

NATIONAL FOOD SECURITY ACT (NFSA), 2013

- Universalisation of implementation of NFSA, 2013 across the country

May 2014	March 2018
11 States/UTs implementing the Act	All 36 States/UTs implementing the Act

Benefits to about 80.72 crore of India's population, especially the most vulnerable sections of the society.

- Four Rules notified under the Act to facilitate implementation:
 - (i) Provisioning of Funds to State Governments for Short Supply of Foodgrains Rules, 2014
 - (ii) Food Security Allowance Rules, 2015
 - (iii) The Food Security (Assistance to State Governments) Rules, 2015
 - (iv) The Cash Transfer of Food Subsidy Rules, 2015
- In 2016-17, Rs. 2500 crore and in 2017-18, Rs. 4500 crore were released to State Governments as Central assistance to meet the expenditure incurred on intra-State movement of foodgrains and fair price shop dealers' margins.

Earlier Practice	Initiative Taken
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State Governments were required to either meet this expenditure on their own or pass it on to beneficiaries (except AAY beneficiaries).	Such an arrangement has been made for the first time, facilitating implementation of NFSA.
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- Rates of foodgrains for Integrated Child Development Services (ICDS) and Mid Day Meal (MDM) schemes amended.

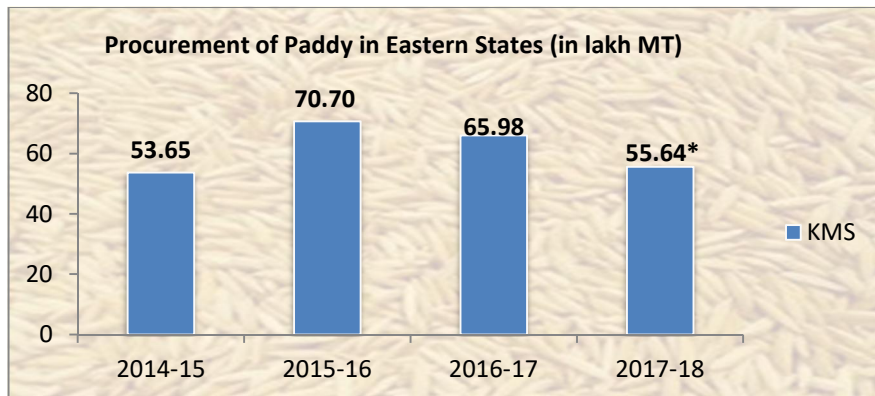
Earlier Practice	Initiative Taken
Rs.4.15 per kg for wheat and Rs.5.65 per kg for rice.	Rs.2 per kg. for wheat and Rs.3 per kg for rice, from April, 2016.

SUPPORTING THE FARMERS

➤ Enhancing procurement in Eastern India:

- FCI has initiated special efforts for procurement in the Eastern States of India.
- State-wise 5-year Action Plans has been drawn up by FCI for Uttar Pradesh (with focus on Eastern U.P.), Bihar, Jharkhand, West Bengal & Assam, where concerns exist about distress sale of paddy.
- FCI opened 635 procurement centres in KMS 2015-16, 726 in KMS 2016-17 and 749 (as on 01.05.2018) in KMS 2017-18. Total 61841, 28489 and 28489 (as on 01.05.2018) procurement centres have been opened in KMS 2015-16, KMS 2016-17 and KMS 2017-18 respectively.

- Besides Government Agencies, in consultation with States, FCI has engaged private parties to expand procurement operations in hitherto poorly covered clusters in Eastern U.P., Jharkhand, West Bengal and efforts are on to engage them in Assam also.



*As on 01.05.2018

- **Abolition of Levy System:** As direct purchase of paddy from the Farmers through the purchase centres opened by the Government Agencies is more beneficial to the farmers, the Government of India abolished levy system w.e.f. 01.10.2015 i.e. in KMS 2015-16.
- Due to untimely rains & hailstorms, wheat crop was badly damaged in RMS 2015-16. The Government relaxed the quality norms for wheat and reimbursed value cut to extend full benefit of MSP to farmers. 266.26 LMT wheat was procured Under Relaxed Specifications (URS). **Such a farmer's centric step was taken for the first time by the Central Government.**
- The Government also relaxed procurement norms of paddy during the years 2015-16 in unseasonal rainfall affected areas

of Andhra Pradesh, during 2016-17 in Uttar Pradesh, during KMS 2016-17 and 2017-18 in Bihar and 2017-18 in Odisha.

MAJOR REFORMS IN TPDS

- Foodgrains allocated to States/UTs for distribution under Targeted Public Distribution System (TPDS) and other Welfare Schemes during last 3 years and current year:

Year	Allocation of Foodgrains (in lakh MT)
2014-15	614.54
2015-16	611.02
2016-17	628.68
2017-18	608.64

- Sustained efforts have resulted in significant reforms in TPDS making it more transparent and leak proof and better targeting of food subsidy. Improvement in main components for this purpose are as follows:-

	May, 2014	April, 2018 (as on 24.04.2018)
Fair Price Shops automated	5,835	3,12,825
Digitization of ration cards	75%	100 %
Aadhaar seeding of ration cards	2%	82.64%
Online allocation of foodgrains started	9 States/UTs	30 States/UTs
Supply chain computerised	4 States/UTs	21 States/UTs
Toll free numbers/	25 States/UTs	36 States/UTs

online grievance redressal system implemented		
Direct Cast Transfer in PDS launched	Nil	3 UTs

