

तार : 'फूडकोर्प'

Gram : 'FOODCORP'

फैक्स नं: एचएफसीआई एन डी

Fax No.: HFCI ND

भारतीय  
खाद्य  
निगम



FOOD  
CORPORATION  
OF INDIA

मुख्यालय  
नई दिल्ली  
Head Quarters  
New Delhi

00911123413241

00911143527433 16-20, बाराखम्बा लेन, नई दिल्ली-110001, दूरभाष: 011-43527697, 43527698

16-20, BARAKHAMBA LANE, NEW DELHI - 110001, PHONE: 011-43527697, 43527698

सं.: E.4 (20)/2000/ Stg. VII/ Vol.VI/ Pt file

दिनांक: 24.03.2021

कार्यकारी निदेशक (अंचल)

भारतीय खाद्य निगम,

आंचलिक कार्यालय(उत्तर/पूर्व/दक्षिण/पश्चिम/पूर्वोत्तर)

नोएडा (उत्तर प्रदेश)/ कलकत्ता (पश्चिम बंगाल)/

तमिलनाडु(चैन्नई)/ मुम्बई(महाराष्ट्र)/गुवाहाटी(असम)।

महा प्रबन्धक (क्षेत्र)

भारतीय खाद्य निगम,

क्षेत्रीय कार्यालय (पंजाब/हरियाणा/दिल्ली/उत्तराखण्ड/जम्मू/ उ.प्र./

राजस्थान/ हि.प्र./कर्नाटक/तमिलनाडु/ केरल/ आंध्र प्रदेश/तेलंगाना/

म.प्र./महाराष्ट्र/गुजरात/उड़ीसा/ पश्चिम बंगाल/ छत्तीसगढ़/ बिहार/

झारखण्ड/दिमापुर/ असम/इम्फाल/शिलांग/ अरुणाचल प्रदेश।

**Subject:** Claims of CWC toward Storage Charges for 'over & above' storage capacity utilization in CWC godowns.

**Ref:-** i. FCI HQrs letter no S&C/QP/06/2019/Stg.-VLL/145 dated 14.01.20219.

ii. FCI HQrs letter no- E4 (20)/2000/ Stg.VII/ Vol. VI/ Pt dated 01.03.2019

Sir/ Madam,

Kindly refer the FCI Headquarters communications on the subject cited above.

In this context, it is stated that a meeting has been held under the chairmanship of Secretary (F&PD), MoCA, F&PD, Govt. of India on 05.03.2021 on the issue of storage charges for 'Over & Above' storage capacity utilization in CWC godowns. Copy of minutes of the meeting is enclosed. In pursuance to the decisions taken in the said meeting, following actions may be taken:-

1. Since, FCI has already issued instructions for increasing the stack size to 174 MT, godown-wise exercise to reassess capacity of its godowns may be carried out by FCI accordingly. Wherever increasing the stack size is not possible up to 174 MT then detailed reason for the same should be recorded and capacity should be assessed by taking maximum possible stack size.
2. Similar exercise should be done for CWC own godowns for storing food grains by having representative from FCI.
3. Reassessment of capacity may be done by FCI and CWC in 15 days' time.
4. Storage Charges to be paid to CWC by FCI for the year 2021-22 onwards may be decided on the basis of reassessed capacity. Till then payments to be regulated as per the existing capacity.
5. Matter may be taken up with the State Govt. for similar exercise of reassessment of godowns owned by State Govt. and SWCs. One representative from FCI shall be nominated for reassessment of Storage capacity.

तार : 'फूडकोर्प'

Gram : 'FOODCORP'

फैक्स नं: एचएफसीआई एन डी

Fax No.: HFCI ND

भारतीय  
खाद्य  
निगम



FOOD  
CORPORATION  
OF INDIA

मुख्यालय  
नई दिल्ली  
Head Quarters  
New Delhi

00911123413241

00911143527433 16-20, बाराखम्बा लेन, नई दिल्ली-110001, दूरभाष: 011-43527697, 43527698  
16-20, BARAKHAMBHA LANE, NEW DELHI - 110001, PHONE: 011-43527697, 43527698

In view of the above, it is requested to constitute a committee comprising of one officers each of Engg./QC and other members as deemed fit, may be nominated by GM(R) to reassess depot wise storage capacity within 15 days. The information/status may be apprised to FCI Headquarters in the enclosed format for according necessary approval of reassessed capacity.

