

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

STARRED QUESTION NO:572
ANSWERED ON:07.05.2013
SAFETY OF FOODGRAIN STOCKS
Pandey Saroj;Vijayan Shri A.K.S.

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

- (a) whether damage to surplus foodgrain stocks held by the Government has been reported from various parts of the country;
- (b) if so, the details thereof and the reasons therefor indicating the production, procurement, stock and demand of foodgrains as well as the damages reported during each of the last three years and the current year, State-wise;
- (c) whether the Government has made any assessment regarding the storage capacity and the funds required for its augmentation during the 12th Five Year Plan and if so, the details and the outcome thereof; and
- (d) the other steps taken for improving storage infrastructure, safety of the foodgrain stocks and liquidation of surplus stocks?

Answer

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE STARRED QUESTION NO 572 DUE FOR ANSWER ON 7.5.2013 IN THE LOK SABHA

(a) & (b) Foodgrains may get damaged during storage due to various reasons such as storage pest attack, leakages in the roof, exposure to moisture in case of unscientific storage, floods or negligence on the part of concerned persons in taking precautionary measures etc. Details of Central Pool foodgrains damaged/ became non-issuable during the last three years and the current year is at Annex I. The State-wise details of production and procurement of Wheat and Rice in the last three years is at Annex-II and III respectively. Actual stock of rice and wheat in the Central Pool for each quarter of the current year and last three years is at Annex IV. Total allocation of foodgrains (wheat and rice) under Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWSs) is at Annex V.

(c) & (d) The Government has assessed that an additional covered storage capacity of 200 lakh tons would be required in the medium term for Central Food Stocks. To augment the storage capacity in the country the Government is implementing the Private Entrepreneurs Guarantee (PEG) Scheme for construction of storage godowns through private entrepreneurs, Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs). Under the PEG Scheme the FCI guarantees to hire godowns constructed under this scheme for a period of ten years. A capacity of about 197 lakh tons as on 31.03.2013 has been approved for construction of godowns in 19 States. A total capacity of about 70 lakh tons has been completed under the Scheme as on 31.03.2013.

Further, for ensuring long-term scientific storage, the Government has also approved construction of 20 lakh tons of storage capacity in silos within the overall sanctioned capacity of the PEG Scheme through the PPP mode.

The Government is implementing a Plan scheme for the North East and other difficult areas, where private investment may not be forthcoming. In the North East an additional storage capacity of 5.40 lakh tons is to be created through the FCI, over the next 3 to 4 years. For the said purpose an amount of about Rs.460 crore has been allocated by the Planning Commission. In the year 2012-13 a capacity of 4570 tons has been created under the Plan Scheme. These capacities once created in the NE region, would meet the storage requirements for 3 to 4 months.

For safety of foodgrains, Government has issued instructions regarding safe storage of foodgrains to Food Corporation of India and State agencies to avoid damage in Central Pool Stocks from time to time. The precautionary and remedial measures mandated to be followed by FCI and State Government agencies are at Annex-VI.

Government has been making additional allocation under Targeted Public Distribution System (TPDS) to manage surplus foodgrains stocks. During the year 2012-13, a total of 26.96 lakh tons of wheat and 52.03 lakh tons of rice have been additionally allocated under TPDS. Besides, 95 lakh tons of wheat has been allocated starting from July 2012 for tender sale to bulk consumers/ private traders under the Open Market Sale Scheme (OMSS) and approximately 66.5 lakh tons of wheat has been sold under the scheme till 31.3.2013. In addition to this, 5 lakh tons of wheat and 5 lakh tons of rice was also allocated for sale to retail consumers through State

Governments under OMSS (Domestic). Export of 45 lakh tons of wheat was allowed from the Central Pool from July, 2012 out of which 34.50 lakh tons have been exported as on 30.4.2013. In addition, sale up to 50 lakh tons of wheat of Rabi Marketing Season (RMS) 2011-12 from Central Pool Stocks of Punjab and Haryana have been allowed in March, 2013 for export through private exporters.