

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**DEMAND NO. 17****Department of Food and Public Distribution**

A. The Budget allocations, net of recoveries and receipts, are given below:

Major Head	Actual 2014-2015			Budget 2015-2016			Revised 2015-2016			<i>(In crores of Rupees)</i> Budget 2016-2017		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
Revenue	51.65	117981.14	118032.79	124.75	125000.00	125124.75	93.36	140400.00	140493.36	100.00	139998.40	140098.40
Capital	88.92	...	88.92	87.25	...	87.25	71.64	...	71.64	50.00	1.60	51.60
Total	140.57	117981.14	118121.71	212.00	125000.00	125212.00	165.00	140400.00	140565.00	150.00	140000.00	140150.00
BE 2016-2017												
1. Secretariat - Economic Services	3451	...	...	...	...	...	...	...	...	...	51.85	51.85
2. National Sugar Institute Kanpur	2408	...	...	...	...	...	...	...	...	...	22.39	22.39
	4408	...	...	...	...	...	...	...	...	...	1.60	1.60
<i>Total</i>	...	...	...	...	...	...	...	...	...	...	23.99	23.99
3. <i>Food Subsidy</i>												
3.01 Food Subsidy	2408	...	...	...	...	...	...	...	...	...	134834.61	134834.61
3.02 Ways & Means Advance to Food Corporation of India	6408	...	...	...	...	...	...	...	...	...	10000.00	10000.00
3.03 Repayment of Ways & Means Advance to FCI	6408	...	...	...	...	...	...	...	...	...	-10000.00	-10000.00
<i>Net</i>	...	...	...	...	...	...	...	...	...	...	134834.61	134834.61
4. Assistance to State/UTs for meeting expenditure on intra-state movement, handling of food grains and FPS dealers' margine under NFSA	2408	...	...	...	...	...	...	...	...	...	76.00	76.00
	3601	...	...	...	...	...	...	...	...	...	2200.00	2200.00
	3602	...	...	...	...	...	...	...	...	...	224.00	224.00
<i>Total</i>	...	...	...	...	...	...	...	...	...	...	2500.00	2500.00
5. Subsidy on import of Edible Oil - Past Liabilities	2408	...	...	...	...	...	...	...	...	...	567.01	567.01
6. <i>Development of Sugar Industry</i>												
6.01 Transfer to Sugar Development Fund (SDF)	2408	...	...	...	...	...	...	...	...	...	2000.00	2000.00
6.02 Schemes financed from SDF												
6.02.01 Financial Assistance to Sugar Undertakings / Other Expenditure of SDF	2408	...	...	...	...	...	...	...	...	...	21.60	21.60

(In crores of Rupees)

	Major Head	Actual 2014-2015			Budget 2015-2016			Revised 2015-2016			Budget 2016-2017		
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
6.02.02	Loan for Rehabilitation / Modernization of Sugar Mills	6860	...	...	...	...	...	...	...	...	...	150.00	150.00
6.02.03	Loans to Sugar Mills for Cane Development	6860	...	...	...	...	...	...	...	...	...	75.00	75.00
6.02.04	Loans to Sugar Mills for Bagasse Based Cogeneration Power Project	6860	...	...	...	...	...	...	...	...	...	200.00	200.00
6.02.05	Loans to Sugar Factories for Production of Anhydrous Alcohol or Ethanol from Alcohol	6860	...	...	...	...	...	...	...	...	...	125.00	125.00
6.02.06	Scheme for Extending Financial Assistance to Sugar Undertakings (SEFASU 2014)	2408	...	...	...	...	...	...	...	...	...	800.00	800.00
6.02.07	Incentive for Marketing and Promotion Services for Raw Sugar Production	2408	...	...	...	...	...	...	...	...	...	30.00	30.00
6.02.08	Interest Subvention on Scheme for Extending Soft Loan to Sugar Mills, 2015	2408	...	...	...	...	...	...	...	...	...	202.50	202.50
6.02.09	Production Subsidy to Sugar Mills to offset cost of cane and facilitate timely payment of cane price dues of farmers	2408	...	...	...	...	...	...	...	...	...	950.01	950.01
6.02.10	Met from Sugar Development Fund	2408	...	...	...	...	...	...	...	...	...	-2004.11	-2004.11
		6860	...	...	...	...	...	...	...	...	...	-550.00	-550.00
	<i>Total</i>		...	...	...	...	...	...	...	...	...	-2554.11	-2554.11
	<i>Net</i>		...	...	...	...	...	...	...	...	...	...	...
	<i>Total- Development of Sugar Industry</i>		...	...	...	...	...	...	...	...	...	2000.00	2000.00
7.	Warehousing Development & Regulatory Authority and Other Programmes of Food Storage	2408	...	...	...	...	...	...	...	...	18.00	22.54	40.54
8.	Strengthening of Public Distribution System Operations	2408	...	...	...	...	...	...	...	...	2.40	...	2.40
		2552	...	...	...	...	...	...	...	...	25.39	...	25.39
		3456	...	...	...	...	...	...	...	...	4.57	...	4.57
		3601	...	...	...	...	...	...	...	...	47.13	...	47.13
		3602	...	...	...	...	...	...	...	...	0.51	...	0.51
	<i>Total</i>		...	...	...	...	...	...	...	...	80.00	...	80.00
9.	Storage and Godowns	2552	...	...	...	...	...	...	...	...	2.00	...	2.00

