

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

UNSTARRED QUESTION NO:722

ANSWERED ON:10.12.2013

PEG SCHEME

Thakur Shri Anurag Singh

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

- (a) whether the Government has introduced Private Entrepreneur Guarantee (PEG) Scheme to develop modern storage capacity with the help of private investors in various States;
- (b) if so, the details thereof along with the targets fixed and achieved under the scheme to construct new godowns, revive closed ones and provide modern facilities therein, State-wise;
- (c) whether construction work for development of storage capacity under the scheme has not yet been started in several States; and
- (d) if so, the details thereof and the reasons therefor indicating the names of the defaulting States?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) & (b) Yes, Madam. With a view to creating additional storage capacity in the country, Government of India/FCI is implementing a scheme called Private Entrepreneurs Guarantee (PEG) Scheme for construction of storage capacity through Private Entrepreneurs, CWC & SWCs. Under this Scheme, storage capacity is created by private parties, CWC, SWCs and other State Agencies for guaranteed hiring by FCI. Accordingly, based on the recommendations of State Level Committees (SLCs), a capacity of 203.76 lakh MT has been approved for construction of godowns at various locations in 19 states. A capacity of 82.01 lakh MT has already been completed as on 30.11.2013.

The details of target fixed and achieved for construction of godowns to develop modern storage capacity are as under:-

Capacity (in Lakh MT)

Year	MOU Target	Capacity Completed
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2010-11	-	2.00
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2011-12	20.00	26.17
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2012-13	35.00	41.75
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2013-14	60.00	12.09 (upto 30.11.13)
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Total	82.01	
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The State-wise details are given in the statement at Annexure-I.

(c) & (d) In all the States where PEG scheme has been sanctioned, work has started and is under progress. However there are some States where construction work against part of the sanctioned capacity has not yet started. As per guidelines of the PEG scheme, after the allotment of contract, a maximum time of one year for non-railway siding godowns and two years for railway siding godowns, extendable by another one year with a corresponding reduction in guarantee period is given to the investors. This includes 120 days, which is given to the investors for submission of land documents. Investors have to take permissions from the state authorities, make financial arrangement etc. before starting construction works at the proposed sites. This takes considerable time. Beside these, state specific laws in some states are also hindering the implementation of PEG scheme. As on 31.10.2013, construction for a capacity of 55.86 lakh MT is yet to start. It includes capacity which is under tender process (22.85 LMT), yet to tender (10.63 LMT) and sanctioned but work not started (22.38 LMT). The State wise details of 55.86 lakh MT for which construction work is yet to start is given at Annexure-II.