- A National Transparency Portal for TPDS has been developed with the objective of providing all TPDS related data and information of States/UTs in the Public domain. The Transparency Portal may be accessed at <http://pdsportal.nic.in>.
- **New central sector scheme 'Integrated Management of PDS' (IM-PDS)** has been approved to be implemented during FY 2018-19 and FY 2019-20 for establishing Public Distribution System Network (PDSN) to implement national level portability, central data repository and central monitoring system of PDS operations.
- **Cash Transfer for foodgrains under Direct Benefit Transfer (DBT) scheme:**

Implemented in 3 States/UTs namely	Beneficiaries covered presently
1. Chandigarh(w.e.f. Sep, 2016)	2.82 lakh
2. Puducherry (w.e.f. Sep, 2015)	6.18 lakh
3. Dadra & Nagar Haveli (w.e.f. March 2016).	0.31 lakh

Total Rs. 12.82 crore (Approx.) is being transferred to beneficiaries on monthly basis. The Department notified the 'Cash Transfer of Food Subsidy Rules, 2015' on 21st August, 2015.

- A pilot scheme on DBT (In-cash & In-kind) on the pattern of “PAHAL” has been launched in Nagri Block of Ranchi District, Jharkhand w.e.f. October 2017.
- **Promotion of use of Digital/Cashless/Less-cash Payments mechanisms in PDS:**

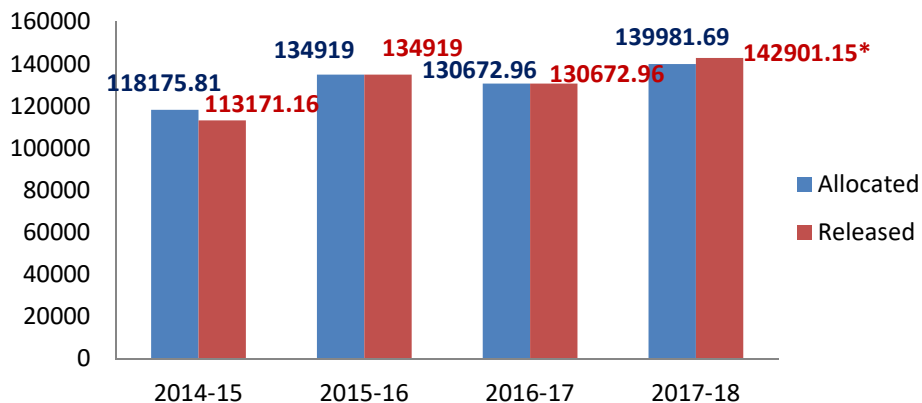
To promote the use of less-cash/digital payment mechanisms, the Department has issued detailed guidelines for use of AePS, UPI, USSD, Debit/Rupay Cards and e-Wallets on 7th December 2016.

At present in 10 States/UTs a total of 51,479 FPSs are enabled for digital payments.

FOOD SUBSIDY

- The amount of Food subsidy released to FCI, and DCP States for distribution of foodgrains under TPDS, NFSA and OWS during last three years:

Food Subsidy- allocated/released (Rs. in crores)



*Includes NSSF loan of Rs. 42919.25 crore to FCI

Ensuring Every Citizen's Right To Food Security

COST SHARING ON RICE & WHEAT

under

Antyodaya Anna Yojana and Priority Household Categories



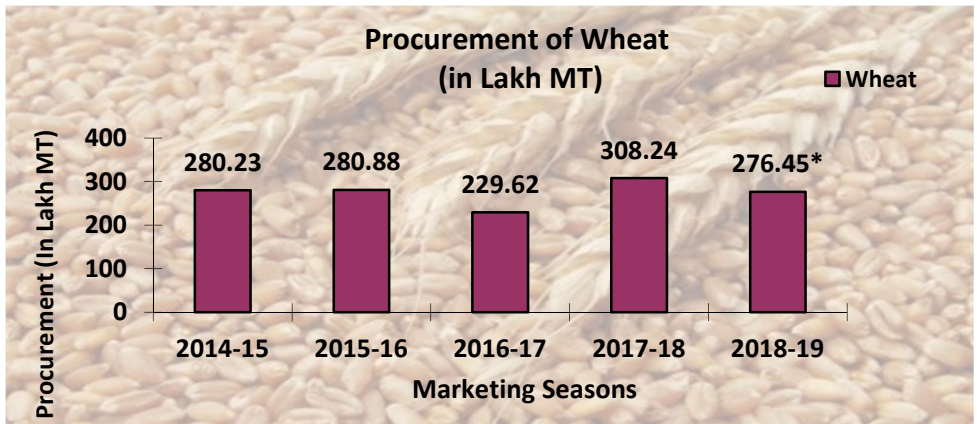
#NationalFoodSecurityAct2013

PROCUREMENT OF FOODGRAINS

- During Rabi Marketing Season (RMS) 2017-18, a quantity of 308.24 Lakh MT of wheat was procured which is **highest in last five years.**

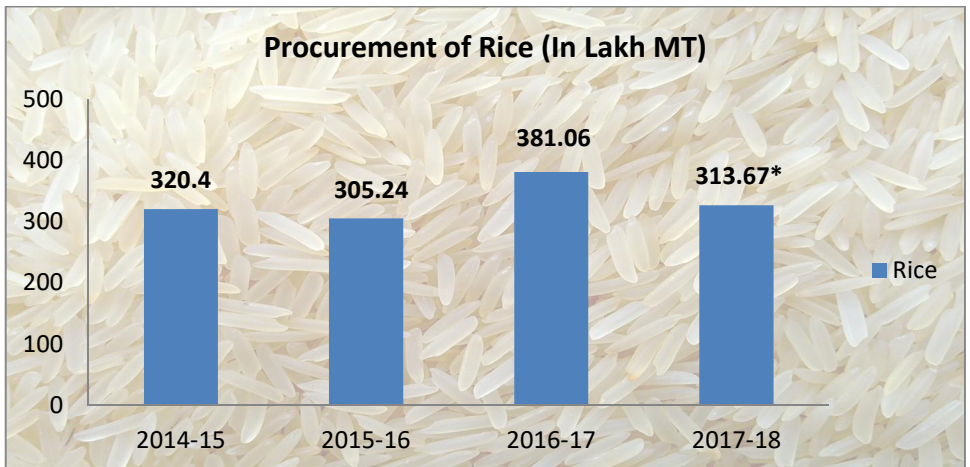
- During Kharif Marketing Season (KMS) 2016-17, a record quantity of 381.06 Lakh MT of paddy(in terms of rice) was procured.