(In crores of Rupees)

Major Head	Actual 2014-2015			Budget 2015-2016			Revised 2015-2016			Budget 2016-2017		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
4552	...	...	...	...	...	...	...	...	...	50.00	...	50.00
<i>Total</i>	...	...	...	...	...	...	...	...	...	52.00	...	52.00
RE 2015-2016												
10. Secretariat - Economic Services	3451	...	37.87	37.87	...	42.22	42.22	...	42.20	42.20	...	...
Food, Storage and Warehousing												
11. <i>Food Subsidy</i>												
11.01 Food Subsidy	2408	...	57295.35	57295.35	...	59500.00	59500.00	...	59500.00	59500.00	...	...
11.02 Additional Provision for National Food Security	2408	...	60375.81	60375.81	...	64919.00	64919.00	...	79919.00	79919.00	...	...
<i>Total- Food Subsidy</i>		...	117671.16	117671.16	...	124419.00	124419.00	...	139419.00	139419.00	...	...
12. Subsidy on maintenance of buffer stock of Sugar	2408	...	4.94	4.94	...	3.00	3.00	...	3.00	3.00	...	...
13. Reimbursement of Internal Transport and freight charges to sugar factories on export shipment of sugar	2408	...	...	...	...	0.01	0.01	...	...	...	...	...
14. Subsidy on import of Edible Oils	2408	...	...	...	...	...	...	...	150.00	150.00	...	...
15. Scheme for Extending Financial Assistance to Sugar Undertaking, 2014	2408	...	703.77	703.77	...	800.00	800.00	...	800.00	800.00	...	...
16. Incentive on Marketing and Promotion Services for Raw Sugar Production	2408	...	183.87	183.87	...	...	...	...	200.00	200.00	...	...
17. Interest subvention on scheme for extending soft loan to Sugar Mills, 2015	2408	...	...	...	...	...	...	...	202.50	202.50	...	...
18. Other Expenditure for development of sugar industry	2408	...	21.22	21.22	...	22.54	22.54	...	21.34	21.34	...	...
19. <i>Sugar Development Fund-</i>												
19.01 Transfers To	2408	...	250.00	250.00	...	500.00	500.00	...	750.00	750.00	...	...
19.02 From	2408	...	-913.79	-913.79	...	-825.55	-825.55	...	-1226.84	-1226.84	...	...
	6860	...	-396.45	-396.45	...	-500.00	-500.00	...	-457.57	-457.57	...	...
<i>Total</i>		...	-1310.24	-1310.24	...	-1325.55	-1325.55	...	-1684.41	-1684.41	...	...
<i>Net</i>		...	-1060.24	-1060.24	...	-825.55	-825.55	...	-934.41	-934.41	...	...
20. <i>Other programmes of Food, Storage and Warehousing</i>												
20.01 Other programmes of Food, Storage and Warehousing	2408	15.23	17.49	32.72	30.85	20.22	51.07	15.85	17.92	33.77	...	...
	3601	5.00	...	5.00	...	...	...	...	...	...	...	...
<i>Total</i>		20.23	17.49	37.72	30.85	20.22	51.07	15.85	17.92	33.77	...	...
20.02 National Sugar Institute, Kanpur	2408	0.25	16.23	16.48	0.25	18.56	18.81	0.25	18.09	18.34	...	...
	4408	2.08	...	2.08	2.25	...	2.25	3.25	...	3.25	...	...
<i>Total</i>		2.33	16.23	18.56	2.50	18.56	21.06	3.50	18.09	21.59	...	...

