

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

UNSTARRED QUESTION NO:2084
ANSWERED ON:10.03.2015
PEG SCHEME
Bhamre Dr. Subhash Ramrao

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

- (a) whether the Private Entrepreneurs Guarantee (PEG) Scheme for construction of storage/godowns is being implemented in the country;
- (b) if so, the details thereof indicating the names of the States where it has been implemented along with the criteria fixed for selection of private entrepreneurs for construction of godowns;
- (c) whether the Government has approved construction of godowns under the said scheme during the last three years and the current year;
- (d) if so, the details thereof indicating the additional storage space approved and created, along with the funds sanctioned, released and utilised during the said period, State-wise;
- (e) whether work has not been initiated/completed on the projects undertaken earlier under the scheme in some States; and
- (f) if so, the details thereof and the reasons therefor along with the corrective steps taken in this regard, State-wise?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)

(a): Yes Madam. The Government is implementing a Private Entrepreneurs Guarantee (PEG) Scheme in Public Private Partnership (PPP) mode for creation of storage capacity through Private Entrepreneurs, as well as Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs).

(b): This scheme is being implemented in 20 states namely, Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and West Bengal. Under this scheme, as on 31.01.2015, capacity of 153.71 lakh MT has been sanctioned for construction of godowns. Out of this, construction of 122.38 lakh MT capacity has already been completed.

The criteria fixed for selection of private entrepreneurs for construction of godowns under PEG scheme are as under:

- i) Individual: An individual applying as owner of the Land should have Land in his own name only.
- ii) Partnership Firm: In case the Tenderer is a registered/Unregistered Partnership Firm, the Land must be in the name of the Firm or one or more of its Partner(s), in which case the said Land must have been contributed to the Firm, which should be reflected in the Partnership Deed.
- iii) Company or Trust: In case of Public or Private Limited Company or a Registered Trust, the Land should be in the name of the Company or Trust only. Land in the name of Directors or Shareholders or Trustees or Sister Concern or Promoters etc. shall not be considered.
- iv) A person who does not own Land or hold it on Registered Lease but intends to acquire the same by way of Ownership/Registered Lease within 120 days from the date of acceptance letter, can apply by furnishing an addition to requisite EMD, a Supplementary Guarantee in the form of Bank Guarantee @ Rs. 100.00 per MT.
- v) A person holding Land under Registered Lease for a minimum period of 13 years with permission to construct godown can also apply.
- vi) Selection of the private party is done through open advertisement and two stage tendering process.

(c) & (d): Yes Madam. Year-wise details of the PEG projects sanctioned to private investors, CWC & SWCs are as under:

Year Sanctioned capacity
(in lakh MT)

2010-11	22.91
2011-12	84.14
2012-13	33.68
2013-14	11.30
2014-15	6.61

(upto 09.
02.2015)

State-wise details of capacity constructed during last three years and current year are at Annexure-I. No funds are released by the Government under this scheme since godowns are constructed by the private investors in PPP for guaranteed hiring by FCI for 10 years.

(e) & (f): Yes Madam, as on 31.01.2015, work for a capacity of 10.09 lakh MT is yet to start. Work is under progress for 20.74 lakh MT. In this regard, it is to be mentioned that 1 year time is given for completion of construction work in case of non-railway siding godown and 2 years in case of railway siding godowns. This time frame is extendable by 1 year on the request of investors. State-wise details along with reasons and corrective steps taken are at Annexure-II.