

(d) the relative merits and demerits of the said scheme?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI C. R. CHAUDHARY): (a) and (b) The scheme of cash transfer of food subsidy is implemented as per provisions of the Cash Transfer of Food Subsidy Rules, 2015, notified under the National Food Security Act, 2013 (NFSA) which *inter alia* provides food subsidy in cash directly into the bank accounts of entitled households to enable purchase of entitled quantity of foodgrains from the open market. The scheme can be taken up in identified areas, subject to fulfillment of certain conditions regarding preparedness for its implementation. Identified area is defined under the Rules as State or Union Territory or any specified area within the State or Union Territory for which there is a written consent of the State Government for implementation of the scheme. It is therefore optional for the States/UTs to implement the cash transfer of food subsidy scheme or continue with distribution of foodgrains as per provisions of NFSA through fair price shops. The Rules have been circulated to all the States/UTs.

The cash transfer of food subsidy scheme is being implemented in Union Territories of Chandigarh, Puducherry and urban areas of Dadra and Nagar Haveli.

(c) and (d) As per Cash Transfer of Food Subsidy Rules, the amount of food subsidy payable to a entitled household shall be computed by multiplying entitled quantity of foodgrains with difference between 1.25 times applicable Minimum Support Price (MSP) (Derived Minimum Support Price in the case of rice) and the Central Issue Prices (*i.e.* ₹ 1/2/3 for coarsegrains/wheat/rice respectively) or as may be revised from time to time, by the Central Government. As and when the MSP is revised, the amount of food subsidy is revised accordingly.

The scheme provides greater autonomy to beneficiaries to choose their consumption basket and also reduces the need for physical movement of foodgrains. It reduces leakages and facilitates better targeting while promoting financial inclusion.

Damage of foodgrains in FCI warehouses

674. SHRI DEREK O'BRIEN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the amount of foodgrains damaged in the FCI warehouses over the period of 2014-18;

(b) the storage capacity of FCI warehouses as compared to the amount of foodgrains procured over the period of 2014-18;

(c) the amount of foodgrains damaged before and during transportation to the FCI warehouses;

(d) whether there is any provision for monitoring and assessment of the foodgrain storage facilities, if so, details thereof and if not, the reasons therefor; and

(e) the measures that have been taken to address the wastage of foodgrains along with the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI C. R. CHAUDHARY): (a) The quantity of damaged foodgrains which accrued in godowns of Food Corporation of India (FCI) during 2014-18 is as under:—

Year	Quantity of damaged foodgrains (In Lakh Tonnes)
2013-14	0.25
2014-15	0.19
2015-16	0.03
2016-17	0.09
2017-18	0.027

(b) The total storage capacity available with FCI, and State Agencies for storage of Central Pool Stock as on 1st June from 2014-18 is as under:—

(Fig. in LMT)

As on	Storage capacity owned by FCI	Storage capacity hired by FCI	Storage capacity with State agencies	Total storage capacity
01.06.2014	156.47	226.58	375.47	758.52
01.06.2015	153.42	215.33	357.68	726.43
01.06.2016	154.15	208.32	449.47	811.94
01.06.2017	154.25	207.45	421.47	783.17
01.06.2018	154.44	226.62	474.92	855.98

The quantity of foodgrains procured from 2014-18 is tabulated as under:—

(Fig in LMT)

Year	Rice	Wheat
2013-14	318.45	250.92
2014-15	320.40	280.23
2015-16	342.18	280.88

Year	Rice	Wheat
2016-17	381.06	229.61
2017-18	381.84	308.24

(c) A quantity of 2663 MT of foodgrain was damaged before and during transportation to the FCI warehouses during 2017-18.

(d) Yes, Sir. Government monitors and assess the available storage capacity from time to time. Depending on requirement in specific areas and for modernization of the storage facilities, the Government has been implementing the following schemes for construction of godown and silos in the country:

1. Private Entrepreneurs Guarantee (PEG) Scheme: Government of India has formulated Private Entrepreneurs Guarantee (PEG) Scheme in the year 2008, for construction of covered storage capacity through Private Entrepreneurs, CWC and SWCs and other State agencies. A guarantee of hiring for 10 years is given in case of private investors and 9 years in case of CWC, SWC and other State agencies. Godowns are constructed by the private parties, CWC and SWC and other State agencies by arranging their own funds and lands. After construction, FCI take over the godown on guaranteed hiring basis.

2. Central Sector Scheme: This scheme is implemented in the North Eastern States along with Himachal Pradesh, Jharkhand and Kerala. Funds are released by the Government to FCI and also to the State Governments for construction of godowns. The objective of the scheme is to augment the storage capacity of foodgrains in the NE Region and other three States.

3. Construction of Steel Silos: In addition to conventional godowns, construction of steel silos has been undertaken in Public Private Partnership (PPP) mode for modernizing storage infrastructure and improving shelf life of stored foodgrains.

(e) Measures/steps taken to avoid the wastage/damage of foodgrains are given in Statement.

Statement

Measures taken by the Government to avoid wastage/damage of foodgrains

The following steps are taken to prevent wastage/damage of foodgrains:—

- (i) All godowns are constructed as per specifications.
- (ii) Foodgrains are stored by adopting proper scientific code of storage practices.

- (iii) Dunnage materials such as wooden crates, bamboo mats, polythene sheets are used to check migration of moisture from the floor to the foodgrains.
- (iv) Fumigation covers, nylon ropes, nets and insecticides for control of stored grain insect pests are provided in all the godowns.
- (v) Prophylactic (spraying of insecticides) and curative treatments (fumigation) are carried out regularly and timely in godowns for the control of stored grain insect pests.
- (vi) Effective rat control measures, both in covered godowns as well as in CAP storage are taken.
- (vii) Foodgrains in 'Cover and Plinth' (CAP) storage are stored on elevated plinths and wooden crates are used as dunnage material. Stacks are properly covered with specifically fabricated low-density black polythene water-proof covers and tied with nylon ropes/nets.
- (viii) Regular periodic inspections of the stocks/godowns are undertaken by qualified and trained staff and all senior officers. The health of the foodgrains is monitored at regular intervals by a system of checks and super checks at different levels. Following checks and super checks are conducted in the godowns by FCI to ensure proper preservation of foodgrains in the storage.
 - (a) Fortnightly inspection of stocks on 100% basis by Technical Assistant.
 - (b) Monthly inspection by Manager(QC).
 - (c) Quarterly inspection by AGM(QC).
 - (d) Super checks by Regional, Zonal and FCI Hqrs. Squads.
- (ix) The principle of "First In First Out" (FIFO) is followed to the extent possible so as to avoid longer storage of foodgrains in godowns.
- (x) Damage Monitoring Cells have been set up at District, Regional and Zonal levels to regularly monitor quality of stocks and reduce damages.
- (xi) Leakage point in the roof of godowns are regularly identified and repaired.
- (xii) Regular cleaning of drainages in the godown premises ensured.
- (xiii) Efforts are made to ensure that there are no seepages inside the godowns.
- (xiv) Efforts are also made to ensure that there is no clogging up of water in the premises of the godowns.
- (xv) Immediate actions are taken to segregate and recondition of the stocks whenever it gets affected.