(In crores of Rupees)

	Major Head	Actual 2014-2015			Budget 2015-2016			Revised 2015-2016			Budget 2016-2017		
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
		22.56	33.72	56.28	33.35	38.78	72.13	19.35	36.01	55.36	...	...	...
21. Total- Other programmes of Food, Storage and Warehousing											...	...	...
21. Ways and Means Advance to Food Corporation of India (F.C.I)											...	...	...
21.01 Ways and Means Advance	6408	...	10000.00	10000.00	...	10000.00	10000.00	...	20000.00	20000.00	...	...	...
21.02 Less Receipt	6408	...	-10000.00	-10000.00	...	-10000.00	-10000.00	...	-20000.00	-20000.00	...	...	...
Net		...	...	...	...	...	...	...	...	...	...	...	...
Total-Food, Storage and Warehousing Civil Supplies		22.56	117558.44	117581.00	33.35	124457.78	124491.13	19.35	139897.44	139916.79	...	...	...
22. Strengthening of PDS and Capacity Building	3456	0.49	...	0.49	1.02	...	1.02	0.82	...	0.82	...	...	...
	3601	0.36	...	0.36	0.57	...	0.57	0.53	...	0.53	...	...	...
	3602	...	...	...	0.01	...	0.01	...	...	...	...	...	...
Total		0.85	...	0.85	1.60	...	1.60	1.35	...	1.35	...	...	...
23. End-to-End Computerization of TPDS Operations	3456	2.08	...	2.08	4.93	...	4.93	4.30	...	4.30	...	...	...
	3601	29.60	...	29.60	63.82	...	63.82	47.55	...	47.55	...	...	...
	3602	1.40	...	1.40	1.25	...	1.25	0.12	...	0.12	...	...	...
Total		33.08	...	33.08	70.00	...	70.00	51.97	...	51.97	...	...	...
Total-Civil Supplies Consumer Industries		33.93	...	33.93	71.60	...	71.60	53.32	...	53.32	...	...	...
24. Investments in Public Enterprises	4408	86.84	...	86.84	10.00	...	10.00	...	...	...	...	...	...
25. Rehabilitation/Modernisation of Sugar Mills	6860	...	200.00	200.00	...	150.00	150.00	...	150.00	150.00	...	...	...
26. Loans to Sugar Mills for Cane Development	6860	...	72.93	72.93	...	75.00	75.00	...	30.74	30.74	...	...	...
27. Loans to Sugar factories for bagasse based co-generation power projects	6860	...	46.45	46.45	...	200.00	200.00	...	200.00	200.00	...	...	...
28. Loans to Sugar factories for production of anhydrous alcohol or ethanol from alcohol	6860	...	77.07	77.07	...	75.00	75.00	...	76.83	76.83	...	...	...
Total-Consumer Industries		86.84	396.45	483.29	10.00	500.00	510.00	...	457.57	457.57	...	...	...
29. Strengthening of Quality Control Mechanism	2408	2.72	...	2.72	5.00	...	5.00	3.50	...	3.50	...	...	...
Food, Storage and Warehousing													
30. Assistance to State Governments/UTs for Non-building Assets to State Food Commission	2408	...	...	...	0.28	...	0.28	...	...	...	...	...	...
	3601	...	...	...	1.16	...	1.16	0.75	...	0.75	...	...	...
	3602	...	...	...	0.12	...	0.12	...	...	...	...	...	...
Total		...	...	...	1.56	...	1.56	0.75	...	0.75	...	...	...
31. Assistance to States/UTs for meeting expenditure on intra-state movement, handling of foodgrains and FPS dealers' margine under NFSA	2408	...	...	...	...	...	...	...	1.00	1.00	...	...	...

