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

## LOK SABHA UNSTARRED QUESTION NO. 4058 TO BE ANSWERED ON 20<sup>TH</sup> MARCH, 2018

#### DETAILS OF RENT PAID TO PRIVATE GODOWNS

## 4058. SHRI D.S. RATHOD: SHRI VINOD LAKHAMASHI CHAVDA: SHRI K. PARASURAMAN:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

(a) whether the Government has any data about rent paid to the private godown owners to keep the grain purchased by the Government, if so, the details thereof including the details of the rent paid to private godowns;

(b) the details of the Government and private godowns in the country, State-wise;

(c) the details of storage capacity for both types of godowns;

(d) the details of the empty time of the private and Government godowns in a year; and

(e) whether the FCI has also any plans to increase its own storage capacity so as to reduce huge sum on hiring godowns and if so, the details thereof and if not, the reasons behind the stance of the FCI in this regard?

#### ANSWER

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

(a): Yes, Madam. Food Corporation of India (FCI) hires godowns from Central Warehousing Corporation (CWC), State Agencies and private parties to store foodgrains procured by FCI and State Agencies for distribution under Public Distribution System (PDS). The state-wise details of rent paid by FCI to the private godown owners to stock the foodgrains procured by FCI and State Agencies in the year 2016-17 are in Annexure-I.

(b): As on 31.01.2018, a total of 1840 godowns of FCI, CWC, State Agency and private godowns are functional across the country. The State-wise details are at Annexure-II.

(c): As on 31.01.2018, FCI has owned godowns of capacity of 128.38 Lakh Metric Tonnes (LMT), State Agencies have godowns of capacity 278.13 LMT and FCI has hired godowns of capacity of 204.80 LMT.

(d): FCI has either owned or hired capacity and capacity utilization varies from month to month depending on the level of procurement. Generally, FCI does not have any capacity which is unutilized or empty. However, in case private godowns are underutilised or empty, the same are de-hired. In case of owned godowns, sometimes, they are not utilized to optimum level due to various reasons / circumstances. Some of them are given below:

- (i) The utilization of hired capacities is given priority as FCI has to pay fixed rentals for hired godowns irrespective of utilization.
- (ii) Some of the FCI owned godowns remain under Zero Physical Verification and stocks are completely issued out to verify shortages etc., if any.
- (iii) In order to control high cost of handling in FCI owned depots due to departmental labour , the low cost hired depots are preferred.
- (iv) Non-utilization of FCI owned silos which were constructed in 1960 and 1970 and have become non-operative. Some depots have come in city premises and cannot be utilized effectively.
- (v) Repair and maintenance of own depots.
- (vi) Other capacities whichever cannot be put to use or in DCP mode have been rented out or are being considered for renting out.

(e): In order to augment capacities in specific areas and to modernize the storage facilities, the Government has been implementing the following schemes:

- I. <u>Private Entrepreneurs Guarantee (PEG) Scheme</u>: 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 140.62 lakh MT has already been since completed as on 31.01.2018.
- II. <u>Central Sector Scheme</u>: This scheme is meant for 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. During 12 th Five Year Plan, 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. Further, a capacity of 46,495 MT has been created by State Governments. This scheme is being continued for next 3 years i.e. upto 2020. A capacity of 4,590 MT has been completed by FCI and 4,500 MT by State Governments upto 31.01.2018 in the current financial year.
- III. <u>Construction of steel silos:</u> Government of India has also approved action plan for construction of steel silos in the country for a capacity of 100 LMT, for modernizing the storage infrastructure and improving shelf life of stored food grains. As on 31.01.2018, tenders have been awarded for a capacity of 38.50 LMT and a capacity of 6.25 LMT silos has already been added under the above action plan. However, contract for capacity of 0.50 LMT has been cancelled by FCI due to failure on the part of concessionaire to provide the performance security.

# ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE UNSTARRED QUESTION NO. 4058 DUE FOR ANSWER ON 20.03.2018 IN THE LOK SABHA.

