Bulk Movement

The Food Corporation of India (“**FCI**”) was established under Section 3 of the Food Corporations Act, 1964 (“**Food Corporations Act**”). Under Section 13 of the Food Corporations Act, it is the primary duty of the FCI to undertake purchase, storage, movement, transportation, distribution and sale of food grains and other foodstuffs. Further, the FCI is required to promote by such means, as it thinks fit, the production of food grains and other foodstuffs, set up, or assist in the setting up of, rice mills, flour-mills and other undertakings for the processing of food grains and other foodstuffs and discharge such other functions as may be prescribed or as are supplemental, incidental or consequential to any of the functions conferred on it under the Food Corporations Act, with the prior approval of the Government of India. The Parliament of India has also enacted the National Food Security Act, 2013 (“**National Food Security Act**”) to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto.The National Food Security Act *inter – alia* provides for the following:

1. The right to receive food grains at subsidized prices by persons belonging to eligible households under the ‘Targeted Public Distribution System’;
2. Nutritional support to pregnant women and lactating mothers;
3. Nutritional support to children;
4. Prevention and management of child malnutrition;
5. Implementation of schemes for realization of entitlements; and
6. Right to receive food security allowance in certain cases.

The Food Corporation of India is a major stakeholder in the implementation of the aforementioned objectives of the National Food Security Act through conduct of its operations of purchase, storage, movement, transport distribution and sale of food grains and other foodstuff.

The FCI has drawn up a long – term action plan to implement steel silo storage with bulk handling facility for storing of food grains in bulk. Storage of food grains in steel silos ensures better preservation of food grains and enhances its shelf life as well as reduces losses due to theft, pilferage and transportation. Further, storage of food grains in silos is prudent given the land availability constraints of the FCI as it requires approximately 1/3rd(one third) land as compared to conventional storage warehouses. Steel silos can also be operated round the clock which improve overall efficiency. In light of the aforesaid, the FCI has decided to construct steel silos for creation of modern storage capacity for food grains through public private partnership (“**PPP**”) model, with or without funding support by way of viability gap funding, at various locations across the country. The FCI plans to construct steel silos where the food grains will be procured and stored with 13(thirteen) steel silos of aggregate capacity of approximately 6,75,000**MT** in procuring region(s)(“**Procurement Silos**”) and27 (twenty-seven)steel silos with aggregate capacity of approximately 13,50,000MT in consuming region(s) (“**Distribution Silos**”). The broad details of the Procurement Silos and the Distribution Silos is given in **Table – 1** below:

**Table – 1**

**Details of Procurement Silos and Distribution Silos**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Procuring Silos Location** | **Storage Capacity**  **(in MT)** | **Distribution Silos**  **Location** | **Storage Capacity**  **(in MT)** |
|  | Kotkapura (Punjab) | 25,000 | Ahmedabad (Gujarat) | 50,000 |
|  | Barnala (Punjab) | 50,000 | Katihar (Bihar) | 50,000 |
|  | Patiala (Punjab) | 50,000 | Changsari (Assam) | 50,000 |
|  | Sangrur (Punjab) | 1,00,000 | Dhamora (UP) | 50,000 |
|  | Bhattu (Haryana) | 50,000 | Kannauj (UP) | 50,000 |
|  | Sonepat (Haryana) | 50,000 | Basti (UP) | 50,000 |
|  | Jind (Haryana) | 50,000 | Malda (West Bengal) | 50,000 |
|  | Batala (Punjab) | 50,000 | Palanpur & Siddhpur (Gujarat) | 50,000 |
|  | Chhehreatta (Punjab) | 50,000 | Amreli (Gujarat) | 50,000 |
|  | Panipat (Haryana) | 50,000 | Deoria (UP) | 50,000 |
|  | Sahnewal (Punjab) | 50,000 | Faizabad (UP) | 50,000 |
|  | Jalalabad (Punjab) | 50,000 | Baroda (Gujarat) | 50,000 |
|  | Rohtak (Haryana) | 50,000 | Darbhanga (Bihar) | 50,000 |
|  |  |  | Samastipur (Bihar) | 50,000 |
|  | Bhagalpur (Bihar) | 50,000 |
|  | Fatehpur (UP) | 50,000 |
|  | Gorakhpur (UP) | 50,000 |
|  | Lucknow (UP) | 50,000 |
|  | Madhubani (Bihar) | 50,000 |
|  | Khagaria (Bihar) | 50,000 |
|  | Saran (Bihar) | 50,000 |
|  | Motihari (Bihar) | 50,000 |
|  | Madhepura (Bihar) | 50,000 |
|  | Durgapur (West Bengal) | 50,000 |
|  | Murshidabad (West Bengal) | 50,000 |
|  | Balurghat (West Bengal) | 50,000 |
|  | Dankuni (West Bengal) | 50,000 |
| **Total** | | **6,75,000** | **Total** | **13,50,000** |