period 1990-00 to 2001 -02 are as under:—

Qty. in lakh MT and value in Rs. crores

Year	Transit Loss			Storage Loss		
	Qty. of Loss	Value	%	Qty. of loss	Value	%
1999-2000	2.95	234.82	1.17	1.72	157.25	0.34
2000-2001	1.55	134.76	0.84	1.56	145.31	0.42
2001-2002	1.42	123.12	0.61	1.44	143.02	0.25

The financial accountns of the FCI are now being audited by the Comptroller and Auditor General. The annual report of FCI upto 1999-00 has already been laid before both the Houses of Parliament and annual reports upto 2002-03 are likely to be laid before both the houses of Parliament by March, 2005.

(c) Each and every case of shortage is investigated and wherever the losses are found to have occurred on account of misappropriation, manipulation, pilferage, negligence etc., disciplinary action is initiated under the Staff Regulations/Vigilance procedures to fix responsibility and for recovery. The number of cases investigated and penalties imposed during the last three years are as under-

Year	Cases investigated	Official/Officer punished
2001	529	1367 (including 44 Cat. I Officers)
2002	760	2425 (including 65 cat. I Officers)
2003	713	2091 (including 33 Cat. I Officers)

(d) Apart from regular audit and vigilance checkings efforts are continuously made by FCI to minimize losses and bring down operational costs.

The steps being taken to reduce foodgrain losses include use of better quality gunnies, inspection and calibration of weighbridges, encouraging double line stitching of bags, improved documentation, introduction of computerized management information system of foodgrains, regular and surprise inspection of depots and deployment of CISF at vulnerable depots.

#### **Export by Fa**

1072. SHRI LALIT SURI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to State:

(a) whether it is a fact that the Food Corporation of India has been exporting foodgrains at the rates below the BPL rate, as a result of this subsidy provided by Government is being passed to the foreign importers;

(b) if so, whether Government propose to review this policy;

(c) the quantum, rate and value of foodgrains of various categories exported during the last three years and during 2002-2004; and

(d) the extent of loss suffered by Government each year due to low export prices, year-wise?