

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

UNSTARRED QUESTION NO:2549
ANSWERED ON:28.08.2012
CANCELLATION OF QUOTA
Maadam Shri Vikrambhai Arjanbhai

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

- (a) whether the Government has recently decided that States failing to lift their special allocation of foodgrains will have to lose their quota;
- (b) if so, whether the Government has ascertained the exact reasons for the failure of the States to lift their special allocation of foodgrains;
- (c) if so, the details thereof;
- (d) whether most of the States are unable to store the foodgrains and have urged the Union Government to extend them the storage facilities; and
- (e) if so, the reaction of the Union Government in this regard?

Answer

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

(a) to (e): Government has decided to consider more allocation to States/Union Territories (UTs) who lift the additional allocations made to them and demand more, out of unlifted savings of adhoc additional allocation of 50.00 lakh tons of foodgrains made in July 2012 for distribution to additional Below Poverty Line (BPL) families.

The lower offtake in some States is attributable to State's inability to absorb additional allocations due to additional subsidy being borne by them on account of further subsidization, short placement of stocks at some FCI depots due to movement bottlenecks, among others.

The record procurement of rice and wheat during last few years and the consequent surplus stocks of foodgrains in the Central Pool have resulted in covered storage gap. Considering the increased procurement of foodgrains Government has formulated a scheme for construction of storage godowns through private entrepreneurs, Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs). Under the scheme, capacity of about 181.08 lakh tons is to be created in 19 States through private entrepreneurs and CWC and SWCs. In the 12th Five Year Plan, an allocation of 568.17 crore has been made to Food Corporation of India for construction of storage godowns in North-Eastern (NE) region. This is likely to result in the construction of about 5.4 lakh tons capacity. To tide over the problem of shortage of storage space, FCI also hires storage space from CWC/SWCs/Government agencies and private parties, etc.