

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

**RAJYA SABHA**  
UNSTARRED QUESTION NO. 1147  
**TO BE ANSWERED ON 10<sup>TH</sup> FEBRUARY, 2026**

**STEEL SILO-BASED STORAGE**

**1147: DR. ASHOK KUMAR MITTAL:**

Will the Minister of Consumer Affairs, Food and Public Distribution be pleased to state:

- (a): whether the emphasis on Steel silo-based storage has resulted in higher costs, implementation delays or regional imbalances due to land availability, private participation models or logistical constraints;
- (b): whether traditional and decentralised foodgrain storage systems continue to face neglect and inefficiencies despite repeated policy assurances on modernisation;
- (c): whether Government has evaluated alternative storage solutions such as scientific warehouses, upgraded CAP storage or modular and community-based facilities in comparison to Steel silos; and
- (d): the steps being taken to ensure that the chosen storage approach genuinely improves food quality and availability for Public Distribution System beneficiaries?

**A N S W E R**

MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,  
FOOD & PUBLIC DISTRIBUTION  
**(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)**

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(a): The steel silos are constructed under PPP (Public Private Partnership) mode which has led to significant cost reduction due to risk sharing and private investment under this framework. In some cases, there is delay in completion of silos mainly due to problems faced by private parties in acquiring land for the project, force majeure incidents and approval from railways in case of railway siding silos. Such factors have contributed to implementation delays rather than systemic cost escalation or regional imbalance.

(b) to (d): The requirement of Storage capacity in FCI depends upon the level of procurement, requirement of buffer norms and PDS operations for Rice and Wheat mainly. FCI continuously assesses and monitors the storage capacity and based on the storage gap assessment, storage capacities are created/hired through following schemes:-

1. Private Entrepreneurs Guarantee (PEG) Scheme
2. Central Sector Scheme (CSS) 2017-25
3. Construction of Silo's under PPP mode

4. Hiring of godown from CWCs/SWCs/State Agencies
5. Hiring of godown through Private Warehousing Scheme (PWS).
6. Creation of godowns under Asset Monetization
7. CAP Hiring Scheme -2025
8. Modified PEG scheme for NE & Hilly states with longer guarantee period of 15 years

Effective measures being taken to increase storage facilities for developing efficient storage system in the country as under:

**PEG Scheme** - Under the PEG Scheme, construction of conventional godowns has been undertaken in 24 States by attracting private investment. PEG Scheme was initiated in 2008. A capacity of 148.61 lakh MT has been completed as on 31.12.2025.

**PEG Scheme II**- In order to create covered capacity in wheat procuring states specially Punjab and Haryana, new Capacity was sanctioned in Punjab and Haryana to Phase out Open Storage i.e. 60 LMT in Punjab and 30 LMT in Haryana is envisaged under this Plan.

**Centre Sector Scheme (CSS)** - This scheme is implemented in North Eastern States along with Himachal Pradesh, Kerala, Jammu & Kashmir and Jharkhand. Funds are released by the Government to FCI and also directly to the State Governments for construction of godowns. During 12th Five Year Plan (2012-17), a capacity of 1,17,680 MT in North Eastern (NE) States and 20,000 MT in other than NE States has been completed by FCI. A storage capacity of 46,495 MT has also been created by State Governments. This scheme was extended from 01.04.2017 to 31.03.2025. In this period, a capacity of 123970 MT has been completed. This scheme is culminated on 31.03.2025.

**Asset Monetization**- Under Asset Monetization, godowns are constructed on FCI vacant land. 177 locations were identified for construction of 17.47 LMT storage capacity.

In addition to the above, the Government is taking various steps to modernize warehouses for increasing effectiveness in infrastructural as well as operational: -

**The SMART Warehouse** uses IoT technology in government warehouses to prevent foodgrain losses. Monitoring parameters include temperature, humidity, gas levels, airflow, and events such as unauthorized access, rodent, and insect activity. The pilot project is underway in FCI godowns in phased manner.

**Depot Darpan portal** has also been introduced in the step of Modernization and Digitalization of storage facilities in FCI. The Portal facilitates self-assessment, rating, and grading of FCI and CWC foodgrain depots.

**Installation of Modern CCTV Cameras:** Modern CCTV cameras are also installed in all FCI & CWC godowns for continuous monitoring.

The Government is committed for quality assurance through a dedicated wing of Quality Control officers and officials for procurement, preservation and distribution of foodgrains to the consumers to provide maximum contribution to effective food security management. Following norms are ensures :

- **At the time of procurement: -**

FCI follows well defined Quality specifications stipulated by the Govt. of India for procurement of Fair Average Quality stock meant for distribution under public distribution system and other welfare schemes.

FCI follows BIS methods of sampling and analysis of food grains to judge the quality of foodgrains to ensure procurement of quality foodgrains.

- **At the time of Storage:-**

Scientific code of practices are adopted for safe storage of food grains.

Regular monitoring of health of food grains by way of periodical inspections.

Prophylactic (spraying of insecticides) and curative treatments (fumigation) are carried out regularly and timely in godowns for the control of stored grain insect pests.

- **At the time of Distribution:-**

There is a well-defined procedure of joint sampling and inspection of food grain stock by State Govt. and FCI to ensure that only good Quality food grains conforming to food safety standards are issued under Public Distribution system and other welfare schemes.

In order to save precious foodgrains, transportation of foodgrains is carried out in covered wagons/trucks covered with tarpaulin covers. To avoid any contamination to the stocks, tarpaulin sheets in spread on the floor of wagons while loading into the wagons.

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