The details of procurement of wheat and paddy/rice for Central Pool during the last three years and current year are as under:



(As on 02.05.2018)

*procurement for RMS 2018-19 is ongoing



(As on 02.05.2018)

***Procurement for KMS 2017-18 is ongoing**

IMPROVING FOODGRAIN MANAGEMENT

- A High Level Expert Committee under the Chairmanship of Shri Shanta Kumar, MP, was constituted on 20th Aug, 2014 to make recommendations on re-structuring of FCI. Based on the recommendations, several measures have been initiated to improve the functioning of FCI and to bring in cost efficiency in its operations.
- To bring all operations of FCI Godowns online and to check leakage and automate operations at the depot level, “Depot Online” system was launched on 17th March, 2016 in 31 Depots on pilot basis across 27 States. So far, this system has been made implemented at 530 depots of FCI which are operational at present. The System has been installed at 156 depots of CWC as well.
- FCI has developed software for Online Procurement Management System (OPMS) which is being used for procurement in the KMS 2016-17. So far, 16 States have fully implemented OPMS. For remaining 3 States where OPMS is to be implemented, States has been requested to implement FCI’s e-Procurement module pending of their own module.
- To improve the efficiency of foodgrains procurement and distribution operations, 15 States/UTs have adopted Decentralized Procurement (DCP) System. Also, Rajasthan (in 9 Districts) and Jharkhand (in 5 Districts) have partially adopted the DCP System. However, Rajasthan has been included in Centralized Procurement only for RMS 2017-18 and 2018-19.

- Through Open Market Sales Scheme (OMSS) of the FCI, the Department has been able to offload excessive stocks and also help stabilize prices of wheat in particular. The quantities of foodgrains sold under OMSS(D) during the years 2014-15, 2015-16, 2016-17 and 2017-18 are as under:

Year	Wheat (in LMT)	Rice (in LMT)
2014-15	42.37	Nil*
2015-16	70.77	1.11
2016-17	45.67	1.78
2017-18	14.22	4.90

*Sale of Rice was not undertaken

- On the request of this Department, Ministry of Railways has extended the preference/facility (for providing wagons) under priority 'B' to six States namely, Bihar, Telangana, Madhya Pradesh, Andhra Pradesh, Odisha and Tamil Nadu for Public Distribution System or Other Welfare Scheme sponsored by FCI, State Govt. or their agencies.
- Adequate supply of food grains made using multi-modal transport in North Eastern States despite disruption in rail route due to gauge conversion from Lumding to Badarpur. 80,000 MT foodgrains moved through roads every month. 21,900 MT of foodgrains was inducted into Tripura via Bangladesh through riverine route.

- 1,10,531 MTs of rice have been moved from Andhra Pradesh to Kerala for the first time through riverine/coastal movement in 2014-15 and 9596 MT in 2015-16. So far 1.43 LMT of rice have been move from Andhra Pradesh to Kerala
- Adequate supply of foodgrains ensured during 2016-17 for States/UTs facing natural calamities such as drought, floods and Hud-Hud cyclone (in Andhra Pradesh).
- As a part of HLC recommendations, FCI conducted a trial of containerized movement of foodgrains through CONCOR from Chhattisgarh (Raipur) to Maharashtra (Turbhe). A rake having 80 containers carrying 2159 MT of rice was moved in Aug, 16 and found to be economical both in handling and transportation. During 2016-17, FCI moved 13 containerized rakes, and total saving was Rs. 44 lakhs. A target of 100 containerized rakes movement kept for 2017-18, against which 131 containerized rakes have been moved till 27th March, 2018 with approx. savings of Rs. 593 lakhs.
- A quantity of 19,980 MT of par-boiled rice was exported to Egypt on Government to Government basis out of Central Pool Stock during 2016-17. The export was done in the interest of diplomatic gain for India.
- 500 MT of Rice was supplied to Zimbabwe as humanitarian assistance in 2014-15. 100 MT of Rice was sent to Myanmar in 2015-16 to help the flood affected pocket near Manipur border.
- 100 MT of Rice to Sri Lanka, 500 MT to Zimbabwe, 500 MT to Lesotho and 1000 MT to Namibia have been supplied as

donation/humanitarian assistance from FCI stocks during 2017-18. Also, supply of 1.10 LMT of wheat to Afghanistan as donation/humanitarian assistance from FCI stocks is in progress.

➤ **Reduction in losses:**

Loss	2015-16		2016-17		2017-18 (upto Feb, 2018)	
	MoU Target	Losses Actually occurred	MoU Target	Losses Actually occurred	MoU Target	Losses Actually occurred
Storage loss	0.15%	(-) 0.08 %	0.15%	(-) 0.11%	--	(-) 0.08%
Transit losses	0.42%	0.3%	0.4%	0.3%	0.38%	0.32%

Note: (-) indicates gain

Sufficient food grains are available in Central Pool Stocks of FCI. Stocks as on 01.04.2018 are 381.04 LMT, comprising 132.31 LMT wheat and 248.73 LMT rice.

