

SUSTAINABLE DEVELOPMENT PERFORMANCE REPORT: 2011-12

About CWC

The Central Warehousing Corporation (**CWC**) was established on 2nd March, 1957 under the Agricultural Produce (Development and Warehousing) Corporations Act, 1956 which was repealed and replaced by the Warehousing Corporations Act, 1962. The main objective of the CWC is to provide scientific storage facilities for agricultural inputs, produce and other notified commodities besides providing logistics infrastructure like CFSs/ICDs, Land Customs Stations, Air Cargo Complexes, etc. for import-export cargo.

CWC is ISO 2001:2008, ISO 14001:2004 and OHSAS 18001:2007 certified organization. It is a Schedule 'A' - Mini Ratna, Category-I organization.

As on 31st March, 2012, CWC was operating 468 warehouses with a total storage capacity of 100.85 lakh MT and with average capacity utilization of 91%. CWC is the leading player in the Warehousing/Logistics business providing infrastructural facilities to a diversified group of clients including Government Departments, semi-Government agencies, autonomous bodies, cooperative institutions, business houses, multinational companies as well as farmers and traders.

Ever since its inception, CWC has been providing scientific storage facilities for storage of agricultural inputs and produce and notified commodities at reasonable cost. In order to cross-subsidize the agricultural sector and to sustain its operations, CWC has been diversifying into new business areas. It made an entry into operation of public bonded warehouses in the late seventies, when the CBEC, acknowledging the

expertise of CWC in the field of storage and warehousing, appointed CWC as a custodian for running Bonded Warehouses for storage of imported dutiable goods. CWC, as on 31st March, 2012 was operating 66 Bonded Warehouses with a storage capacity of 4.24 lakh MT. CWC also runs 4 Air Cargo Complexes, 36 Container Freight Stations (**CFSs**)/Inland Clearance Depots (**ICDs**) with a storage capacity of 15.68 lakh MT and 4 temperature controlled warehouses with 2439 MT capacity.

Against the authorized share capital of Rs. 100.00 crore, the paid-up capital of the CWC is Rs. 68.02 crore. **CWC is not dependent upon any budgetary support from the Government and all its operations/construction plans are met out of internal generation of resources.**

The financial results of the Corporation for the past five years are as under:

(Rs. in crore)

Year	Turnover	Expenditure	Profit Before Tax	Profit After Tax
2007-08	776.23	621.47	154.76	136.91
2008-09	849.25	738.81	110.44	110.46
2009-10	987.95	824.07	163.88	130.52
2010-11	1029.55	825.82	203.73	136.17
2011-12	1218.65	1059.53	159.12	100.46

In order to encourage the farming community and motivate them to avail public warehousing facilities, **CWC offers a rebate of 30% in the storage charge for stocks deposited by the farmers.** A warehouse receipt, which is a negotiable instrument, is issued to the farmers, who can obtain credit on pledge of the same. In order to educate the farming community on storage and preservation of stocks at farm level and reduce the avoidable storage losses, CWC operates its Farmers Extension Service Scheme wherein

the technical staff posted at its warehouses visits the adjoining villages and trains the farmers for complete transfer of knowledge on post harvest technology. The scheme is presently in operation through 290 warehouses.

CWC has been providing disinfestation and pest control services for the benefit of farmers, traders, exporters, importers, shipping agents, etc. The facilities include disinfestation operations in railway coaches, pantry cars, aircrafts, hospitals, hotels and restaurants, export / import container fumigation, ship fumigation, etc.

