

F. No. 4(1)/2020-Comp.Cell (E: 370926)

Government of India

Ministry of Consumer Affairs, Food and Public Distribution
Department of Food & Public Distribution

R. No. 275, Krishi Bhawan, New Delhi-110001

Dated: 26/02/2020

To

Principal Secretary / Secretary,
Food & Civil Supplies Department,
All States/UTs

Subject: Draft New Scheme on "Extended End-to-End Computerization of PDS Operations" proposed for implementation in all States/UTs during a period of 5 years from April 2020 to March 2025 – seeking comments/consultation of States/UTs - reg.

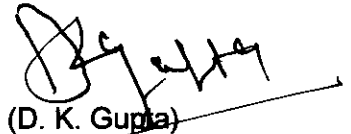
Madam/Sir,

It is to bring to your kind notice that this Department is proposing to launch a new Centrally Sponsored Scheme, namely - "**Extended End-to-End Computerization of PDS Operations**" for implementation in all States/UTs during a period of 5 years from April 2020 to March 2025. A copy of the draft scheme is enclosed herewith.

2. All States/UTs are therefore requested to kindly offer their comments/consultation on the proposed new scheme latest by **06th March 2020** (Friday) to enable this Department to finalise the formulation and implement modalities of the said scheme before soliciting requisite approvals for the same.

Yours faithfully,

Encl: As above



(D. K. Gupta)

Director (PD)

011-23070429

Copy to:

1. Chairman & Managing Director, FCI, New Delhi
2. Dy. Director General, NIC, HQ New Delhi

Copy for information to:

1. PS to Secretary, DFPD, Krishi Bhawan, New Delhi.

PROPOSED NEW SCHEME ON

'EXTENDED END-TO-END COMPUTERIZATION OF PUBLIC DISTRIBUTION SYSTEM (PDS) OPERATIONS'

1. Background

Public Distribution System (PDS) is now governed under the provisions of the National Food Security Act, 2013 (NFSA) for ensuring the food security to more than 80 Crore persons in the country (as per population estimates of Census 2011), especially the poor and vulnerable sections of the society to live with human dignity. Annually, more than 550 LMT of foodgrains (Rice, Wheat and Coarse-grains) are being distributed through the Public Distribution System to about 80 Crore persons covered through more than 23 Crore ration cards issued under NFSA in the country, which operates a network of about 5.35 Lakh Fair Price Shops and more than 9,000 Godowns (including FCI).

As part of the efforts being made by the Government to bring reforms in the functioning of Public Distribution System in the country and to modernise its operations by making use of the Information & Communication Technology (ICT), the Department started the implementation of a scheme on "End-to-End Computerization of TPDS Operations" in all States/UTs under the 12th Five Year Plan (2012-17) at a total cost of Rs. 884.07 Crore on cost sharing basis with all State/UT Governments. The costs are shared on 90:10 basis with the North Eastern States and on 50:50 basis with other States/UTs. The total central share was estimated to be Rs. 489.37 Crore whereas all States/UTs combined share is Rs. 394.70 Crore. The key activities under the scheme are – (a) digitization of ration cards/beneficiary data, (b) computerization of supply chain management & online allocation of foodgrains, (c) setting up of online grievance redressal system, toll free helplines and transparency portals, and (d) automation of Fair Price Shops (FPS). Besides, the seeding of Aadhaar numbers of beneficiaries with their ration cards is also being done to achieve rightful targeting of food subsidy.

Owing to the uneven pace of implementation of the scheme in States/UTs and to allow some States/UTs to complete the implementation of all activities under the scheme, Government of India extended the validity of the scheme from time-to-time up to 31.03.2020.

Further, to sustain the reforms brought in by the End-to-End Computerization of TPDS Operations scheme and to introduce new reforms including national portability (One Nation One Ration Card), the Department is implementing another centrally funded scheme on "Integrated Management of Public Distribution System" (IMPDS), approved for implementation in all States/UTs w.e.f. April 2018 a period of 2 years at a total cost of Rs. 127 Crore. The validity of the scheme has been extended up to 31.03.2021. The IMPDS scheme mainly aims at implementing – (a) nation-wide portability of ration card holders/beneficiaries, (b) creation of a central repository of all ration cards/beneficiaries' data of all States/UTs, (c) national level de-duplication of ration cards/beneficiaries under NFSA using Aadhaar, (d) use of advance data analytics for continuous improvements in PDS operations, (e) development of user-friendly mobile and web-applications and (f) integration of all State/UT systems with a central system to create a 'Public Distribution System Network'.

Building on the strong technology-led foundations above scheme, Department has introduced inter-State portability of ration card/holders in 8 States under 'One Nation One Ration Card' system which allows the beneficiaries to lift their foodgrains from any FPS in the State of their visit/migration also without the need to obtain a new ration card. Whereas, **18 States** (as on 21/01/2020) have operationalised intra-State portability of ration card holders to receive their entitled foodgrains from

any FPS within the State.