IMPROVING STORAGE

- A total capacity of 1,41,31,735 MT has been completed till 31.03.2018 under Private Entrepreneurs Guarantee (PEG) Scheme out of which godowns of 21,13,829 MT capacity have been completed during May, 2014 to March, 2018.
- Additional capacity created by CWC”

(Fig. in LMT)

Sl. No.	Year	Under PEG Scheme	CWC own & for other State Organization	Total
1	2014-15	0.94	0.84	1.78
2	2015-16	0.70	0.92	1.62
3	2016-17	0.17	0.78	0.95
4	2017-18	0.10	0.39	0.49

- In addition to above, a total of 1,20,200 MT capacity has been created by FCI in the North-Eastern States and a few other States using funds under the Central Sector Scheme during 2014-15 to 2017-18.
- Further, the States Governments of the North Eastern States and J&K have constructed intermediate storage godowns of capacity of 37,075 MT during 01.04.2014 to 31.03.2018 using grant-in-aid under the Central Sector Scheme.

- Storage Godowns of capacity 2.93 lakh MT have also been constructed by Central Warehousing Corporation (CWC) during the period from 2014-15 to 2017-18.

- **Construction of Steel Silos:** A road map for creation of 100 Lakh MT storage capacity in the form of Steel Silos by FCI and other agencies including State Governments on PPP mode for wheat and rice has been approved. Construction has been planned in a phased manner. The progress made during the last four years is as under:

➤ Phase-I (2016-17):

Agency	Target (In LMT)	Achievement				Contracts cancelled	
		Selection of Silo operator (in LMT)	No. of locations	Completion of Silos (in LMT)	No. of locations	Capacity (in LMT)	Locations
FCI	18.00	16.00	32	0.25	1	0.75	2
CWC	0.50	-					
State Govts.							
Punjab	12.25	17.00	31	1.5	3		
Madhya Pradesh	5.00	4.50	9	4.5	9		
Maharashtra	0.50	-	-				
Total	36.25	37.50	72	6.25	13	0.75	2

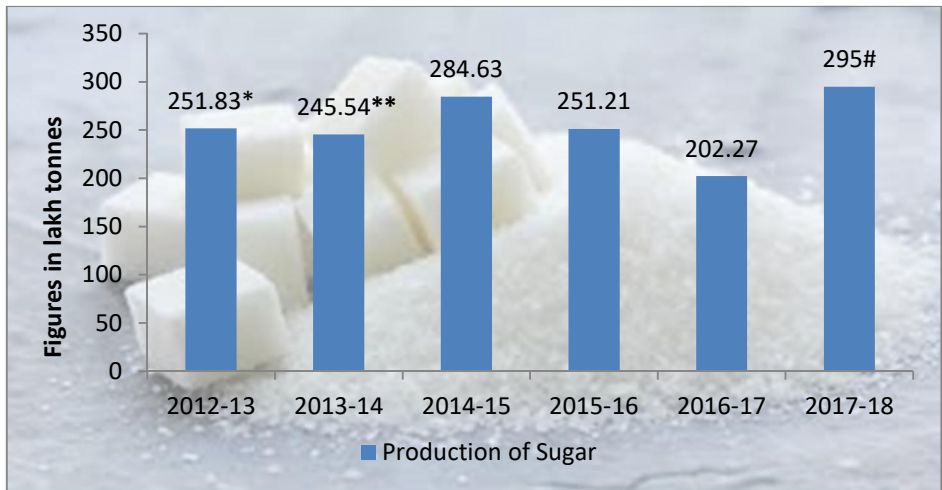
➤ Phase-II (2017-18):

Agency	Target (In LMT)	Achievement				Tenders floated yet to be finalized		Locations finalized	
		Selection of Silo	No. of locations	Completion of Silos (in LMT)	No. of locations	Capacity (in LMT)	No of locations	Capacity (in LMT)	No of location

		operator (in LMT)		LMT))	s
FCI	10.00	1.00	2			10.00	19	1.00	1
CWC	1.50					0.50	1		
State Govts.									
Punjab	7.00							1.00	1
Haryana	2.00							4.50	7
Bihar	5.00								
Rajasthan	3.50								
Total	29.00	1.00	2			10.50	20	6.50	9

- CWC has also floated tenders for construction of silos of 50000 MT at Nabha in Punjab, tender is under evaluation.

REFORMS IN SUGAR SECTOR/EDIBLE OILS



* Excludes 6.76 lakh MT white sugar produced from imported raw sugar.

** Excludes 1.05 lakh MT white sugar produced from imported raw sugar.

Estimated for the sugar season 20107-18.

➤ Stressed liquidity position of the industry had led to build up of cane price arrears to a peak of Rs. 21837 crore as on 15.04.2015 for sugar season 2014-15. To address the issue following interventions were made:

- About Rs. 4213 crore of loans has been directly remitted into the account of farmers for payment of cane dues on behalf of the sugar mills by the banks. The Government has released an amount of Rs. 437 crore to the State Bank of India for subvention of interest on the above loan.

About 32 lakh farmers have been benefited (2015 & 2016).

