

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

UNSTARRED QUESTION NO:6236
ANSWERED ON:15.05.2012
HIRING OF OPEN PLINTH
Rathwa Shri Ramsinhbhai Patalbhai

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

- (a) whether the profit of the Central Warehousing Corporation (CWC) has been declining and if so, the measures taken to reduce the establishment cost and to enhance its profit;
- (b) whether the CWC has hired higher percentage of open plinth than its own capacity utilisation during the last three years;
- (c) if so, the total open plinth capacity hired and the rent paid therefor during the said period; and
- (d) the steps taken to discontinue the practice of hiring godowns/open plinth by CWC and increase its own capacity utilisation?

Answer

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

(a): No, Madam. There is no decline in the profit of Central Warehousing Corporation (CWC), as may be seen from the details given below:

(Amount in Crore Rs.)			
Year	Income	Profit	
2008-09	849.25	110.44	
2009-10	987.95	163.88	
2010-11	1029.55	203.73	

Still, in order to reduce the administrative cost, CWC has taken several measures such as reduction in non-plan expenditure on heads like telephone, TA/DA, Advertisement, entertainment etc., closing down of 13 Construction Cells and retaining only 04 construction cells.

With a view to reducing the surplus manpower and the establishment cost, the Corporation also implemented Voluntary Retirement Scheme(VRS) during the years 1994, 1998, 2002, 2005 and 2008. 2475 employees opted for VR5. Further, no recruitment is being made against retirement of group D employees excepting the backlog vacancies of SC/ST.

However, barest minimum number of induction at the level of Junior Technical Assistants, Accountants and Management Trainees are made to meet the operational requirement.

In view of the above, the total number of employees on the rolls has also been progressively reducing as may be seen from the following figures:

As on Total number
 of employees

31.03.2009 5935
31.03.2010 5765
31.03.2011 5667
31.03.2012 5492

(b) & (c): No, Madam. CWC has not hired any open plinth during the last three years.

(d): The hiring of godowns is done only as a last resort to accommodate the stocks of various depositors at places, where the Corporation does not have its own constructed capacity or if the same is inadequate to meet the business requirement. This is done after undertaking a detailed cost benefit analysis and after satisfying about long term utilization of the hired godown. Utilisation of hired capacity is regularly monitored to ensure that these are gainfully utilized and in the absence of any assured/ continuous usage, de-hiring of the hired capacity is also resorted to. As a result of such monitoring, the utilization of hired capacity is constantly on the increase.