2. Objectives of the scheme

In continuation to the ongoing schemes on 'End-to-End Computerization of PDS Operations' the validity of which will come to an end on 31st March 2020, the new scheme intends to sustain the technology-led reforms brought in by the computerization scheme in all States/UTs and further enhanced by the ongoing IMPDS scheme, and to introduce future/new reforms in the functioning of the PDS and strengthening of national portability under One Nation One Ration Card System. Therefore, to maintain the transparency, efficiency and effectiveness of the PDS, governed under the provisions of NFSA in the country, it is necessary that all activities covered under the 'End-to-End Computerization of PDS Operations' Scheme remain operational in all States/UTs and shall be scalable/upgradable to implement new initiatives/reforms in the distribution of subsidised foodgrains.

Thus, the new scheme on "Extended End-to-End Computerization of PDS Operations" is proposed to sustain the Information Technology-led Reforms brought in the functioning of Public Distribution System (PDS) Operations by withstanding the digital capacities of PDS operations in all States/UTs across IT Hardware, Software, Technical Manpower and to institutionalize an integrated central monitoring of Supply Chain Management of States/UTs, etc.

Through this proposed new scheme it is intended to mitigate the challenges of States/UTs in sustaining the use of information technology such as lack of – (a) relevant front-end computing hardware and backend servers infrastructure to support 100% online operations across all activities, (b) integrated supply-chain based monitoring of foodgrains availability at FPSs under One Nation One Ration Card plan, and (c) manpower support to support them in implementation of ongoing and future PDS reforms by –

- a. **Sustaining the IT Infrastructure/Hardware assets in all States/UTs.**
- b. **Implementing an Integrated & Advanced Supply Chain Management Monitoring Solution.**
- c. **Sustaining the institutional setup at the States/UTs and Central level**

Following are the key objectives of the new scheme:

- a. Renewal/refresh/upgrade of IT Infrastructure/Hardware i.e. front-end and back-end computing technology including Computers, UPSs, Printers, Servers/Data Centre Infra, etc. in all States/UTs to enable and sustain 100% computerized/online PDS operations across the all country.
- b. Employ latest technologies, best practices, etc. for enabling advanced and integrated management and monitoring of end-to-end Supply Chain operations under national portability in all States/UTs; including monitoring of FPS level operations, stock positions in each FPSs, dynamic allocation/adjustment of foodgrains, end-to-end movement tracking of foodgrains, etc. to support seamless intra and inter-State portability of ration card holders.
- c. Enablement of centralized SMS alerts to beneficiaries/FPS dealers and other stakeholders, central grievance/complaint-redressal monitoring system, integrated supply chain management and monitoring system, awareness etc.
- d. Sustain the functioning of toll-free helpline numbers for PDS operations in all States/UTs.
- e. Continuation and augmentation of institutional support (technical/professional manpower) for the schemes on PDS reforms at the Central (Department and Central Technical Partner),

States/UTs and Districts level.

- f. Setting up of technical helpdesk and monitoring centre in NIC for –
- g. Providing necessary technical support to States'/UTs' technical teams for faster resolution of their technical issues/requests w.r.t. software applications, implementation of the scheme components, etc.
- h. Centralized data monitoring of integrated Supply Chain Management solution for national portability and other application modules.
- i. Development of new/additional web-based and mobile-based applications to support the ongoing and future PDS reforms.
- j. Support other new IT-based initiatives such as data analytics, e-KYC, etc. at the central level.

3. Components of the scheme

The scheme would comprise of following components/activities in support of the key objectives mentioned above:

a. Renewal of IT Hardware/Infrastructure:

Renewal of front-end (Computers/UPSs/Printers/etc.) in all State/UT HQs, District/Block/Sub-District level offices and Godowns/Depots and back-end (Servers/Data Centre Infrastructure) in all States/UTs to sustain 100% computerised PDS operations and online availability of various web/mobile applications.

Need of performing computers with adequate power-back up and printers and backend servers/data centre infrastructure is a basic requirement at all levels of PDS operations to sustain the information technology led PDS reforms in the country.

Thus, this component aims to renew/refresh all existing computers, UPSs, printers and servers provisioned in States/UTs under the scheme of 'End-to-End Computerization of TPDS Operations' upon reaching the end-of-life of such IT infrastructure (i.e. at least 5 years from the date of purchase/installation) which is essential to sustain the performance of service delivery to beneficiaries through fully computerised/online operations at all levels.

b. Setting up of advanced & integrated Supply Chain Management & Monitoring Solution:

Under 'End-to-End Computerization of TPDS Operations' States/UTs are using software application for computerized operations of Supply Chain Management of foodgrains, which customised to meet/suit the local requirements of each State/UT for their respective godown level operations, generation of online allocation orders, etc.

Keeping in view the implementation of portability of ration card holders under 'One Nation One Ration Card' plan, it is necessary to have integrated SCM operations of all States/UTs at the national level. However, owing to use of variety of technology platforms in various States/UTs and high levels of local customizations it would be tedious and highly time consuming to integrate each State/UT's SCM application with each other to achieve a uniform, seamless and integrated supply chain management experience across the country.