- A comprehensive performance based production subsidy has been extended @ Rs.4.50 per quintal of cane crushed payable to farmers against their cane dues contingent on mills undertaking export and supplying of ethanol. As on date Rs. 545 crore has been disbursed under the scheme.
- Facilitated supply of ethanol under EBP programme by fixing remunerative price and waiving off excise duty on supply of ethanol during sugar season 2015-16 (up to 10th August, 2016).
- Ethanol Blending Programme (EBP) has achieved historical success as supplies of ethanol during the ethanol season 2015-16 have reached record level of more than 110 crore litres which has never been achieved earlier. During 2014-15 and 2013-14 seasons supplies were 68 crore litres and 37 crore litres respectively.
- Due to these measures, 99.82% of cane dues payments of farmers for 2014-15 sugar season and 99.79% (on FRP-basis) for 2015-16 sugar season have been cleared already.
- The cane price arrears of 2014-15, which was Rs. 21,837 crore at peak in April, 2015 has currently come down to Rs. 417 crore. Further, as on 14.04.2018, 99.90% (on FRP basis) cane price arrear for 2016-17 sugar season has been cleared and about 81% of the

current 2017-18 arrears on FRP basis has also been cleared.

➤ Recent initiatives to stabilize sugar prices:-

- In view to stabilize sugar prices and check unnecessary imports, Government has increased duty on sugar import from 50% to 100%.
- Further, in order to encourage and explore the possibility of export of sugar from country, Government has scrapped customs duty on sugar export.
- In view of the inventory levels with the sugar industry and to facilitate achievement of financial liquidity, mill-wise Minimum Indicative Export Quotas (MIEQ) have been fixed for sugar season 2017-18. Export Quotas of 20 lakh MT of all grades of sugar; viz. raw, plantation white as well as refined, have been prorated amongst sugar factories by taking into account their average production of sugar achieved by the sugar mills during last two operational sugar season and the current season (upto February, 2018).
- Further, to evacuate some surplus sugar stocks over estimated domestic consumption through exports for keeping the market sentiment buoyant, Government has also devised Duty Free Imports (DFIA) Scheme in respect of sugar.

- From 01.05.2014 to 31.03.2015, 40 cases of loan under SDF were processed involving 11 cases for sugar Cane development, 11 cases for Modernisation/Rehabilitation, 15 cases for Bagasse Based Co-Generation Power Project, 3 cases for Ethanol and 1 case for Zero Liquid Discharge. Out of these 40 cases, 24 cases were approved involving an amount of Rs. 398.95 crore.
- From 01.04.2015 to 31.03.2016, 34 cases of loan under SDF were processed involving 5 cases for sugar Cane development, 9 cases for Modernisation/Rehabilitation, 14 cases for Bagasse Based Co-Generation Power Project, 5 cases for Ethanol and 1 case for Zero Liquid Discharge. Out of these 34 cases, 28 cases were approved involving an amount of Rs. 503.67 crore.
- From 01.04.2016 to 31.03.2017, 33 cases of loan under SDF were processed involving 3 cases for sugar Cane development, 6 cases for Modernisation/Rehabilitation, 11 cases for Bagasse Based Co-Generation Power Project, 12 cases for Ethanol and 1 case for Zero Liquid Discharge. Out of these 33 cases, 23 cases were approved involving an amount of Rs. 457.28 crore.
- From 01.04.2017 to 31.03.2018, 18 cases of loan under SDF were processed involving 1 case for sugar Cane development, 2 cases for Modernisation/Rehabilitation, 9 cases for Bagasse Based Co-Generation Power Project and 6 cases for Ethanol. Out of these 18 cases, 15 cases were approved involving an amount of Rs. 278.44 crore.

- Under SEFASU-2014 scheme, about Rs. 6484.77 crores of loans have been disbursed by the banks to various sugar factories for facilitating payment of cane dues of farmers. Under the scheme, the Department has released an amount of Rs. 2496.46 crore, during 01.05.2014 to 31.03.2018, to SBI for subvention of interest on the above loan availed by the sugar factories.

Maintaining Prices in edible Oils

- To prevent any shortage and tendency of pushing up of the price, Government has imposed Stock Holding limits on edible oil upto 30.09.2018.
- Keeping in mind the interest of the farmer, consumer and the industry, with effect from 01.03.2018, import duty on edible oils was revised as follows:

Oil	Crude	Refined
Palm Oils	44%	54%
Soyabean Oil & other Oils	30%	35%
Sunflower Oil & Rapeseed Oil	25%	35%

- With effect from 27.03.2017, export of Groundnut oil, Sesame oil, Soyabean oil and Maize oil in bulk has been permitted so the farmers get better remuneration for their crops

ACHIEVEMENTS IN CPSEs/ SUBORDINATE OFFICES/ATTACHED OFFICES/REGULATORY BODY

➤ **Achievements of Food Corporation of India (FCI)**

In view of Modernization and Reforms for Improving Organizational Efficiency, during last three years, various initiatives have been taken by FCI. Glimpse is as follows:

