

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

RAJYA SABHA
UNSTARRED QUESTION NO. 1839
TO BE ANSWERED ON 28TH DECEMBER, 2018

STORAGE OF FOODGRAINS BY FCI

1839. SHRI SHAMSHER SINGH DULLO:

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

- (a) whether it is a fact that Food Corporation of India (FCI) faces immense problems regarding its storage capacity, especially in Punjab State;
- (b) whether it is also a fact that because of lack of storage, large amount of crops are wasted in Punjab and also in other States; and
- (c) if so, whether Government proposes to undertake major reforms in the functioning of FCI?

A N S W E R

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a) to (c): On the basis of peak stock requirement during normal procurement season, the overall storage capacity required for central pool foodgrains in the country is about 650 Lakh Metric Tonnes (LMT). Against this, the total storage capacity available with Food Corporation of India (FCI), Central Warehousing Corporation (CWC) and State Agencies (both owned and hired capacity), is 877.37 LMT (as on 31.10.2018) comprising 749.90 LMT in covered godowns and 127.47 LMT in Cover and Plinth (CAP) storage. Thus, on the overall, there is sufficient capacity for storage of foodgrains in the country.

Adequate storage capacity of 234.04 LMT (as on 31.10.2018) is available with FCI and State Agencies in Punjab for Central Pool Stock foodgrains, against a stock of 154.85 LMT.

FCI primarily deals with storage of paddy, wheat, rice and pulses. No damage of foodgrains can be directly attributed to lack of proper storage of foodgrains. The foodgrains are stored scientifically with various preservation measures like fumigation and treatment with pesticides. In spite of taking necessary care and precautions, small quantities of foodgrains may become non-issuable due to various reasons like natural calamities, damages in transit, negligence of officials etc.

Accrual of damaged foodgrains in FCI during the last 3 years is given below:

Year	Offtake quantity/ Quantity handled (excluding De-Centralized Procuring States) (LMT)	Quantity of Damage Accrued (LMT)	% of Damaged Food grain against Offtake Quantity
2015-16	490.15	0.03	0.01%
2016-17	473.31	0.09	0.02%
2017-18	452.16	0.027	0.01%

Depending on requirement in specific areas and for modernization of storage facilities, Government has been implementing the following schemes for construction of godowns and silos in the country:

- i. **Private Entrepreneurs Guarantee (PEG) Scheme:** Under this Scheme, which was formulated in 2008, storage capacity is created by private parties, Central Warehousing Corporation (CWC) and State Government Agencies for guaranteed hiring by FCI. A capacity of 142.02 LMT has been created as on 30.11.2018. Under this scheme, no funds are allocated by Government for construction of godowns and full investment is done by the private parties/CWC/State Agencies by arranging their own funds and land. After a godown is constructed and taken over by FCI, storage charges are paid to the investor for the guaranteed period of 9/10 years irrespective of the quantum of foodgrains stored.
- ii. **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 directly to the State Governments for construction of godowns. A total capacity of 1,97,860 MT has been completed by FCI and State Governments during last 5 years from 01.04.2013 up to 30.11.2018
- iii. **Construction of Steel Silos:** In addition to conventional godowns, construction of steel silos has been undertaken in Public Private Partnership (PPP) for modernizing storage infrastructure and improving shelf life of stored foodgrains. As on 30.11.2018, a capacity of 11.75 LMT silos has been created.
