

**GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION**

**LOK SABHA
UNSTARRED QUESTION NO. 163
TO BE ANSWERED ON 2nd February, 2021**

PRIVATISATION OF PDS

163. SHRI N.K. PREMACHANDRAN:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government proposes to privatise the Public Distribution System (PDS);**
- (b) if so, the reasons therefor;**
- (c) whether the Government proposes to share the ware houses of the private parties for storage of food grain for public distribution system;**
- (d) if so the details thereof;**
- (e) whether the Government proposes to repeal the latest amendment in the Essential Commodities Act so as to strengthening the public distribution system;**
- (f) if so, the details thereof;**
- (g) whether the Government proposes to seek opinion from farmers and stake holders regarding this;**
- (h) if so, the details thereof;**
- (i) whether it has come to the notice of the Government that the public distribution system is ensuring the price control of essential commodities; and**
- (j) if so, the action taken to strengthen the public distribution system?**

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS, FOOD &
PUBLIC DISTRIBUTION
(SHRI DANVE RAOSAHEB DADARAO)

(a) & (b): No Sir.

(c) & (d): Yes Sir.

The Government has collaborated with private sector to meet the requirement of storage space for foodgrain under following schemes :-

I. Private Entrepreneurs Guarantee (PEG) Scheme

Government of India has formulated a scheme called Private Entrepreneurs Guarantee (PEG) Scheme for construction of covered storage capacity. Under this Scheme, storage capacity is created by private parties, CWC, SWCs and other State Agencies for guaranteed hiring by Food Corporation of India (FCI). Under this scheme, a capacity of 144.05 LMT has already been completed as on 31.12.2020.

II. Cover & Plinth (CAP) Hiring Scheme 2019

Government of India approved a Scheme for construction of (CAP) as temporary storage facilities on the lines of PEG Scheme in major procuring regions viz. Punjab, Haryana, Madhya Pradesh & Uttar Pradesh for guaranteed hiring by FCI for three years to accommodate the Wheat stocks in 2019. Under this scheme a capacity of 16.13 LMT has been constructed.

III. Construction of steel silos:

Steel Silo storage with bulk handling facility is highly efficient, mechanized and modernized way of storing foodgrains in bulk.

Accordingly, in order to upgrade and modernize the storage facilities, Government of India has chalked out an Action Plan for construction of steel silos on Public Private Partnership (PPP) mode in the country. Till date a capacity of 8.25 LMT has already been completed. In addition, a capacity of 5.5 LMT has been created under circuit base model in 2007.

(e): No, Sir.

(f) to (h): Question does not arise.

(i) and (j) Targeted Public Distribution System (TPDS) is being implemented under the provisions of National Food Security Act (NFSA), 2013 in all States/UTs. The Act provides for coverage of up to 75% of the rural population and up to 50% of the urban population for receiving foodgrains (rice, wheat & coarse grains) at highly subsidized rates i.e. Rs. 3/2/1 per kg respectively.

To bring reforms in the functioning of the TPDS, this Department in association with all States/UTs had implemented a scheme on 'End-to-End Computerization of TPDS Operations', which inter-alia comprised of digitization of all ration cards/beneficiaries' data in the country, computerisation of the supply chain management etc.. Further, installation of electronic Point of Sale (ePoS) devices at all Fair Price Shops (FPSs) are being done for transparent and efficient distribution of subsidised foodgrains to all beneficiaries under NFSA. Presently, 100% NFSA ration cards/beneficiaries' details are digitized in all States/UTs and about 91% ration cards are also seeded with Aadhaar numbers of beneficiaries. Besides, 92% of 5.4 Lakh FPSs in the country are having ePoS devices for transparent distribution of foodgrains and at the national level, more than 70% of the monthly allocated foodgrains are being distributed to NFSA beneficiaries by using their biometric authentication on ePoS devices.

Further, at present the Department in association with all States/UTs is implementing a scheme on 'Integrated Management of Public Distribution System' (IM-PDS) the main objective of which is to implement the nation-wide portability of ration cards through 'One Nation One Ration Card' (ONORC) plan. So far, ONORC is enabled in 32 States/UTs covering about 69 Crore beneficiaries (almost 86% NFSA population) in the country.
