

***PRESS RELEASE- 13-1-2011***  
***DISPOSAL TERMS FOR DAMAGED FOOD GRAIN MADE***  
***MORE STRIGEMT BY FOOD CORPORATION OF INDIA***

There have been recent reports in the media that the Food Corporation of India is passing damage food grain animal feed for human consumption. These report are not only misleading but far from the truth and ground realities. The Corporation is committed to ensuring that only wheat and rice of good quality the conforms to prescribed specifications of Government of India and also meets the PFA standards is issued for human consumption under TPDS & other welfare schemes.

Damaged food grain stocks available in the Corporation godowns are disposed off through limited tender/auction amongst the feed manufacturers registered, under the prescribed regulations/rules framed by the respective State Governments, with F.C.I. Regions. The State Governments, with whom vests the executive authority, are duly informed about the sale of these damaged foodgrains to ensure that these feed manufacturers use the food grain lifted by them for the purpose intended and not misused.

The Food Corporation of India has also recently issued stringent terms, requiring these registered feed manufacturers to furnish bank guarantee equal to the value of damaged foodgrains with one years validity from the date of lifting of stocks. The bank guarantee is to be released by the Corporation, only after verification that the damaged food grain has been completely converted into feed by the concerned feed manufacturer. In case of default by the manufacturer, the bank guarantee will be encashed by the Food Corporation of India and defaulter will also be liable for criminal action.