GOVERNMENT OF INDIA CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION LOK SABHA

UNSTARRED QUESTION NO:2747 ANSWERED ON:10.08.2010 STORAGE LOSSES Badal Harsimrat Kaur

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

(a) whether the policy of buffer stocking of foodgrains has added to the storage damages;

(b) if so, the total storage capacity and the quantity of buffer stocks in the country during each of the last three years and the current year;

(c) whether it is mandatory to replace the buffer stocks every year;

(d) if so, the details thereof;

(e) whether the Government proposes to bring changes in storage, upkeep and distribution system of foodgrains so that damage to foodgrains could be minimised; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a): No, Madam. Buffer stocks of foodgrains in the Central Pool are required for (i) feeding the Targeted Public Distribution System (TPDS), (ii) catering to the requirements of other welfare schemes of the Government, (iii) maintaining a minimum food security reserve for emergencies, and (iv) undertaking price stabilization or market intervention operations. Buffer stocks include Base level stocks and operational stocks. The buffer norms for wheat and rice includes food security reserve of 30 lakh tonnes and 20 lakh tonnes with effect from 1.7.2008 and 1.1.2009 respectively.

(b): The total storage capacity with FCI and the minimum buffer norms in the country during each of the last three years and the current year is as below:-

In Lakh tonnes
Sl.No. As on Total storage Actual stocks Minimum
capacity with in Central Buffer
FCI Pool norms
1 1.7.2007 247.54 239.03 269

2 1.7.2008 250.95 361.61 299 3 1.7.2009 275.59 525.38 319 4 1.7.2010 306.44 578.5 319

(c) & (d) : The FCI follows the principle of "First in and First Out` (FIFO) to the extent possible for the stocks of foodgrain held by it so as to avoid long storage of foodgrains in the godowns.

(e)& (f) : FCI takes a number of preventive steps for the safe storage of foodgrains like carrying out regular prophylactic and curative measures for the control of insects and pests. Fumigation is also carried out at regular intervals. As a long-term solution to prevent damage to foodgrains the Government plans augmentation of the storage capacity available in the country. The Government has formulated a Scheme for construction of godowns for FCI (as well as for the States undertaking decentralised procurement of foodgrains), through private entrepreneurs. Under the Scheme, FCI would give a guarantee of 10 years for the storage charges. About 134 lakh tonnes of additional capacity has been identified for construction in 16 States under the Scheme.