

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

STARRED QUESTION NO:345
ANSWERED ON:21.08.2006
REVAMPING OF CWC
Boianapalli Shri Vinod Kumar

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

- (a) whether the establishment cost of Central Warehousing Corporation (CWC) constitutes the major portion of its total expenditure;
- (b) if so, the details and the reasons therefor;
- (c) the steps taken/proposed to be taken to cut down the costs on establishment in CWC;
- (d) whether the Government has conducted/proposes to conduct any study for restructuring/revamping the CWC; and
- (e) if so, the details thereof?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a), (b), (c), (d) & (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE STARRED QUESTION NO. 345 DUE FOR ANSWER ON 21.08.2006 IN THE LOK SABHA.

(a) & (b): The details of establishment cost vis-à-vis total expenditure of Central Warehousing Corporation (CWC) are as under:

(Rs. in crores)

Year	Establishment Cost	Total Expenditure	Establishment Cost as percentage to total expenditure
2002-03	176.41	423.46	41.66%
2003-04	182.28	428.98	42.49%
2004-05	188.40	462.45	40.74%
2005-06 (Prov.)	195.53	514.55	38.00%

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High establishment cost is mainly on account of CWC being a service organization where establishment cost is a major component of expenditure.

(c): The following steps have been taken to reduce the establishment cost in CWC:

(i) The Corporation introduced Voluntary Retirement Scheme (VRS) during the years 1994, 1998, 2002 and 2005-06. About 2470 employees had opted for VRS under these schemes.

(ii) Re-organisation of Regional Offices has been taken up in CWC and the number of Construction Cells has been reduced from 17 to 06

(iii) Since 1998, the Corporation has not resorted to any direct recruitment.

(iv) The Corporation has outsourced some of its activities like watch and ward, house keeping, etc.

(d): No, Sir.

(e): In view of (d) above, the question does not arise.