It is thus, this component envisaged to setup an 'advanced integrated Supply Chain Management solution/system' at the central level which will function over-and-above but in conjunction/extension to the existing SCM applications of all States/UTs to provide a seamlessly integrated ecosystem at the national level.

c. Sustaining the institutional setup at the States/UTs and Central level:

This component intends to sustain and augment the existing institutional support at the level of all

States/UTs, Central Technical Partner (NIC) and at the Department level by continuing the existing components established under the End-to-End Computerization scheme, ongoing scheme on Integrated Management of PDS i.e. technical manpower/staff under SPMUs/DPMUs, new initiatives, etc.

i. Delivery of SMS alerts:

This component shall sustain the deliveries of SMS alerts to beneficiaries in respect of Awareness Generation activities, Grievance Redressal, Supply Chain Management (i.e. dispatch/availability of foodgrains), etc. to registered/intended beneficiaries/FPS dealers, other stakeholders and shall support the States/UTs to make use of available SMS gateway services of NIC, C-DAC, BSNL, etc.

ii. Sustenance of toll-free helplines:

This component shall sustain the telecom connectivity (lines) required for the operations of toll-free helpline number (1967/1800-series) for information dissemination and grievance redressal of PDS beneficiary's setup under the scheme on 'End-to-End Computerization of TPDS Operations' all States/UTs.

iii. Institutional framework for States/UTs and at the Central level:

- **Support for SPMU/DPMUs in States/UTs:** Institutional support provided to States/UTs as State Project Management Unit (SPMU) and District Project Management Unit (DPMUs) under the ongoing scheme of Integrated Management of PDS (IM-PDS) shall continue to function under this scheme. However, additional capacity (manpower) for State-level data analysis of PDS operations and monitoring of Supply Chain Management and Portability shall be augmented.
- **Support for Central Technical Partner:** Support to Central Technical Partner (NIC HQ) for technical manpower/staff, setting up of PDS Command/Control Centre, development of new web & mobile based applications, provisioning of IT Infrastructure at central level for ongoing PDS reforms and new initiatives, etc. This component also provisions support toward misc. expenditure incurred by the members of the State NIC Units from time to time against specific needs for travel, etc.
- **Central Project Management Unit (CPMU):** Continuation and augmentation of professional services of Consultants and other technical manpower/staff in the central project management unit (CPMU) to support the Department for the implementation, monitoring, data analytics, MIS management, etc. in respect of ongoing/future PDS reforms across the country.

4. Existing/ongoing schemes for PDS reforms

With an aim to bring transparency and efficiency in the functioning of PDS operations in the country, the Department in association with all States/UTs is implementing a scheme on 'End-to-End Computerization of TPDS Operations'. The scheme was approved by CCEA for implementation during the XII Five Year Plan (2012-17) at a total layout of Rs. 884.07 Crore on cost sharing basis with States/UTs where costs are shared on 90:10 basis with North Eastern States and on 50:50 basis with other States/UTs. The main objectives of this scheme are to digitise the ration cards/beneficiaries' data of all States/UTs, computerization of Supply Chain Management and Setting up of transparency portals with mechanisms for online grievance redressal and toll-free helpline. Beside these, the automation of Fair Price Shops is also being done under the scheme. The validity of this scheme is extended by the Government up to 31.03.2020.

Another scheme namely 'Integrated Management of PDS' (IMPDS) being fully funded by

Govt. of India for implementation in all States/UTs with a total outlay of Rs. 127 Crore is also being implemented by this Department w.e.f. April 2018 which mainly aims to implement nation-wide portability of ration card holders covered under NFSA to lift their entitled foodgrains from any FPS of their choice in the country. The validity of this scheme is extended by the Department up to 31.03.2021. Presently, the above schemes are at various stages of implementation in States/UTs.

It is therefore proposed to **merge/subsume the 'End-to-End Computerization of TPDS Operations' scheme** which is at various stages of implementation in some States/UTs **under the proposed new scheme on "Extended End-to-End Computerization of PDS Operations"** up to the extent, that all pending activities under the 'End-to-End Computerization of TPDS Operations' scheme remain operational and may be completed by States/UTs without overlapping of costs with the new/proposed scheme in the same time period. Further, new interventions to further improve the efficacy of the Public Distribution System may be taken up by the States/UTs under the new scheme.

5. Implementation plan

The scheme is proposed to be implemented in association with all State/UT Governments and Central Technical Partner (NIC) at a total cost of **Rs. 494.17 Crore**, on cost sharing basis with States/UTs to be incurred over a period of **five years (2020-25)**. The costs shall be shared with States/UTs on **90:10** basis with all North Eastern States and on **50:50** basis with other States/UTs.

The scheme comprises of total Central Share of **Rs. 310.85 Cr.** and a total of **Rs. 183.32 Cr.** as cumulative States/UTs share. Component-wise yearly summary of cost estimates is at Enclosure-I.

Central share of funds to the States/UTs against the admissible components (IT Hardware/Infrastructure and Manpower) shall be released in instalments basis fulfilment of certain conditions, as below:

Sl.	Admissible components	Plan for release of instalments
1	Renewal of IT Hardware/Infrastructure	80% of total estimated central share as advance. 20% of total estimated central share as final settlement after setup of IT infrastructure.
2	Institutional support to States/UTs (SPMU/DPMUs) including data analysts	Release for maximum number of manpower provisioned for each State/UT under the scheme on annual basis in advance.
3	Sustenance of toll-free helplines	Release for maximum number of telecom lines provisioned for each State/UT under the scheme on annual basis in advance.