<i>(In crores of Rupees)</i>													
Major Head	Actual 2014-2015			Budget 2015-2016			Revised 2015-2016			Budget 2016-2017			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
3601	...	...	...	...	...	...	...	1.78	1.78	...	...	...
3602	...	...	...	...	...	...	...	0.01	0.01	...	...	...
<i>Total</i>	...	...	...	...	...	...	...	2.79	2.79	...	...	...
Total-Food, Storage and Warehousing	...	...	...	1.56	...	1.56	0.75	2.79	3.54	...	...	...
32. Lumpsum provision for projects/schemes for benefit of North Eastern States and Sikkim	2552	...	...	15.49	...	15.49	19.69	...	19.69	...	...	...
4552	...	...	...	75.00	...	75.00	68.39	...	68.39	...	...	...
<i>Total</i>	...	...	...	90.49	...	90.49	88.08	...	88.08	...	...	...
33. Actual Recoveries	2408	-11.58	-11.58	...	...	...	...	...	...	...	...	...
3451	...	-0.04	-0.04	...	...	...	...	...	...	...	...	...
3601	-5.48	...	-5.48	...	...	...	...	...	...	...	...	...
<i>Total</i>	-5.48	-11.62	-17.10	...	...	...	...	...	...	...	...	...
Grand Total	140.57	117981.14	118121.71	212.00	125000.00	125212.00	165.00	140400.00	140565.00	150.00	140000.00	140150.00	
Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	
B. Investment in Public Enterprises													
18.01 Food Corporation of India	12408	86.84	...	86.84	10.00	...	10.00	...	...	...	...	...
18.02 Central Warehousing Corporation	12408	...	110.37	110.37	...	608.52	608.52	...	180.84	180.84	...	190.04	
18.03 Food Corporation of India	22552	...	...	...	75.00	...	75.00	68.39	...	68.39	50.00	...
Total		86.84	110.37	197.21	85.00	608.52	693.52	68.39	180.84	249.23	50.00	190.04	
C. Plan Outlay													
1. Food, Storage and Warehousing	12408	112.12	110.37	222.49	49.91	608.52	658.43	23.60	180.84	204.44	20.40	190.04	
2. Civil Supplies	13456	28.45	...	28.45	71.60	...	71.60	53.32	...	53.32	52.21	...	
3. North Eastern Areas	22552	...	...	...	90.49	...	90.49	88.08	...	88.08	77.39	...
Total		140.57	110.37	250.94	212.00	608.52	820.52	165.00	180.84	345.84	150.00	190.04	

1. **Secretariat Expenditure:** This provision is for Secretariat expenditure of the Department.

2. **National Sugar Institute (NSI), Kanpur:** This includes provision for Training (Establishment expenditure of NSI) and provision to set-up fermentation and distillation unit along with associated analytical equipment at NSI, Kanpur.

3.01. **Food Subsidy:** Items of Food Subsidy including allocation for National Food Security are:

(a) Subsidy to FCI for meeting the requirements of TPDS as well as other welfare schemes of Government of India (₹ 103334.61 crores).

(b) Subsidy payment to State Governments for procuring foodgrains for Central Pool under Decentralized Procurement of Foodgrains Scheme. (₹ 27000.00 crores).

(c) Sugar subsidy @18.50 per kg for the existing allocation to those States/Uts which continue to have the Retail Issue Price of ₹13.50 per kg at FPS level. The reimbursement by the

Central Government will be limited to the quantity based on the existing level of allocations. (₹ 4500.00 crores).

3.02. **Ways and Means Advances to Food Corporation of India:** This provision is for Ways and Means Advances to the Food Corporation of India to meet its cash flow requirements towards procurement of foodgrains for Targeted Public Distribution System (TPDS), meeting buffer stock requirements and handling of foodgrains operations. This advance will be adjusted in the same financial year.

4. **Assistance to State/UT:** This provision is to provide assistance to State/UTs for meeting expenditure on intra state movement, handling of Food Grains and Fair Price Shop (FPS) and dealers' margin under National Food Security Act (NFSA)

5. **Subsidy on Import of Edible Oils - Past Liabilities:** The provision is for making pending payment of edible oil subsidy to 3 CPSUs who had imported Edible Oils under the 'scheme of importing subsidized edible oil through State Governments / UT Administration with Government of India subsidy input of ₹ 15/-per Kg'.

6.01. **Transfer to Sugar Development Fund:** The Sugar Cess Act, 1982 provides for levy of cess, which currently is ₹ 124 per quintal with effect from 1st February, 2016 on production of Sugar for credit to the Consolidated Fund of India. The Sugar Development Fund Act, 1982 provides for transfer of an amount equivalent to the cess collected, reduced by the cost of collection to the Sugar Development Fund, to be used for development of sugar industry and for matters connected therewith or incidentals thereto by making loans, grants and other expenditure relating to development of Sugar Industry. The provision is for transfer of the amount computed in the above manner from the Consolidated Fund of India to Sugar Development Fund under the Public Account of India and withdrawals from the Fund.