Functions of CWC

The functions as mentioned in the Warehousing Corporations Act, 1962 are as follows:

- To acquire and build godowns and warehouses at suitable places in India or abroad ;
- To run warehouses for the storage of agricultural produce, seeds, manures, fertilizers, agricultural implements and notified commodities offered by individuals, cooperative societies and other institutions.
- To arrange facilities for transport of agricultural produce, seeds, manures fertilizers, agricultural implements and notified commodities to and from warehouses.
- To subscribe to the share capital of the State Warehousing Corporations.
- To act as an agent of the Government for the purposes of purchase, sale, storage and distribution of agricultural produce, seeds, manures, fertilizers, agricultural implements and notified commodities.
- To enter into, with the previous approval of the Central Government, joint ventures with any Corporation established by or under any Central Act or any State Act or with any company formed and registered under the Companies Act, 1956 including foreign company or through its subsidiary companies, for carrying out its functions as enumerated in the Warehousing Corporations Act, 1962.

- To establish subsidiary companies.
- To undertake disinfection services outside its warehouses in respect of agricultural produce or notified commodities.
- To act as agent for the purpose of purchase, sale, storage and distribution of agricultural produce, seeds, manures, fertilizers, agricultural implements and notified commodities as defined in section 2, on behalf of a company as defined in the Companies Act, 1956 (1 of 1956) or a body corporate established by an Act of Parliament or of a State Legislature or a Cooperative Society.
- To provide consultancy services, assistance, finance, programmes or projects related to agricultural produce or notified commodities and to undertake any other activities considered incidental to its functions.

Headquarters:

The Corporate Office of CWC is situated at:

“Warehousing Bhawan”,
4/1 Siri Institutional Area,
August Kranti Marg, Hauz Khas,
New Delhi-110016.

The period covered under this report is from 1.4.2011 to 31.3.2012. This is the first report by CWC of its sustainable development initiatives undertaken during the year. CWC wishes to publish the Sustainability Report on annual basis. This report is limited to CWC and does not cover operations of its subsidiary, joint venture etc. like Central Railside Warehouse Company Ltd., State Warehousing Corporations and National Multi-Commodity Exchange of India Ltd.

Sustainability Strategy

CWC believes that sustainable development requires contribution and sustained efforts by all stakeholders and significantly so, from the corporates. CWC aims at driving efficient and effective implementation of sustainable development activities, initiatives and projects. CWC considers Sustainable Management of energy, water, other natural resources, addressing climate change as our responsibilities towards environmental sustainability. We emphasize on management of waste and prudent energy management & biodiversity conservation.

To accomplish above, initiatives for harvesting rainwater, introducing use of non-conventional/renewable sources of energy in our warehouses, depots, freight stations, offices, creating rural public infrastructure facilities, training farmers and logistics entrepreneurs are being undertaken.

While due care is taken in preparing a comprehensive, transparent and accurate account of our sustainability performance, we acknowledge that we might have missed certain topics of relevance for our esteemed stakeholders. We seek feedback on such topics and suggestions in order to improve our sustainability strategy, performance and commitments elaborated in this report. The comments/suggestions received will be reviewed and replied to as deemed appropriate by the management and will serve to improve our reporting process.

Comments and suggestions, if any, may be directed to:-

Sh. S.K. Sharma

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Markets Served

Through a network of 468 warehouses, CFSs/ICDs, Air Cargo Complexes, etc., CWC provides its services to a wide clientele which includes farmers, traders, cooperatives, public/private companies, etc. for scientific storage and preservation of a wide range of commodities. CWC also provides services to importers/exporters and assists in border trade through its Land Customs Station (LCS)/Integrated Check Post (ICP). CWC also provides disinfestation and Pest Control Services and thus assists in providing a clean and pest free environment.

Details of Region-wise/State-wise storage capacity operated by the CWC as on 31.3.2012 are given in the table

S. No.	Region	States Covered	No. of Warehouses	No. of CFSs/ICDs	No. of Bonded Warehouses	Total Capacity (lakh MT)
1	Ahmedabad	Gujarat	26	7	7	7.18
2	Bangalore	Karnataka	33	2	4	4.67
3	Bhopal	M.P.	26	-	-	5.24
4	Bhubaneswar	Odisha	18	-	-	4.34
5	Chandigarh	Punjab, Chandigarh	26	-	4	6.97
6	Chennai	Tamil Nadu, Andaman & Nicobar, Puducherry	28	6	8	6.79
7	Delhi	Delhi, Haryana, U.P.	33	5	5	1.98
8	Guwahati	Assam, Nagaland, Tripura	9	-	-	1.02
9	Hyderabad	Andhra Pradesh	47	2	1	13.44
10	Jaipur	Rajasthan	31	-	5	4.3
11	Kochi	Kerala	13	1	2	1.54
12	Kolkata	West Bengal	37	1	6	6.54