Implementation of scheme in State/UT shall commence after signing of '**Memorandum of Understanding' (MoU)** between the Department and concerned State/UT. Release of Central Assistance to States/UTs shall be done after receipt of requisite proposals from concerned State/UT while fulfilling the applicable conditions, detailed in subsequent **point no. 7 below**.

6. Component wise implementation plan and release of central assistance

a. Renewal of IT Hardware/Infrastructure

Under this component, **States/UTs shall submit a detailed proposal** to the Department in the specified format, giving details of the IT infrastructure (computers, UPSs, printers, servers, etc.) sanctioned under the 'End to End Computerization of TPDS Operations' scheme and are planned for

replacement/renewal in the State/UT.

The details of existing IT infrastructure shall be supported with date of purchase and a plan for purchase and replacement of ageing IT infrastructure in the State/UT. Existing IT assets/infrastructure in good condition/performance shall be retained and may be replaced during later stages, if the performance of such assets becomes inadequate to sustain the online PDS operations.

Financial Estimate for 5 Years (all States/UTs):

This component will be implemented at a total cost of **Rs. 187.2 Cr.** over the period of 5 years in all States/UTs on cost sharing basis. Out of which the total central share will be **Rs. 102.7 Cr.** and total States/UTs share will be **Rs. 84.5 Cr.** as per following details:

(in Rs.)

Sl.	Activity	Estimated Units	Central Share	States/UTs Share	Total
1	Computers (with OS and MS-Office for 1 user), UPSs (650~800 VA) and Laser Printers (B/W Mono) including OEM warranty & AMC for all equipment for 5 years @ Rs. 60,000/- per unit/bundle	27,000	74,44,60,000	60,55,40,000	135,00,00,000
2	Servers - Application/ Web/ Data/ HSM/ Other Servers and requisite server-side Software (OS, RDBMS, Anti-virus licensing, etc.) incl. OEM warranty & AMC for 5 Years @ Rs. 12,00,000/- per unit/bundle (average)	300	19,44,00,000	16,56,00,000	36,00,00,000
3	Data Centre Services at average cost of Rs. 1 Lakh per month per State/UT for 5 Years @ Rs. 1,00,000/- per month per State/UT / cluster	27 Units per year (135)	8,82,00,000	7,38,00,000	16,20,00,000
	Total		102,70,60,000	84,49,40,000	187,20,00,000

Notes:

- **Procurement of IT Infrastructure:** Procurement/purchase of above IT Infrastructure shall be done by respective State/UT Government through own processes/norms or in accordance to the provisions of the General Financial Rules (GFR) of the Central Government.
- States/UTs may not reduce the number of units, but may suitably adjust the specifications of the computers/UPSs for varying cost/expenditure under this component. State/UT wise number of districts/blocks as per LG directory (as on date) and number of godowns with estimations of units is Enclosure-II.
- **Change in number of districts/administrative regions:** Any change in the number of districts/blocks/sub-districts arising out of bifurcation of districts/administrative reasons shall be dealt by State/UT by appropriately bifurcation of provisioned funds under this component without escalation.
- **Provisioning of Common Data Centre Infrastructure for some NE States and some UTs:** A new common Data Centre Infrastructure under 'End-to-End Computerization of TPDS Operations' scheme, for 6 North-Eastern States of Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura is being setup by NIC and shall start operating w.e.f. 2020-21 to 2024-25, or beyond. Thus, for these NE States a lumpsum provision of common data-centre infrastructure is created under this scheme which shall only be utilised to meet up to any further requirement to meet any gaps/scale-up the performance of online PDS operations. Similarly, for some Union Territories (except Delhi, Jammu & Kashmir, Ladakh and A&N

Islands) which are having smaller scale of PDS operations, another lumpsum provision of common infrastructure is created under this scheme to setup a common data centre infrastructure centrally.

- **Futuristic IT Hardware/Infrastructure:** Depending upon the requirements of PDS reforms, States/UTs may also deploy futurist IT Hardware/Infrastructure such as CCTV for godown management, RFID tags, IRIS scanners, Bar/QR Code Scanners, etc. within the ceiling limits of this component or from the savings accrued under this component after meeting the requirements of IT Infrastructure renewal. Also, the savings accrued under the End-to-End Computerization of PDS Operations scheme may be utilised under this scheme.

b. Sustenance of toll-free helplines for PDS operations

This component will be implemented in all States/UTs at a total cost of **Rs. 3.45 Cr.** over the period of **5 years** on cost sharing basis. Out of which the total central share will be **Rs. 1.94 Cr.** and total States/UTs share will be **Rs. 1.51 Cr.** as per following details:

(in Rs.)