The state-wise details of rent paid by FCI to the private godown owners to stock the foodgrains procured by FCI and State Agencies in the year 2016-17 are as given below:

(Amount in Rs Lakhs)

SL	Name of State	Amount
1	Bihar	79.53
2	Jharkhand	1,085.99
3	Odisha	0.00
4	West Bengal (includes Sikkim)	463.41
5	Assam	190.45
6	Manipur, Meghalaya and Tripura	36.12
7	Arunachal Pradesh	6.63
8	Haryana	23,590.43
9	Himachal Pradesh	235.62
10	Jammu & Kashmir	1518.93
11	Punjab ( includes Chandigarh)	42,407.73
12	Rajasthan	1178.14
13	Uttar Pradesh	5,032.78
14	Uttarakhand	2.16
15	Andhra Pradesh (includes Telangana, Andaman & Nicobar)	654.59
16	Kerala (includes Lakshadweep)	0
17	Karnataka	784.79
18	Tamil Nadu (includes Pondicherry)	889.17
19	Gujarat (includes Daman & Diu)	77.93
20	Maharashtra (includes Goa)	5,037.33
21	Madhya Pradesh	132.26
22	Chhattisgarh	6.75
	Total	83,410.74

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ANNEXURE REFERRED TO IN REPLY TO PART (b) OF THE UNSTARRED QUESTION NO. 4058 DUE FOR ANSWER ON 20.03.2018 IN THE LOK SABHA.

SL.	REGION/U.T.	COVERED								
NO.		FCI	HIRED							TOTAL
		OWNED	STATE GOVT.	CWC	SWC	PEG	PWS 2010	PRIVATE PARTIES	TOTAL HIRED	COVERED
1	BIHAR	12	2	10	23	15	1	4	55	67
2	JHARKHAND	6	0	2	11	19	0	1	33	39
3	ODISHA	22	0	8	22	0	0	0	30	52
4	WEST BENGAL	23	0	3	0	0	0	7	10	33
5	ARUNACHAL	6	3	0	0	0	0	5	8	14
6	ASSAM	20	2	3	4	1	0	10	20	40
7	MANIPUR	4	1	0	0	0	0	0	1	5
8	NAGALAND	5	0	1	0	0	0	0	1	6
9	MEGHALAYA, MIZORAM, TRIPURA	14	4	0	2	0	0	0	6	20
10	DELHI	6	0	0	0	0	0	0	0	6
11	HARYANA	33	16	17	27	130	0	1	191	224
12	HIMACHAL PRADESH	6	6	3	0	3	0	0	12	18
13	JAMMU AND KASHMIR	16	1	0	0	7	0	7	15	31
14	PUNJAB	118	1	25	205	186	0	10	427	545
15	RAJASTHAN	36	0	24	67	12	0	4	107	143
16	UTTAR PRADESH	45	1	21	99	60	1	0	182	227
17	UTTARAKHAND	4	3	5	5	0	0	0	13	17
18	ANDHRA PRADESH	24	0	2	1	5	0	1	9	33
19	KARNATAKA	22	0	5	19	7	0	1	32	54
20	KERALA	23	0	0	0	1	0	0	1	24
21	TAMIL NADU	14	0	11	11	10	0	2	34	48
22	TELANGANA	11	1	7	5	6	0	0	19	30
23	CHHATTISGARH	21	1	3	12	4	0	0	20	41
24	GUJARAT	14	2	8	0	1	0	1	12	26
25	MADHYA PRADESH	19	0	2	0	0	0	0	2	21
26	MAHARASHTRA	13	0	9	24	27	2	1	63	76
27	COUNTRY TOTAL	537	44	169	537	494	4	55	1303	1840

State-wise number of storage godowns available with FCI as on 31.01.2018

PEG: Private Entrepreneurs Guarantee Scheme

SWC: State Warehousing Corporation

**CWC: Central Warehousing Corporation** 

PWS: Private Warehousing Scheme