

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

UNSTARRED QUESTION NO:3539
ANSWERED ON:15.05.2006
LOSSES DUE TO CORRUPTION IN CWC AND FCI
Mahato Shri Sunil Kumar;Singh Deo Smt. Sangeeta Kumari

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

- (a) the total storage capacity of Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) and the percentage of their capacity utilised by the said corporations during the last three years, separately;
- (b) whether the CWC and FCI are running in losses because of rampant corruption prevailing in these corporations;
- (c) if so, the details; and
- (d) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): Storage capacity held by the Food Corporation of India (FCI)/CWC (owned and hired/covered and CAP) and its utilization during the last three years i.e. 2003-04, 2004-05 and 2005-06 at Annexure -I & Annexure - II.

(b), (c) & (d): The Central Warehousing Corporation has consistently shown a profit in the last few years as under:

	(Figures in crores)			
Financial	2002-03	2003-04	2004-05	2005-06
Income	471.08	462.86	522.87	591.50
Expenditure	423.46	428.98	462.45	501.19
Profit before tax	47.62	33.88	60.42	90.31
Profit after tax	43.29	22.43	41.30	63.72

Figures of 2005-06 are provisional and subject to audit. The entire expenditure of FCI on procurement, storage and distribution is subsidized by the Government and hence the question of FCI incurring losses does not arise.

Both the FCI and CWC take preventive and corrective measures promptly, whenever cases of corruption come to light. Such cases are dealt with immediately in accordance with existing rules.