

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

UNSTARRED QUESTION NO:132

ANSWERED ON:13.03.2012

PRIVATE SECTOR IN FOODGRAIN STORAGE

Panda Shri Baijayant;Pradhan Shri Nityananda;Rajendran Shri C.;Tandon Annu

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

- (a) whether the Private Entrepreneur Guarantee(PEG) scheme has been launched by the Food Corporation of India (FCI) to involve the private sector in storage of foodgrains and related logistics;
- (b) if so, the details thereof and the response received thereon;
- (c) whether the Government proposes to set up a committee to formulate a comprehensive policy for Public Private Partnership model for storage of foodgrains and related logistics;
- (d) if so, the details thereof; and
- (e) the other steps taken by the Government to encourage private participation in construction of godowns and the response received from the domestic and foreign agencies in this regard?

Answer

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

(a) &(b) : The Private Entrepreneur Guarantee(PEG) scheme was launched to involve the private sector in the storage of foodgrains. The Scheme was formulated for construction of storage godowns through private entrepreneurs, Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs). Under the scheme, the Food Corporation of India would now give a guarantee of ten years for assured hiring to the private entrepreneurs. A capacity of about 151 lakh tonnes is to be created in 19 states under the scheme through private entrepreneurs and Central and State Warehousing Corporations. Out of this tenders have been finalized for creation of storage capacity of about 89 lakh tonnes as on 29.02.2012 by the private entrepreneurs. CWC and SWCs are constructing 5.4 and 14.75 lakh tonnes respectively under the Scheme, out of which a capacity of about 5 lakh tonnes has already been completed by CWC/SWCs.

(c): No, Madam.

(d): Does not arise.

(e): To introduce modern technology, for storage of foodgrains a capacity of 5,50,000 MT was constructed in silos under Public Private Participation(PPP) with Base Depots at Moga(Punjab), Kaithal(Haryana) and Field Depots at Chennai(Tamil Nadu), Coimbatore(Tamil Nadu), Bangalore(Karnataka), Navi Mumbai(Maharashtra) and Hooghly(West Bengal). Further the Government has recently decided to construct another 2 million tonnes of storage capacity in silos, under the PPP mode. Also to encourage private participation in construction of godowns the Government of India has launched a Central Sector Scheme, Grameen Bhandaran Yojana (Rural Godown Scheme) for creation of scientific storage capacity with allied facilities in rural areas to meet out various requirements of farmers for storing farm produce, processed farm produce, agricultural inputs, etc. Upto 31/12/2011, 25978 godowns having a capacity of 299.61 lakh MT with a subsidy release of Rs. 805.47 crores have been sanctioned, since the inception of the scheme in 2001.