This issues with the approval of Competent Authority.

Yours faithfully,

(R C Naval)

Dy. General Manager(S&C)

Copy to:-

- i. Managing Director, CWC, Hauz Khas, New Delhi – for information of necessary action please.
- ii. Joint Secretary (Stg), MoCA, F&PD, Gol, New Delhi- for information please.
- ii. PS to Secretary (F&PD), MoCA, F&PD, Gol, New Delhi- for information please.

Dy. General Manager(S&C)

## Depot-wise status of reassessment of Storage Capacity

Name of the Region.....

### FCI owned Godown

Sr. No	FCI District	Name & location of Godown (FCI owned)	No of Stacks	Present capacity in MT	Capacity after Reassessment in MT	Remarks

### CWC Godown

Sr. No	FCI District	Name & location of Godown (CWC)	No of Stacks	Present capacity in MT	Capacity after Reassessment in MT	Remarks

### SWC/ State Agencies Godown

Sr. No	FCI District	Name & location of Godown (SWC/State Agencies)	No of Stacks	Present capacity in MT	Capacity after Reassessment in MT	Remarks

**File No.22-8/2020-FC-I**

No.22-8/2020-FC-1

Government of India

Ministry of Consumer Affairs, Food and Public Distribution

Department of Food and Public Distribution

-----  
Krishi Bhawan, New Delhi – 110001

Dated,16/03/2021

**OFFICE MEMORANDUM**

**Subject:** Minutes of the meeting held under the Chairmanship of Secretary, DFPD on 5.3.2021 to review payment of storage charges to CWC /SWC and FCI for the stocks stored over and above the rented capacity.

The undersigned is directed to enclose herewith the minutes of the meeting held under the Chairmanship of Secretary, DFPD on 5.3.2021 to review payment of storage charges to CWC /SWC and FCI for the stocks stored over and above the rented capacity

Digitally signed by Madan  
Mohan Maurya  
Date: Tue Mar 16 11:44:02 IST  
2021  
Reason: Approved

(Madan Mohan Maurya)

Under Secretary to the Government of India

Tele: 23384448

To

1. Principal Secretary (Food) Government of Punjab.
2. Managing Director, Central Warehousing Corporation.
3. Joint Secretary (Storage), Department of Food and Public Distribution.
4. Executive Director (S&C), Food corporation of India, 16-20, Barakhamba Lane, New Delhi.

Copy to:

1. Sr PPS to Secretary (F&PD)
2. Sr. PPS to AS (P&FCI)

**Minutes of the meeting held under the Chairmanship of Secretary (F&PD) on 05.03.2021 to review payment of storage charges to CWC/SWC by FCI for the stocks stored over and above the rented capacity.**

\*\*\*\*\*

A meeting was held on 05.03.2021 in Mini Conference Hall room No. 167 under the Chairmanship of Secretary (F&PD) to review payment of storage charges to CWC/SWC by FCI for the stocks stored over and above the rented capacity. The list of participants is at Annexure.

**BACKGROUND**

FCI for the purpose of storage of foodgrains hires capacities through CWC on Reservation basis (wherein guarantee for space utilization is assured by FCI for a period of minimum 1 year or more) which assures rental to be paid to CWC irrespective of the capacity utilization.

2. In the year 2009, due to increasing stock levels, FCI issued directions for capacity utilization of upto 120% and decided to regulate payment of over and above capacity utilization at the guaranteed rate.

3. On the similar issue of payment of over and above capacity utilization in PEG godowns, the matter was deliberated by the 51st HLC in its meeting held on 17.04.2018. HLC decided that "the capacity utilization in godowns varies from month to month. There can be certain months when it is over utilized whereas, in remaining part of the year, stock level falls below the rated capacity. For the godown under guarantee, full rent is paid for the month during which the capacity is under-utilized. Hence, seeking compensation for over utilization doesn't appear to be prudent as the investor automatically gets compensated during the lean period. In view of the same, HLC didn't accept the request for storage charges in case of over utilization."