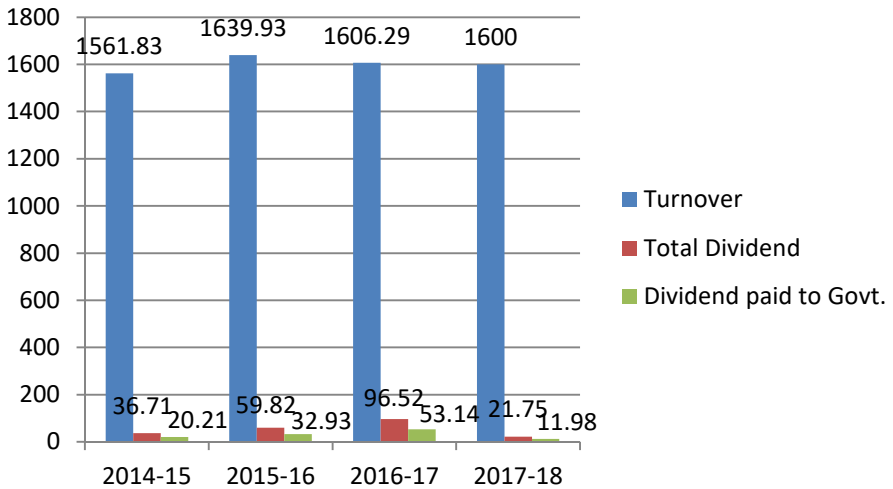
- **Construction of Silos:** for use of modern technology in storage of foodgrains
- **Introduction of Depot Online System:** a system to check leakage and for automation of operations at the depot level.
- **Online Procurement Management System:** for online procurement of foodgrains
- **Pension Scheme & Post Retirement Medical Scheme:** There was long pending demand from employees of FCI for introduction of Defined Contribution Pension Scheme. The scheme, which was under various stages of examination since the year 2008 has finally been approved by Union Cabinet in its meeting on 10.08.2016. These schemes have been made effective from 01.12.2008 and 01.04.2016 respectively vide circular dated 30.12.2016.
- **Watch & Ward staff in FCI – revised strength approved by Govt.:** In order to ensure the security and safety of foodgrains kept in godowns of FCI, a long pending proposal

since 2010, for revision of strength of Watch & Ward Staff of FCI has been approved by the Government in May, 2016. As a result, revised strength of regular W&W staff in FCI is now 5056. As a follow up of this restructuring, FCI has initiated action for filling up of 3457 vacant posts.

➤ **Achievements of Central Warehousing Corporation (CWC)**

Year-wise turnover achieved by CWC:

Achievements of Central Warehousing Corporation (CWC)



- To promote digitization and cashless transactions, an additional discount of 5% is being given to the individual farmers for cashless transactions apart from 30% regular discount being given to the farmers.
- Further, CWC has implemented Online Payroll System, CPF information and online Performance Appraisal System (APR) implemented for the benefit of employees, Warehouse Management System (WMS), Enterprise Resource Planning (ERP) TALLY for accounting in order to have transparency on Pan India basis.
- More than 99% of the payments and receipts in CWC are through digital means only. 6946 nos. of employees including merchants / depositors have been educated for using digital means for payments / receipts.
- For ensuring transparency and fairness in the recruitment process, CWC for the first time implemented an end to end recruitment process in online mode in 2016-17.

- Depot Online System has been implemented in 156 warehouses for recording online transaction. CCTV system has been installed in 43 warehouses and tender is awarded for installation at 254 warehouses.
- CWC has organized 40 training programmes on WDRA and trained 2000 farmers during 2017-18. Besides this, CWC also organized 2 days post harvest training for farmers which benefitted 720 farmers during the year 2017-18, a workshop to train the staff about Repository Ecosystem which is an important mandate of new WDRA Regulation.

➤ **Central Railside Warehouse Company Limited (CRWC)**

- CRWC achieved a turnover of Rs. 86.71 crore in the year 2016-17 and paid a dividend of Rs. 6.08 crore in that year.
- During the year 2017-18, CRWC handled 1,25,312 wagons, as against 1,23,664 wagons handled during the FY 2016-17. The gross revenue is estimated at Rs.96 crores, as against Rs. 86.71 crores during the FY 2016-17.
- Construction of 13,800 MT RWC at Pahleja Bihar in place of existing terminal at Dehri-on-Sone has been completed. With addition of this terminal, the total installed capacity has gone up to 3,43,267 MT.
- Construction of 3000 MT Railside Warehouse Complex (RWC) at Jogeshwari, Mumbai was taken up during the year and the same was completed and commissioned on 17.05.2017. In addition, construction of an office building measuring approx 380 sq. mtrs. was also completed during the year.

- Construction of 20,400 MT transit warehouse at Fatuha, Bihar with temperature controlled storage at an estimated cost of Rs.22 crores has been taken up. This will be a crucial facility catering to trade in Eastern Region.
- CRWC signed a MoU with MSTC, a mini Ratna PSU and e-commerce service provider under Ministry of Steel on 03.03.2017 for providing logistics support for last mile connectivity to buyers on the auction platform. An auction portal named e-Rashtriya Kisan Agri Mandi (e-RAKAM) was launched on the 1st of August, 2017 by CRWC, in association with MSTC, for the benefit of Farmers and overall development of Agriculture sector in the country. The portal has attracted sale of Pulses, Ginger, Turmeric and other agri-commodities by various organizations including NAFED, Jeevika, FPOs, etc.
- For enhancing security at the terminals, CRWC has successfully installed and commissioned CCTV surveillance system at 14 locations during the year.

➤ **Achievements of Warehousing Development and Regulatory Authority (WDRA)**

- Details of warehouses registered by WDRA and Negotiable Warehouse Receipts (NWRs) issued by them during 2014-15, 2015-16, 2016-17 and 2017-18 are tabulated below:

S.N o.	Years	No. of Warehouses Registered	No. of NWRs issued by registered warehouses	Value of commodities deposited against NWRs (Rs. in Crore)	Loan against NWRs (Rs. in Crore)

1.	2014-15	234	16993	1160.66	388.4 2
2.	2015-16	588	15178	845.05	203.4 7
3.	2016-17	214	19350	719.93	148.4 0
4.	2017-18	261	12199	501.54	118.3 1
Cumulative total since inception		1697	86139	5582.78	1663. 27

- To simplify the process of registration of warehouses and for their better and effective regulation and supervision, new rules namely, the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 have been notified.
- To provide safety, credibility & improve the fiduciary trust of banks in NWR system, WDRA has started online warehouse registration process and issuance of electronic NWRs through repositories. WDRA has engaged two repositories, namely National Electronic Repository Ltd. (NERL, sponsored by NCDEX) and CDSL Commodity Repository Limited (CCRL, sponsored by CDSL) for creation and management of e-NWRs. Both the repositories have started operations for issuing e-NWRs w.e.f. 26.09.2017.