Sl.	Activity	No. of Units	Central Share	States / UTs Share	Activity Total
1	Assistance for telecom connectivity for toll free helplines for a period of 5 years @ Rs. 5000 per line per month. <ul style="list-style-type: none"> • 03 Very Large States (5 lines) • 15 Large States (4 lines) • 04 Medium States (3 lines) • 14 Small States (2 line) 	115 Lines	1,94,10,000	1,50,90,000	3,45,00,000

c. Institutional support to States/UTs (SPMU and DPMU)

The institution support by means of dedicated secretarial support (Project Management and Technical/Data Analyst) at State Level (SPMU) and Districts level (DPMU) shall be established/ continued and augmented in all States/UTs with an estimated total expenditure of **Rs. 226 Cr.** over the period of **5 years** on cost sharing basis all States/UTs. Out of this the total central share would be **Rs. 128.5 Cr.** and total States/UTs share will be **Rs. 97.32 Cr.** as per following details:

(in Rs.)

Sl	Activity	No. of Persons		Central Share	States / UTs Share	Activity Total
		1 st Year	2 nd - 5 th Year each			
1	Project Manager in SPMU @ Rs. 1.25 Lakh per person per month for Year 2, 3, 4 and 5 (one per State/UT)	0	36	12,72,00,000	8,88,00,000	21,60,00,000
2	Jr. Project Manager in SPMU @ Rs. 75,000 per person per month excluding taxes for Year 2, 3, 4 and 5 (one per State having > 30 districts)	0	9	1,76,40,000	1,47,60,000	3,24,00,000
3	Data Analyst/Scientist in SPMU @ Rs. 1.25 Lakh per person per month for all 5 years (one per State/UT) -- NEW ADDITION	36	36	15,90,00,000	11,10,00,000	27,00,00,000
4	District level technical support in DPMU	0	725	98,13,60,000	75,86,40,000	1,74,00,00,000

@ Rs. 50,000 per person per month for Year 2, 3, 4 and 5 (one per district in every State/UT)					
Total			1,28,52,00,000	97,32,00,000	2,25,84,00,000

The institutional support (SPMUs and DPMUs) created under the ongoing scheme on 'Integrated Management of PDS' (IM-PDS) the validity of which is extended up to 31/03/2021 shall continue to support the implementation of this scheme as well without any additional cost implication in the first year. However, provisions are made for augmentation of SPMU team with one additional data analyst in each State/UT w.e.f. 1st year (2020-21) to support the States/UTs in State level data analysis and coordination with national team.

The resources (staff/manpower) in SPMU and DPMU teams shall continue for remaining 4 years, up to 2025 to support the States/UTs in the implementation of new scheme, monitoring of progress, reporting, bid-process management, data analysis, operationalisation and trainings support for new advanced SCM solution, monitoring of distribution and other PDS operations data on Central dashboards, coordination with central teams, etc.

Composition of SPMU and DPMU teams:

Each SPMU team shall comprise of one (1) Project Manager/Consultant. Beside these, the nine (9) larger States with more than 30 districts shall also have one (1) additional Junior Project Manager/Consultant. Additionally, all the States/UTs will also have one (1) Data Analyst in the SPMU to support the mainstreaming of Data Analytics of PDS Data at the State/UT Level for continuous improvements.

Further, there shall be one (1) technical support staff (DPMU) at the level of each district office/DSO/DFSO to support quick resolution of district level issues in PDS operations across data monitoring, trainings of FPS dealers/field level functionaries, coordination with system integrator support staff in the districts, etc. for ensuring smooth operation of the schemes for PDS reforms.

Sl.	Resources	28 States/UTs with up to 30 Districts	9 States/UTs with more than 30 Districts
1.	Project Manager/Consultant at State/UT Headquarter	1	1
2.	Jr. Project Manager/Consultant at State/UT Headquarter	-	1
3.	Data Analyst at State/UT Headquarter	1	1
4.	Technical Support Staff at Districts Level offices	One in each district	

Note:

- At the district level States/UTs may either hire/deploy one or two technical resources/staff within the budgeted rate of Rs. 50,000 per district per month, depending upon the requirements of States/UTs. In case of any change in number of districts, the requirement of additional central assistance/share of funds may be met from the contingency fund of the scheme.

- Any savings accrued under this component of the scheme may be due to hiring of resources at lower rates, unutilised/unfilled positions for some period, etc. the State/UT may use the same for hiring of additional manpower/experts, etc. Further, any savings accrued under the schemes of End-to-End Computerization of PDS Operations and Integrated Management of PDS under the same head of institutional strengthening may also be utilised under this scheme.
- State/UT wise number of districts/blocks as per LG directory (as on date) and number of godowns with estimations of units is enclosed. Any change in number of districts due to bifurcation/amalgamation etc. shall be dealt by concerned State/UT within the funds provisioned under this component by sharing the manpower, etc.

d. Advanced integrated Supply Chain Management & Monitoring Solution in States/UTs

This component shall be fully sponsored and implemented by the Department at the central level with an estimated total cost of **Rs. 20.45 Cr.** over the period of **5 years** in all States/UTs.

