

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

RAJYA SABHA
STARRED QUESTION NO.84
TO BE ANSWERED ON 9TH FEBRUARY, 2024

MODERNIZATION OF FCI

84 SHRI VAIKO:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the details of achievement of Food Corporation of India (FCI) in terms of adoption of digitization, streamlining procurement process, setting up of modern labs and equipments, construction of steel silos etc., for better storage and efficiency;
- (b) the storage loss and the deterioration in quality of foodgrains stored by FCI in the last three years, in terms of quantity and value, separately, year-wise; and
- (c) the details of steps taken to improve storage conditions and reduce storage loss, theft and maintain quality during the storage, free from insects and pests etc.?

A N S W E R
MINISTER OF COMMERCE & INDUSTRY, CONSUMER AFFAIRS, FOOD & PUBLIC
DISTRIBUTION AND TEXTILES
(SHRI PIYUSH GOYAL)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE STARRED QUESTION NO. *84 FOR ANSWER ON 09.02.2024 IN THE RAJYA SABHA

(a): Food Cooperation of India (FCI) has achieved various milestones in digitization by adopting Integrated Information System for Food Grains Management (IISFM), Depot Online System (DOS), Central Food Procurement Portal (CFPP), Vehicle Location Tracking System (VLTS), Warehouse Inventory Network & Governing System (WINGS), implementation of application under Financial Accounting Package (FAP) etc.

2. The following steps have been taken to streamline the procurement process of foodgrains:

(i) The Government of India/ FCI along with various State Governments formulate procurement plans to procure foodgrains from the farmers.

(ii) The procurement estimates and period of procurement are planned for Kharif crops in the month of July/August every year, while the same for Rabi Crops is planned in the month of Feb/March every year during Food Secretaries' meeting based on the inputs of State Government, Ministry of Agriculture, India Metrology Department (IMD) and FCI, regarding area under cultivation, production, rain fall data etc.

(iii) Procurement centres are opened by respective State Govt. Agencies/ FCI taking into account the production, marketable surplus, convenience of farmers and availability of other logistics / infrastructure such as storage and transportation etc. Large number of temporary purchase centres in addition to the existing Mandis and depots/godowns are also established at key points for the convenience of the farmers.

(iv) In order to ensure uniformity & transparency and to check cuts and delays, procurement of foodgrains under MSP operations is now carried out through online portal which envisages capturing certain Minimum Threshold Parameters (MTPs) such as Online registration of farmers; Integration of registered farmers data with State's land record portal; Integration of Digitised Mandi/procurement centers operations, generation of buyer/seller forms, bill of sale proceeds etc and Online payment with integration through Expenditure Advance Transfer (EAT) module of Public Financial Module System (PFMS) for direct and speedy transfer of MSP to farmers.

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(v) Procurement portals also provide farmers the latest/updated information regarding MSP declared, nearest purchase center, date/period of procurement, allotment of slots/time to farmers against their booking for sale of produce etc. This not only has reduced the waiting period for delivery of stock by the farmers but also enables the farmer to deliver stock as per his convenience in the nearest mandi.

(vi) State procurement portals have now been unified into Central Foodgrain Procurement Portal (CFPP) to share identified MTP (Minimum Threshold Parameters) towards development of an application eco-system, wherein requisite information in respect of procurement is available at single source for monitoring and strategic decision-making.

3. Regarding setting up of modern labs and equipments, FCI has set up an ultra-modern Quality Control Lab with high end equipment at Institute of Food Security (IFS), Gurugram having capability of testing Vitamin B9, Vitamin B12, Uric acid, Folic acid, Mycotoxin and Maximum Residue Limit (MRLs) of Pesticide residue. Similarly, 4 more ultra-modern Zonal Quality Control labs have been set up at Panchkula, Bhubaneswar, Raipur and Hyderabad. Artificial Intelligence (AI) based Agro-photonics device for ascertaining the age of milling of paddy has been developed jointly with Center for Development for Advance Computing (CDAC) and is under pilot trials. An ambitious programme for Digitization and Integration of all the Quality Control (QC) labs right from Mandi to Depots, Divisional Offices, Regional Offices, Zonal Offices, Hqrs. and Ministry QC Cell Labs has also been initiated.

