

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

UNSTARRED QUESTION NO:1041
ANSWERED ON:01.03.2011
LOSSES TO FCI
Haque Shri Sk. Saidul;Singh Shri Ravneet

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

- (a) whether the Food Corporation of India (FCI) is running losses due to irregularities and corruption;
- (b) if so, the details thereof indicating the financial losses suffered by FCI and the quantum of foodgrains damaged during each of the last three years and the current year;
- (c) the cases of irregularities/ corruption reported in FCI during the said period alongwith the action taken in each case;
- (d) whether the Government proposes to divide FCI into several companies to encourage competition and improve efficiency;
- (e) if so, the details thereof; and
- (f) the other steps taken/proposed to be taken to improve FCI

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) & (b): The FCI incurs financial losses on account of Transit loss, Storage loss and damage to foodgrains, the details of the losses during each of last three years and the current year are as under:

(Rs Crores)

Year Storage loss Transit loss Damage to foodgrains Total

2007-08 182.43 123.95 22.33 328.71

2008-09 101.31 117.42 13.03 231.76

2009-10 229.62 204.62 3.63 437.87

2010-11 216.58 265.26 2.92 484.76

The quantum of foodgrains damaged during each of the last three years and the current year are as under:

Year Quantity of Damaged (non-issuable)
(figures in MTs)

2007-08 34426

2008-09 20114

2009-10 6702

2010-11
(up to 31.01.2011) 6348

(c): The details of Action taken on irregularities/corruption reported in FCI in the last three years and current year are as under:

YEAR	No. of Cases initiated	No. of cases disposed-off
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2008	2190	2775
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2009	1832	1757
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2010	2159	2456
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2010-11 (up to 31.01.2011)	116	139
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(d) & (e): No, Madam.

(f): The Government of India have issued order for the organizational restructuring of the FCI with specific reference to Man Power Management and Cadre Management to strengthen the functional areas like quality control, financial accounting, etc.