13	Lucknow	U.P., Uttrakhand	43	3	5	9.30
14	Mumbai	Maharashtra, Goa	42	4	12	7.18
15	Navi Mumbai	Maharashtra	5	5	3	7.31
16	Panchkula	Haryana, Himachal Pradesh	29	-	-	5.06
17	Patna	Bihar, Jharkhand	19	-	-	1.54
18	Raipur	Chhattisgarh	12	-	-	2.74
	TOTAL		468	36	64	100.85

Use of Non-Conventional Energy Sources:

CWC's warehousing complexes use electrical energy for providing not only light inside the godowns for routine operations but also to provide adequate lighting in the premises for security, watch & ward purposes. In order to reduce the consumption of electricity, CWC has taken the following initiatives:

- i) Use of transparent sheets in the godowns roof so as to increase the illumination inside the godowns during the day time.
- ii) Installation of solar panels (Photo-voltaic cell rechargeable battery) for street lighting in the complex.

During 2011-12, solar lighting systems was installed at the following warehouses:



S. No.	Region	State	Name of Warehouse	No. of sets installed	Expenditure outlay (in lakh Rs.)
1.	Jaipur	Rajasthan	Chomu	08	3.27
2.	Jaipur	Rajasthan	Baran	06	2.45
3.	Lucknow	U.P.	Muzaffarnagar Base Depot	16	6.53
4.	Bhopal	M.P.	Sheopurkalan	10	4.36
5.	Bhopal	M.P.	Maksi	10	4.36
6.	Mumbai	Maharashtra	Yavatmal	10	4.36
7.	Bangalore	Karnataka	Gadag	10	3.39
8.	Chennai	T.N.	Cuddalore	10	3.39
9.	Kochi	Kerala	Kannur	15	5.09
10.	Bhubaneswar	Odisha	Junagarh	10	3.58
	Total			105	40.78

Creation of Rain Water Harvesting Structures:

CWC's warehouses, CFSs/ICDs, ACCs are generally built over small land area. Though CWC utilizes a small amount of water for its operations such as prophylactic treatment (spraying) of foodgrain stocks stored at its warehouses, water is also used for drinking and sanitary

purposes by the personnel working/visiting the warehouses.

As a responsible corporate citizen, CWC

has taken initiatives to harvest the rain water and recharge the ground water table by providing rain water harvesting structures of



suitable capacity in its warehouses. While all newly constructed warehouses are compulsory provided with rain water harvesting structures, rain water harvesting structures are also being created at the existing warehouses in a phased manner. The details of rain water harvesting structures created during the period under report are as under:

S. No.	Region	State/U.T.	Name of Warehouse	No. of structures created
1.	Panchkula	Haryana	Assandh	3
2.	Panchkula	Haryana	Sirsa	3
3.	Bangalore	Karnataka	Gulbarga	1
4.	Bangalore	Karnataka	Devangere	2
5.	Bhopal	M.P.	Indore-I	2
6.	Chennai	T.N.	Ambattur	2
7.	Chennai	Puducherry	Puducherry	2
8.	Chandigarh	Punjab	Ropar	2
9.	Chandigarh	Punjab	Moga	2
10.	Chandigarh	Punjab	Sirhind	2
11.	Lucknow	U.P.	Shahganj	6
12.	Lucknow	U.P.	Dumariyaganj	2
13.	Raipur	Chhattisgarh	Raipur-III	4
14.	Delhi	Delhi	ICD, Patparganj	3
15.	Delhi	U.P.	ICD, Greater Noida	3
	Total			39