➤ **Hindustan Vegetable Oil Corporation Ltd (HVOC)**

- HVOC is a sick PSU which is under liquidation in the High Court of Delhi since 2002. All its units were closed, but about 100 employees remained in its strength. Its landed assets in 7

cities were kept out of liquidation, but their disposal action was also pending.

- In order to expedite the liquidation of HVOC, the employees were offered an attractive VRS package at 2007 pay scales in 2016 and all remaining employees of the company accepted the VRS Package except one who was subsequently retrenched. As for the landed assets, the government decided on 30.11.2017 to transfer them to Ministry of Housing and Urban Affairs. In lieu of this transfer, complete liabilities of HVOC towards loans taken from the Government including interest would be written off and the Government shall also take care of all contingent liabilities of HVOC that may arise in future due to pending cases in various courts/tribunal/authorities.
- Accordingly permission of the High Court of Delhi was obtained on 20.12.2017 and all the landed assets of HVOC located at seven cities, have been handed over to L&DO/CPWD zonal Officers. All the original title documents in respect of all these plots have also been handed over to MoHUA.
- Department of Economic Affairs, Ministry of Finance has waived all the loans of HVOC and interest accrued thereon vide OM dated 08.01.2018, except the Penal interest.
- Breakfast Food Unit, Kirti Nagar was included in liquidation proceedings in January 2017. Disposal of its movable assets has been completed by the Liquidator in March 2018.
- In a meeting held by Secretary (F&PD) on 22.02.2017 to discuss final winding up of HVOC, the official of Ministry of Corporate Affairs has informed that the dissolution of the company u/s 481 of the Company Act, 1956 can be done by

the High Court when winding up activities are completed and a statement of affairs is submitted by the Liquidator to the Court to this effect. Thus, dissolution of the company can be done only when all liabilities are settled, i.e. all pending court cases are decided, and all assets of the company are disposed off.

➤ **National Sugar Institute (NSI), Kanpur**

- New courses on “Quality Control”, “Sugarcane Productivity and Maturity Management”, “Industrial Instrumentation & Process Automation” and on “Quality Control & Environment Science” have been introduced.
- Customized training programme were conducted for overseas client units from Yemen, Bhutan and Kenya.
- Facilities at the institute have been upgraded by converting conventional classrooms into “SMART” classrooms, establishment of “Auto-CAD Lab”, “Instrumentation Lab”, “Language Lab”, “Nano-Brewery” and “Ethanol Unit” etc. The Institute campus has been converted into Wi-Fi campus. Analytical Laboratory having NABL accreditation has been established so as to analyse sugar and sugar-house product samples as received from sugar factories, distilleries etc.
- Research papers on the issues relating to sugar and alcohol industry viz. treatment of waste water, production of ethanol from alternate feed stocks, water & energy conservation and value addition etc. were presented during the 29th Congress of International Society of Sugar Cane Technologists held at Thailand, 23rd IBC Asia held at Jakarta, Indonesia and 8th IAPSIT Conference at Udon Thani, Thailand.

- The Institute also rendered technical consultancy on various issues e.g. Lower sugar recovery, inferior sugar quality, higher steam and power consumption, general check-up, fuel steam balancing and on water management to sugar, ethanol and allied industries.
- The Institute also rendered technical consultancy to overseas clients, namely, M/s Kibos Sugar Refinery & Industries Ltd. Kisumu, Kenya and M/s Tembo Sugar Limited Kilfi County, Kenya.

OTHER ACHIEVEMENTS

➤ Policy Changes

- **Fortification of Staple Food:** To address acute malnutrition in the population, a strategy of Fortification in Food has been adopted. As a consequence of inputs and proactive initiatives taken by the Department of Food & Public Distribution in consultation with all Stakeholders, the Food Safety & Standards Authority of India has operationalized the standards for fortification of five staples – Wheat flour, Rice, Milk, Edible Oil and Double Fortification of Salt. These standards came into force with effect from 16-October-2016. The Department on its part advised all States/UTs in December 2016 and January 2017 to distribute fortified wheat flour and fortified edible oil as per FSSAI Standards. The use of three staple foods, wheat flour (iron, folic acid and Vitamin B-12), edible oil (Vitamin A & D) and double fortified salt (iodine and iron) have been made mandatory under ICDS with effect from 10-July-2017 and MDM with effect from 2-Aug-2017 by Ministry of Women & Child Development and Ministry of Human Resource Development respectively.
- **Wheat-Rice Policy:** Government of India formulated a wheat-rice policy in June, 2016 with an objective that the States, which annually procure more wheat or rice than their present annual entitlement/demand for wheat and rice respectively, will be allocated the preferred foodgrains as per their requirement in the normal NFSA allocation i.e. AAY and Priority category. The allocation in the tide over category will be at the discretion of the Department and subject to

availability of foodgrains in the Central Pool and impact on food subsidy.