4. FCI, with a view to bring about uniformity in all types of godowns, decided that the instructions regarding 'over and above' utilization of the capacity in respect PEG godowns shall also be equally applicable to the godowns of CWC/SWC/PWS/Non-PEG/etc. taken on guarantee basis for a fixed period. Accordingly, instruction dated 14.01.2019 was issued.

5. CWC expressed its reservation on the decision taken by FCI.

6. To sort out the issue of Claims towards Storage Charges for 'over & above' utilization of storage capacity in CWC godowns, the matter was placed before the BoD in its 391<sup>st</sup> meeting held in 27<sup>th</sup> Feb., 2019. Board of Directors decided that "a sub-committee of Board consisting of following members be constituted:

- i. Joint Secretary (P&FCI), MoCA,F&PD, Chairman,
- ii. Principal Secretary (Food), Govt. of Punjab, Member,
- iii. Managing Director, CWC, Member.

Executive Director (S&C), FCI and Executive Director (Finance), FCI shall assist the committee in examining the issue. The Committee shall furnish the report by 15.03.2019 to Chairman. Till then, the instructions issued by FCI Hqrs. Vide letter no. E.4(20)/2000/Stg.VII/Vol.VI/Part dated 14.01.2019 be kept in abeyance.”

6. However, the report was not submitted by the Committee and matter was again placed before the Board of Directors in its 399<sup>th</sup> meeting held on 16.10.2020. BoD deliberated the matter and advised Additional Secretary (Policy) , DFPD, GoI to coordinate and finalize the report.

7. Pursuant to the directions of the Board of Directors, couple of meetings were held under the Chairmanship of Sh. E.K. Majhi. However, the views of the committee members were at variance.

8. To resolve the matter, a meeting was held on 05.03.2021 under the Chairmanship of Secretary, F&PD. The meeting was attended by all the three members of the Committee. ED(Storage) ,FCI was also present in the meeting. After detailed deliberations following was decided:-

- A. Since FCI has already issued instructions for increasing the stack size to 174 MT (in some cases this goes beyond 20% increase in capacity ) godown wise exercise to reassess capacity of its own godowns may be carried out by FCI accordingly. Wherever increasing the stack size is not possible up to 174 MT then detailed reason for the same should be recorded and capacity should be assessed by taking maximum possible stack size.
- B. Similar exercise should be done for CWC own godowns for storing food grains by having a representative from FCI.
- C. Reassessment of capacity may be done by both FCI and CWC in 15 days time.
- D. Storage charges to be paid to CWC by FCI for the year 2021-22 onwards may be decided on the basis of reassessed capacity. Till then payments to be regulated as per the existing capacity.

The objective of the exercise is to legally make available excess capacity (by 20%) across all FCI and CWC stores so that utilisation percentage reflected in the data is real. This may also reduce or eliminate the requirement of CAP. Similar, consideration shall be applied while hiring or storing stocks in State owned godowns.

The meeting ended with thanks to Chair.

ANNEXURE

**List of participants of the meeting held under the Chairmanship of Secretary(F&PD)  
on 05.03.2021 to review payment of storage charges to CWC/SWC by FCI for the stocks  
stored over and above the rented capacity**

\*\*\*\*\*

1. Sh. Sudhanshu Pandey, Secretary (F&PD) ----- in the chair.
2. Sh. E.K. Majhi, Additional Secretary (Policy & FCI), DFPD.
3. Shri K.A. P. Sinha, Principal Secretary (Food), Government of Punjab.
4. Shri A.K.Srivastava, MD, CWC.
5. Shri Rabindra Agarwal, ED(Traffic), FCI
6. Sh. Sanjeev Gautam, GM (S&C), FCI.
7. Dr, Anjum Bhaskar, Deputy Director, Government of Punjab.
8. Smt. Sarojini Rawat, DS (FCI), DFPD.