- i. The proposed system/solution shall be developed at the central level by using new/latest technology stack, preferably open source technologies for bespoke development, while also exploring various commercially available software solutions such as Solution-as-a-Service (SaaS) available in the market, which may be used along with some customised components/features, etc. This system is envisaged to be setup as an independent layer of advanced software application, over-and-above the existing Supply Chain applications of States/UTs.
- ii. This system/solution layer shall integrate with existing Supply Chain Management (SCM) application software of each State/UT in a standardised manner to enable single standardised window/dashboard of end to end monitoring of stock positions at each and every level of the supply chain management in the country right from the FCI/Central Pool up to the Fair Price Shops including the stock in transit, etc. This solution will enhance the monitoring capabilities of States/UTs as well as also enable grain-accounting at the central level beside enabling dynamic allocation of foodgrains, end-to-end tracking of foodgrains movement, inventory management and utilization of foodgrains at each level (including FPSs), continuous monitoring of godown/depot operations, generation of advanced real-time reports and alerts, etc. which will support the seamless operations between States/UTs and Department for national portability under One Nation One Ration Card plan.
- iii. This system/solution also envisages to incorporate a suite of advance features and functionalities for States/UTs to append/leverage new/modern ICT tools and technologies such as use of Internet of Things (IoT), Global Positioning System (GPS), Close Circuit Television (CCTV) cameras, Radio Frequency Identification (RFID) tags, etc. for real-time online monitoring of the movement and utilization of foodgrains at each-and-every stage of the supply chain management.
- iv. Services of a specialised system integrator/vendor may be contracted by States/UTs to provide either a SaaS-Based COTS or a Bespoke Solution/Application including IT equipment (hardware, software, etc.) etc. required for the development, implementation and monitoring of the solution/system at the central level only. IT equipment shall not include data centre infrastructure, network/connectivity and state level IT infrastructure. The equipment shall be inclusive of OEM Warranties, AMC/Services for a period of 5 years.
- v. The solution vendor shall be required to deploy / integrate the solution / application over and above the existing Supply Chain Management systems of the States/UTs. Solution vendor shall also provision all requisite IT infrastructure hardware/equipment, software/licenses, etc. required for the solution at the central/Department level only. At the States/UT level the existing IT infrastructure/hardware shall be utilised and if required, States/UTs shall arrange

the same at their level independently. Solution shall be hosted in NDC or any other location approved by the Department. Further, the solution vendor shall maintain the solution for a period of 5 years

Financial estimate for implementation of advance SCM solution:

vi. (in Rs.)

Sl.	Activity	No. of Units	Total for 5 Years
1	Development of standard core solution at the central level for all States/UTs including application maintenance support for 5 years. Presently 34 States/UTs are distributing foodgrains whereas two UTs are under DBT Cash Transfer mode. Hence for estimation purpose a tentative expenditure for this activity and support up to 5 years is provisioned at an average cost of Rs. 60,00,000 per State/UT (including implementation support and capacity building of States/UTs). This average cost may vary according to the size of the State/UT.	All States/UTs	20,40,00,000

e. Sustenance of SMS alerts for PDS operations

This component will be implemented centrally at a total cost of **Rs. 6.8 Cr.** over the period of 5 years:

(in Rs.)

Sl.	Activity	No. of Units	Total for 5 Years
1	Sustenance of SMS alerts for awareness generation activities, supply chain operations, grievance redressal etc. @ 0.4 per SMS	34 Cr. per year	6,80,07,307
Total			6,80,07,307

The expenditure shall be incurred by the Department centrally to implement the delivery of SMS alerts from the centrally implemented advanced integrated SCM solution and Central Grievance redressal Monitoring and Management system for a period of 5 years.

Note: A tentative cost of **0.4 paise per SMS** and number of SMSs are assumed for budgeting purpose. However, these may differ at the time of implementation and any additional requirement of funds under this component shall be met from the contingency fund of the scheme.

f. Institutional framework at the Central level:

i. Support for Central Technical Partner (NIC):

The institutional support created for the central technical partner (NIC) under the ongoing scheme on 'Integrated Management of PDS' (IM-PDS) shall continue during the 1st year (2020-21) of this scheme as well without any additional cost implication in the first year.

However, provisions are made for augmentation/consolidation of manpower/staff w.e.f. 2nd year onwards (2021-25) to support the States/UTs in State level data analysis and coordination with national team. Further, 3 additional staff are also provisioned to support the various IT initiatives of the Department, particularly the NFSA and P&FCI division related work.

This component additionally provisions for setting up of a central PDS Command & Control Centre for PDS operations to provide all technical support the States/UTs w.r.t. application software, web-services, resolution of issues, day to day coordination, etc. with respect to maintenance of data on central dashboards and management of MIS, etc.

Financial Estimate for 5 Years:

(in Rs.)