- **Revamping the policy** - The policy regarding “Additional Allocation of foodgrains to States/UTs in connection with festivals, natural calamities and law & order situation” was revamped with effect from 18.08.2017. Now, the States/UTs requesting for additional allocation are required to furnish notification in case of drought and declaration in case of floods. Allocation upto three months is made at the request of the State Government. However, beyond three months allocation is made subject to recommendation of Ministry of Agriculture & Farmers’ Welfare in case of drought; and on the recommendation of Ministry of Home Affairs in case of Law & Order situation and natural calamity other than drought. Under the revamped policy the additional allocation is released only for the non-NFSA beneficiaries, as the NFSA beneficiaries are otherwise getting their foodgrains allocation. The CIP continues to be MSP/MSP derived rates in case of wheat and rice respectively.
- **Revamping the policy [Allocation of Foodgrains to Welfare Institutions and SC/ST/OBC Hostels]** - The policy regarding “Allocation of Foodgrains to Welfare Institutions” and “Allocation of Foodgrains to SC/ST/OBC Hostels” was revamped with effect from 1-Sept-2017 by clubbing both the schemes into a single scheme “Allocation of Foodgrains to Welfare Institutions and Hostels”. In order to bring transparency in allocation and distribution, States/UTs requesting for allocation of foodgrains are required to post the details regarding Institutions/Hostels, total capacity,

present strength, etc. on their respective portals. Allocation is made at the rate of 15 kg per inmate per month. States/UTs are allocated foodgrain with an upper limit of 5% of their entitlement under the erstwhile BPL quota. The Central Issue Price continues to be at the BPL rates.

- Foodgrain Stocking Norms (erstwhile called the Buffer Norms)** – The Foodgrain Stocking Norms have been reviewed and revised with effect from 1-January-2015. The main objective of the Foodgrain Stocking Norms (Buffer Stock policy) is to meet the prescribed minimum stocking norms for food security, to ensure monthly release of foodgrain for supply through the National Food Security Act / Other Welfare Schemes, to meet emergency situations arising out of unexpected crop failure, natural disasters etc. and to use the foodgrain stock in the Central Pool for market intervention to augment supply so as to help moderate the open market prices. The minimum stock of foodgrains in the Central Pool has been fixed as follows with effect from January 2015:-

(in million tons)

As on	Rice	Wheat	Total
1 st April	13.58	7.46	21.04
1 st July	13.54	27.58	41.12
1 st Oct	10.25	20.52	30.77
1 st Jan	7.61	13.80	21.41

Note: The above norms include a Strategic Reserve of 3 million ton of wheat and 2 million ton of rice.

- During the year 2016-17 and 2017-18 media campaign was launched by publishing advertisements in States/UTs in

English, Hindi and regional languages, to generate awareness among beneficiaries about their food security right under the National Food Security Act, 2013.

- A considerable progress has been observed in implementation of various components of e-Office in last four years. The number of e-Files created / opened as a percentage of the total files in the Department is consistently more than 90% since April, 2017. Further, the aggregate percentage of e-files on e-Office portal reached around 86% in April, 2018 which was 13% in March, 2017 due to digitization of physical files and subsequent migration from physical to electronic files on e-Office and closure of inactive physical files. The scanning of the files is going on since January, 2017 and 23,000 files (56,30,019 pages) have been scanned till 30th April, 2018 and around 13,500 files were subsequently migrated to e-Office. A Certificate of Appreciation has been conferred by DAR&PG to the Department in recognition of commendable work done in implementation of e-Office.
- A twitter account has been opened for the Department (<https://twitter.com/fooddeptgoi>). Further, a core team has been constituted in the Department under the charge of a Joint Secretary & consisting of 3 Director level officers to deal with Social Media Activities.
- The Department is a participant of Smart India Hackathon, 2018 (SIH-2018), an initiative of M/o Human Resource Development (M/oHRD). Three problem statements (2 from FCI & 1 from WDRA) were deliberated upon during this software edition Grand Finale of **SIH-2018** held on 30-31st March, 2018 at Welingkar Institute of Management Development & Research, Mumbai. Further, two problem statements from CWC have also been selected for Hardware

Edition of Smart India Hackathon, 2018, which is likely to be held later this year.

- The website of the Department of was restructured and redesigned in 2015 to make it GIGW compliant and subsequently granted Standardisation Testing and Quality Certification (STQC) which is valid upto 8th May, 2020.

SWACHH BHARAT ABHIYAN

- Department of Food & Public Distribution observed several 'Swachhta Pakhwada' as per the period allotted by the Ministry of Drinking Water and Sanitation and Cabinet Secretariat.
- Various activities were carried by Department of Food and Public Distribution and its offices during the 'Swachhta Pakhwadas' to improve cleanliness not only in office premises but also its surrounding area.
- In addition to above following activities have also been carried out by its offices during 'Swachh Bharat Abhiyan':
 - **Food Corporation of India (FCI)** has constructed more lavatory blocks for employees in 173 depots and provided safe drinking water in 89 depots and sanitation and water supply facilities in 51 depots have been upgraded/provided. 17 toilets in 2017-18 costing to Rs. 45 lakh approx. have also been constructed.
 - **Central Warehousing Corporation (CWC)** contributed Rs. 44 lakh in 2014-15, Rs. 200 lakh in 2016-17 and Rs. 180.73 lakh in 2017-18 toward Swachh Bharat Kosh. Rs. 133.25 lakh was contributed towards Namami Ganga by CWC in 2015-16. A toilet block was constructed at ICD-Attari and in a school in U.P. in 2014-15 and 5 more toilet blocks have been constructed in schools in 2017-18 by CWC. Further 50 Rain Water Harvesting Systems were completed at a cost of Rs. 85.60 lakh in 2015-16 and 55

more Rain Water Harvesting Systems have been completed in 2017-18 at a cost of Rs. 91.37 lakh by CWC.

- **Central Railside Warehouse Company Limited (CRWC)** contributed Rs. 11.37 lakh in 2016-17 towards 'Swachh Bharat Kosh'. They have also contributed Rs. 11.50 lakh in the said Kosh during 2017-18.
