

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

STARRED QUESTION NO:271

ANSWERED ON:24.04.2012

LOSS OF FOODGRAINS

Maadam Shri Vikrambhai Arjanbhai;Panda Shri Baijayant

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

- (a) whether a large quantum of foodgrains are lost/damaged during transit and storage;
- (b) if so, the details thereof and the reasons therefor alongwith the steps taken including adoption of first in first out system to check such losses in future and the action taken against those held responsible for such damages;
- (c) whether the Government proposes to revamp and streamline the foodgrain storage and movement system in collaboration with the Railways and create additional storage space;
- (d) if so, the details thereof indicating the number of proposals received from the States and the assistance provided for creation of storage space;
- (e) whether any complaints have been received regarding storage of items other than foodgrains in FCI godowns whereas the foodgrains were left to rot in the open; and
- (f) if so, the details thereof and the reaction of the Government thereto alongwith the corrective steps taken in this regard?

Answer

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

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE STARRED QUESTION NO. 271 DUE FOR ANSWER ON 24.4.2012 IN THE LOK SABHA

(a) & (b): Some losses/damages of foodgrain including transit and storage losses occur during operational activities in Food Corporation of India (FCI). Losses/ damages of foodgrains may occur in FCI due to various reasons such as, driage of moisture, long storage, insect- pest infestation, rat & bird trouble, multiple handling& use of hooks by labourers, weak texture/ bursting of gunnies, negligence on the part of officials, theft, spillage and rains/floods etc. In case of negligence of officials, action is taken against them invariably.

A statement on Region-wise quantity of foodgrains accrued as damaged in FCI during the last three years and the current year (upto Feb'2012) is at Annexure-I. The current year figure is 2896 tons only.

The details of Storage and Transit Losses (Wheat + Rice) occurred in FCI due to various reasons in the last three years are at Annexure-II:

The storage losses in foodgrains are losses during storage due to loss of moisture, spillage, pest infestation, theft, birds or rodent problems etc. whereas damages occur during various stages of operations of procurement, storage, movement & distribution. As regards transit losses they only occur during the movement of foodgrains.

Steps taken to check storage and transit losses are at Annexure III. Due to regular inspections as well as surprise inspections, cases relating to sub-standard/damaged stocks could be detected and action was initiated against the officials during the last three years as under:

Year	No. of officials proceeded against for rotting/damage of foodgrains
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2009-10 28

2010-11 20

2011-12 19
(upto
Feb, 2012)

(c) & (d): To create additional storage capacity the Government formulated a scheme for construction of storage godowns through private entrepreneurs. Under the scheme, the Food Corporation of India would now give a guarantee of ten years for assured hiring. A capacity of 151.96 lakh tons is to be created under the scheme through private entrepreneurs and Central and State Warehousing Corporations in 19 States. Out of this, tenders have been sanctioned for a capacity of 90.75 lakh tons to private investors. Besides this, capacities of 5.40 lakh tons and 14.75 lakh tons have been allotted to CWC and SWCs respectively for construction of godowns on their own land. This Department has also finalized a scheme for creation of total additional storage capacity of 5.40 lakh tons in the North East, under Plan scheme, at some locations in coordination with the Railways. The Government has also approved creation of a capacity of 20 lakh tons in silos within the overall storage requirements of FCI. This Department also releases funds as grants-in-aid to the NE States and J & K for construction of godowns for the States own storage requirements. The assistance provided to the State Government based on the proposals received from them for creation of storage space is at Annexure IV.

The Department of Food and Public Distribution is in the process of preparing a plan for movement of foodgrains in consultation with FCI and Railways. FCI and Railways have been asked to furnish relevant inputs for formation of such a plan. Once these inputs are received, the Department will finalise 'The National Foodgrain Movement Plan'

(e) & (f): No Such complaint regarding storage of items other than foodgrain in FCI godowns has been received in recent past. However, an issue of hiring of space in FCI godown, Gandhi Nagar, Jaipur by Rajasthan State Breweries Corporation Ltd. was highlighted in media in past. This godown has been vacated by Rajasthan Breweries since 10.4.2010. The godowns were rented/hired out as per the policy of the Food Corporation of India, formulated to earn rental income from the idle capacity lying with FCI during the years 2006-07 and 2007-08 when the stock level was low.