

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

**RAJYA SABHA**  
UNSTARRED QUESTION NO. 3573  
**TO BE ANSWERED ON 24<sup>TH</sup> MARCH, 2026**

**CONSTRUCTION OF GODOWNS**

3573 **SHRI MUKUL BALKRISHNA WASNIK:**

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

- (a): whether Government considers hiring or constructing godowns through warehousing corporations and private investors to be more cost-effective than direct construction by the FCI;
- (b): if so, whether any assessment has been done to compare total rental liabilities with the long-term cost of ownership;
- (c): if so, whether a three-member committee was constituted to study this matter;
- (d): if so, the status of the study and timeline for its completion; and
- (e): the steps taken by Government to address the lack of systematic analysis in assessing the cost efficiency of the current model?

**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): This Department adopts a holistic approach to address its storage capacity needs through a dynamic framework involving construction of own infrastructure, public-private partnerships, and hiring of additional storage space.

First method involves construction of its own capacities at the most strategic locations with the budgetary funds provided by the Govt. of India under Central Sector Schemes (CSS). However, last such scheme, which was operational for Northeastern & Hilly States has expired on March, 2025.

Secondly, the Department undertakes construction through the Public-Private Partnership (PPP) mode, wherein private entities create storage capacity using their own funds, backed by assured hiring or guaranteed reservation by the Government. Key initiatives under this approach include schemes such as the Private Entrepreneur Guarantee Scheme, construction of steel silos, and the Asset Monetization Plan.

In addition to that, if the circumstances so warrant, the Department also hires storage capacities from various agencies for storage of wheat/rice in the procuring/consuming State to meet the storage crunch due to increased procurement. Field officers have also been delegated full powers to hire additional godowns on guaranteed reservation from the Govt. agencies like Central Warehousing Corporation (CWC)/State Warehousing Corporations (SWCs)/ State Govt. and private parties through Private Warehousing Scheme as and when required to meet the increased storage capacity requirement.

(b) to (e): Yes. A three-member committee was initially constituted to examine the matter.

However, later it was decided to have the study conducted through an external agency.

Delhi Technological University has been entrusted with carrying out the study and submission of report thereon to assess the expenditure on rental liabilities of hired storage facilities vis-à-vis the costs associated with maintaining owned storage infrastructure across all States and Union Territories.

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