(b): FCI stores and handles large quantities of foodgrains over longer period for distribution under various welfare schemes of Government of India. It also maintains buffer & strategic reserve for the country to ensure food security. During this process, very negligible quantity of foodgrains accrued as non-issuable (damaged) mainly due to natural calamities like cyclone, flood, rain etc., which are as under:

Percentage of non-issuable (damaged) Foodgrains against Off-take Quantity

(Quantity in LMT/ Value Rs. in Crore)

Year	Non-Issuable Food grains Accrued	Off-take Quantity (Excluding DCP*)	% of Damaged Foodgrains against Off-take Quantity (Excluding DCP)	Assessed value	Amount realised after sales of damaged stock
2020-21	0.019	688.57	0.003%	2.8	1.7
2021-22	0.017	766.08	0.002%	2.5	1.5
2022-23	0.016	675.826	0.002%	2.5	0.4

*Decentralised Procurement

2. The Storage losses for food grains (Wheat +Rice) during last 3 years are as under:

Storage losses for food grains (Wheat +Rice)

(Quantity in LMT/ Value Rs in Crore)

Year	Quantity Received	Quantity of Loss	Value of loss	% of loss
2020-21	1312.95	-1.74	-267.03	-0.13
2021-22	1420.63	-3.25	-683.73	-0.23
2022-23	1183.78	-1.41	-243.31	-0.12

(-) indicates gain. Rice loses weight due to moisture education and wheat gains weight due to moisture absorption.

(c): The following steps have been taken to improve storage condition, reduce losses and maintain quality of foodgrains:

- (i) Covered storage capacity has been augmented to avoid Covered And Plinth (CAP) Storage of foodgrains.
- (ii) Periodical prophylactic and curative treatment of foodgrains stocks is undertaken to keep them free from pests/infestations i.e. to minimize losses due to biotic factors.
- (iii) Depots exhibiting high storage losses in a month are inspected at the level of ED (Zones), GM (Regions) and other senior officers.
- (iv) Security staff of FCI, Home Guards and other external agencies are deployed at FCI depots to ensure safety and security of the stocks.
- (v) CCTV cameras are installed in depots for better surveillance and supervision.
- (vi) Physical measures like installation of barbed wire fencing of the boundary walls, provision of street lights for illumination of godowns and proper locking of the sheds are taken to secure the godowns.

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- (vii) Physical verification(PV)of stocks is conducted on Quarterly and Annual basis to keep a constant check on quantity stored.
- (viii) FCI introduced uniquely numbered, high security seals to seal railway wagons since 2022-23 to reduce transit losses.
- (ix) In order to prevent theft &en-route pilferage and ensure better protection of stocks, FCI introduced tamper proof High security cable seals meeting IS 17381: 2021 throughout India from 01.10.2022 on pilot basis and on mandatory basis from 01.01.2023.
- (x) All food storage godowns have been designed on the BIS / CPWD specifications so as to keep buffer stocks in good condition all the time.
- (xi) Roofing sheet of the Godowns from old Asbestos Sheets have been replaced to Colour coated Profile Sheets.
- (xii) Bituminous Roads have been converted into CC Roads.
- (xiii) Turbo-ventilators in the Godowns have been installed.
- (xiv) Foodgrains are stored by adopting proper scientific code of storage practices and stored in scientifically built godowns.
- (xv) Adequate dunnage materials such as wooden crates, bamboo mats, polythene sheets are used to check migration of moisture from the floor to the foodgrains.
- (xvi) Fumigation covers, nylon ropes, nets and insecticides for control of stored grain insect pests are provided in all the godowns.
- (xvii) Prophylactic (spraying of insecticides) and curative treatments (fumigation) are carried out regularly and timely in godowns for the control of stored grain insect pests.
- (xviii) Effective rat control measures are taken and bird infestation is controlled by using door nets.
- (xix) Regular periodic inspections of the stocks/godowns are undertaken by qualified and trained staff. The health of the foodgrains is monitored at regular intervals by a system of checks and super checks at different levels.

- (xx) The principle of “First in First Out” (FIFO) is followed to avoid longer storage of foodgrains in godowns.
- (xxi) Only covered rail wagons are used for movement of foodgrains to avoid damage during transit.
- (xxii) Damage Monitoring Cells have been set up at District, Regional and Zonal levels to regularly monitor quality of stocks and reduce damages. In case any negligence is reported, suitable action is taken against officers / officials found responsible.
- (xxiii) Identification and repair of all the leakage point in the roof is done periodically.
- (xxiv) Cleaning of drainages in the godown premises ensured.
- (xxv) No seepage inside the godowns and clogging up of water in the premises is ensured.