Sl.	Activity	No. of Units/ year		Total for 5 Years
		1 st Year	2 nd - 5 th Year each	
1	Project Managers @ Rs. 2,00,000 per person per month	0	2	1,92,00,000
2	Software Developers @ Rs. 80,000 per person per month	0	18	6,91,20,000
3	Project Management Consultant @ Rs. 3,61,000 per person per month	0	1	1,73,28,000
4	Additional support staff/manpower for P&FCI and NFSA divisions' work @ Rs. 80,000 per person per month	3	3	1,44,00,000
5	Applicable taxes @ 18% for Manpower in NIC			2,16,08,640
6	Setting up and operations of PDS Control & Command Centre (including IT equipment, VC/Communication systems/devices, addl. manpower/ resources, etc.) @ Rs. 80,00,000 in 1 st year and 30,00,000 from 2 nd to 5 th year			2,00,00,000
7	Miscellaneous expenditure towards purchase of IT Hardware/Software, provisioning of cloud space, maintenance, development of mobile apps, , travel expenses, trainings/workshops, facilities management (water/ housekeeping/ sanitation), etc. @ Rs. 20,00,000 per year			1,00,00,000
8	Misc. expenses by State NIC Units towards travel, etc. @ Rs. 20,00,000 per year			1,00,00,000
	Total	3	24	18,16,56,640

Central Technical Partner shall submit proposals to the Department for the release of funds under this component.

ii. Central Project Management Unit (CPMU):

Under this component, similar institutional framework, Central Project Management Unit' (CPMU) as established under the earlier/ongoing schemes on 'End-to-End Computerization of PDS Operations' and 'Integrated Management of PDS' shall be established under this scheme to function for 5 years starting w.e.f. year 2020-21 up to 2024-25.

This team shall provide dedicated support to the Department across project management, technical and coordination support with all States/UTs, other Ministries/Departments, external agencies/stakeholders, etc. for the implementation and monitoring of ongoing schemes/project as well the implementation of new scheme on 'Strengthening of PDS Operations'.

Financial Estimate for 5 Years:

(in Rs.)

Sl.	Activity	No. of persons per Year (2020-25)	Total Expenditure for 5 Years
1	Project Manager / Principal Consultant (Tech profile with 15+ Years of Experience, Tier-1) @ Rs. 4,20,000 per person per month	1	2,52,00,000
2	Jr. Project Manager / Senior Consultant (Mgmt. profile with 10-15 Years of Experience, Tier-1) @ Rs. 3,61,000 per person per month	2	4,33,20,000
3	Consultants / Data Analyst/Scientists (Tech. Profile with 6-10 Years of Experience, Tier-1) @ Rs. 3,26,000 per person per month	2	3,91,20,000

6	Domain Experts @ Rs. 1,00,000 per person per month	1	60,00,000
7	Assistants / Data Entry Operators / Multi Support Staff / Others @ Rs. 50,000 per person per month	3	90,00,000
	Total	9	12,26,40,000

g. Contingency and miscellaneous provision

Other misc./contingent expenditure under the scheme, purchase of additional IT hardware/equipment, software, etc. at the central level, hiring of vehicles, etc. over the period of 5 years shall be met from the following contingency fund to maintained under the scheme.

Sl.	Activity	Total
1	Approx. 5% contingency/misc. expenditure fund towards the purchase of additional IT hardware/ software, equipment, hiring of manpower (professional/technical staff), applicable taxes, meeting incremental requirements under other components, hiring of vehicles, etc. at the central level.	20,00,00,000

7. Release of funds to States/UTs

i. Release of central assistance to States/UTs:

Central Assistance i.e. central share of funds under the admissible components of the scheme shall be released to the States/UTs in component wise instalments upon fulfilment of following conditions detailed below:

Sl.	Admissible Component and Instalments	Conditions for release
[A]	Renewal of IT Hardware/Infrastructure	
1.	80% of total estimated central share as advance	Signing of MoU for the implementation of scheme and submission of proposal to the Department, while fulfilling the following conditions for the release of 1 st Instalment under the component – <ul style="list-style-type: none"> a. Details of provisions made by the State/UT for the release of State/UT matching share of funds. b. Evidence of completion of all activities/components with details of funds utilization incl. State matching share under the 'End-to-End Computerization of TPDS Operations' scheme including Supply Chain Management and availability of key information on NFS Portal (NFSA dashboard). c. Evidence of installation and operationalisation of ePoS devices in all FPSs and availability of transaction details on Annavitran portal. d. Availability of data of all ration cards/beneficiaries covered under NFSA in the Central Repository.
	20% of total estimated central share as final settlement after setup of IT infrastructure	Submission of proposal for the release of 20% central share under the component while fulfilling the following conditions – <ol style="list-style-type: none"> 1. Submission of Utilization Certificates for the complete amount released earlier as per format prescribed in General Financial Rules (GFR) of Government of India. 2. Release of 100% State/UT matching share of funds