6.02.01. **Financial assistance to Sugar Undertakings/Other Expenditure of Sugar Development Fund (SDF):** The expenditure is met out of the SDF for making payment of agency commission to National Cooperative Development Corporation (NCDC) and Industrial Finance Corporation of India (IFCI) and also includes grants to sugar mills.

6.02.02. **Loans for Rehabilitation and Modernisation of Sugar Mills:** The expenditure is for providing concessional loans for rehabilitation and modernisation of sugar factories and is met from the Sugar Development Fund.

6.02.03. **Loans to Sugar Mills for Cane Development:** The provision is for providing concessional loans to sugar mills for cane development and is to be met from the Sugar Development Fund.

6.02.04. **Loans to Sugar Factories for Bagasse based Co-generation Power Projects:** The provision is for providing concessional loans to sugar factories for bagasse based co-generation power projects and is to be met from the Sugar Development Fund.

6.02.05. **Loans to Sugar Factories for production of Anhydrous Alcohol or Ethanol from Alcohol:** The provision is for providing concessional loans to sugar factories for production of anhydrous alcohol or ethanol from alcohol and is to be met from the Sugar Development Fund.

6.02.06. **Scheme for Extending Financial Assistance to Sugar Undertakings, 2014:** The provision ₹ 800.00 crores is for interest subvention to all participating Scheduled Commercial Banks, Regional Rural Banks and Cooperative Banks with a view to improve position of sugar factories for enabling them to clear cane price arrears of previous sugar seasons and timely settlement of cane price of current sugar season relating to the Fair and Remunerative Price (FRP) fixed by the Central Government, to sugarcane farmers. The interest subvention, limited up to 12 % per annum as per normal banking practice, is for duration of loans, which is five years including two years of moratorium. The entire amount will be met from Sugar Development Fund (SDF).

6.02.07. **Incentive for marketing and promotion services for Raw Sugar Production:** This provision is to provide incentive to Sugar Mills who have produced and exported raw sugar on or after 28.02.2014 so that the Mills are in a position to pay cane price arrears to the farmers.

6.02.08. **Interest subvention on scheme for extending soft loan to Sugar Mills, 2015:** This provision is to provide soft loans to the sugar industry to clear the outstanding dues of cane farms for sugar season 2014-15. The Government has provided one year moratorium on this loan and will bear the interest subvention cost to the extent of 10 percent, which is to be released in advance to nodal Banks. The entire amount will be met from Sugar Development Fund (SDF).

6.02.09. **Production subsidy to Sugar Mills to offset cost of cane and facilitate timely payment of cane price dues of farmers:** A production subsidy @ ₹ 4.50 per quintal of cane crushed for the production of sugar shall be provided to offset the cost of cane purchased by the sugar mills. The said subsidy shall be paid directly to the farmer on behalf of the mills and adjusted against cane price payable / due to the farmers against Fair and Remunerative Price (FRP) including arrears relating to previous years. Subsequent balance, if any, shall be credited into the mill's account.

7. **Warehousing Development and Regulatory Authority (WDRA) and Other Programmes of Food Storage:** (a) The Plan provision is to provide Grants-in-aid-Salaries and Grants-in-aid-General to WDRA, an autonomous body of Government of India, for establishment expenditure and expenses towards IT enabled system for Management Information System (MIS) and online monitoring of Negotiable Warehouse Receipts (NWRs) / Transformation Plan.

(b) The Non-Plan provision includes provision for Direction and Administration (Directorate of Sugar & Vegetable Oils, Indian Grains Storage Management & Research Institutes, Central Grain Analysis Laboratory, Quality Control Cells, International Cooperation (International Wheat Council/ International Sugar Council).

8. **Strengthening of PDS Operations:** This provision is for:

(a) the schemes relating to Strengthening of Public Distribution System by State and Union Territory Governments, such as Training and towards Generating Awareness amongst the TPDS beneficiaries.

(b) end-to-end Computerization of TPDS operations by State and Union Territory Governments.

(c) projects/schemes related to strengthening the quality skill of employees engaged in food chain and quality specification of food grains.

(d) making payment to consultants for research/monitoring in domestic/global markets for food grains and for implementation of e-governance projects in the Department.

(e) providing assistance to State Governments and Union Territory Governments for non-building assets of State Food Commission under the National Food Security Act (NFSA), 2013.

9. **Storage and Godown:** This provision for creating storage capacity through Food Corporation of India and State Governments with focus on North Eastern Region.