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

RAJYA SABHA

UNSTARRED QUESTION NO. 557 TO BE ANSWERED ON 14TH DECEMBER, 2018

WASTAGE OF FOODGRAINS DUE TO INADEQUATE STORAGE FACILITY

557. DR. R. LAKSHMANAN:

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

- (a) whether Government is aware of the fact that due to inadequate storage facilities across the country, particularly in rural areas, wastage of foodgrains takes place, which makes adverse impact on Government in fulfilling its objectives enshrined in the National Food Security Act;
- (b) if so, the details thereof;
- (c) whether Government has taken any concrete steps to create more storage facilities across the country; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) & (b): 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. As such, there is sufficient capacity for storage of central pool foodgrains at the national level. No damage of foodgrains can be directly attributed due to lack of proper storage facilities. The foodgrains are stored scientifically with various preservation measures like fumigation and treatment with pesticides.

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In spite of taking necessary care and precautions, small quantities of foodgrains become non-issuable due to various reasons like:

- i. Due to natural calamities like cyclone/flood/heavy rains etc.
- ii. Transit damages viz. en-route damage in wagon/truck due to contamination, wagon roof leakage etc.
- iii. In some cases due to negligence of officials/ officers, for which suitable disciplinary action against defaulters, where ever found guilty, are invariably taken.
- (c) & (d): 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 141.82 LMT has been created as on 31.10.2018. 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 1,91,180 MT has been completed by FCI and State Governments during last 5 years from 01.04.2013 up to 31.10.2018
 - **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 31.10.2018, a capacity of 11.75 LMT silos has been created.