		<p>under the component and along with details of expenditure made so far from the State Matching Funds.</p> <p>3. Declaration/certificate by concerned Secretary in-charge of Food & Civil Supplies in State/UT in respect of all completed activities of IT infrastructure setup and their operations under this component.</p>
[B]	Institutional support to States/UTs (SPMU/DPMUs) including data analysts	
	Year-1 Annual release up to the maximum number of technical manpower provisioned under the scheme up to the end of financial year	<ol style="list-style-type: none"> 1. Functional SPMU and DPMUs under the provisions of ongoing IMPDS scheme. 2. Implementation of portability of ration cards by State/UT. 3. Submission of proposal for the release of year-1 funds (for one data analyst) along with details of existing manpower in SPMU and DPMU.
	Year-2, 3, 4 and 5 Annual release up to the maximum/actual number of technical manpower provisioned under the scheme up to the end of financial year	<ol style="list-style-type: none"> 1. Submission of UCs for the amount of 70% released during the previous financial year (year-1/2/3/4) as per GFR format. 2. Proposal for the release of funds for next year (2/3/4/5 as applicable) giving details of actual manpower in SPMU and DPMU teams. 3. Expenditure statement along with State matching share in the previous year under the scheme.
[C]	Sustenance of toll-free helplines	
	Year-1 Annual release for maximum number of telecom lines provisioned for each State/UT under the scheme up to the end of financial year	<ol style="list-style-type: none"> 1. Functional toll-free helpline number 1967 (in addition to 1800-series but not necessary) and fully functional online grievance redressal mechanism linked with central grievance monitoring system/portal. 2. Submission of proposal for the release of year-1 funds.
	Year-2, 3, 4 and 5 Annual release for maximum number of telecom lines provisioned for each State/UT under the scheme up to the end of financial year	<ol style="list-style-type: none"> 1. Submission of UCs for the amount of 70% released during the previous financial year (year-1/2/3/4) as per GFR format. 2. Proposal for the release of funds for next year (2/3/4/5 as applicable) giving details of actual expenditure made. 3. Expenditure statement along with State matching share in the previous year under the scheme.

ii. **Release of Funds to Central Technical Partner/NIC:**

Initially, funds shall be released to Central Technical Partner/NIC on signing of Memorandum of Understanding (MoU)/Agreement and submission of financial proposal indicating the resource and IT equipment/software requirements duly supported with detailed project/work plan.

Subsequent release of funds shall be done by Department to Central Technical Partner/NIC on the

submission of utilization certificates of earlier releases and detailed financial proposal indicating the following:

- Requirements of resources, IT equipment/software, etc. along with detailed project/work plan.
- Achievements and fulfilment of previous action plan (submitted during earlier releases)
- Utilization Certificate (UCs) of previously released funds.

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ENCLOSURE-I

Sl.	Components	Components and Activity Descriptions	Total Cost Share for 5 Years		Total Cost for 5 Years (in Rs.)
			Central Share	States' Share	
			(in Rs.)	(in Rs.)	
[A]	Components to be implemented at States/UTs level on Cost Sharing basis				
1	Renewal of IT Infrastructure/Hardware in States/UTs	Renewal of front-end and backed IT Infrastructure (Computers, UPSs, Printers in State/UT HQ, Distric/block Offices and Godowns and Servers/DC Infrastructure) in States/UTs to ensure 100% uptime and online operations of various PDS applications	1,02,70,60,000	84,49,40,000	1,87,20,00,000
2	Sustenance of toll-free helplines in States/UTs for PDS operations	Annually One-time Central Assistance towards Telecom Expenses for Maintenance of Toll-Free Helplines @ Rs. 5000 per Line per month	1,94,10,000	1,50,90,000	3,45,00,000
3	State & Districts Level Project Management Unit	Dedicated Secretarial Support (Project Management and Technical/Data Analyst) at State Level (SPMU) and Districts level (DPMU).	1,28,52,00,000	97,32,00,000	2,25,84,00,000
		SUB-TOTAL [A]:	2,33,16,70,000	1,83,32,30,000	4,16,49,00,000
[B]	Components to be implemented at the Central Level				
4	Advanced Integrated Supply Chain	SaaS-Based COTS or Bespoke Solution/Business	20,45,00,000	-	20,45,00,000

	Management System in States/UTs	Application, Required IT Hardware, Equipment, System and Support Software, Networking, Connectivity inclusive of all OEM Warranties, AMC/Services, etc.			
5	Sustenance of SMS alerts for PDS Operations	Sustenance of SMS alerts for PDS operations - Supply of foodgrains at FPSs and Grievance registration & redressal	6,80,07,307	-	6,80,07,307
6	Support to Central Technical Partner	Support to NIC-HQ as technical partner of the Department for the implementation of schemes for PDS reforms, new initiatives, etc.	18,16,56,640	-	18,16,56,640
7	Central Project Management Unit	Dedicated team of consultants/experts in the Central Project Management Unit (CPMU) of the Department for dedicated secretarial & project management and data analytics support	12,26,40,000	-	12,26,40,000
8	Misc./Contingency Expenses	5% contingency fund towards the purchase of additional IT hardware/software, equipment, hiring of manpower (professional/tech	20,00,00,000	-	20,00,00,000

		nical staff), applicable taxes, meeting incremental requirements under other components, hiring of vehicles, etc. at the central level			
		SUB-TOTAL [B]:	77,68,03,947		77,68,03,947
		GRAND TOTAL [A+B]:	3,10,84,73,947	1,83,32,30,000	4,94,17,03,947
			Rs. 310.85 Cr.	Rs. 183.32 Cr.	Rs. 494.17 Cr.

ENCLOSURE-II**State/UT wise number of districts/blocks as per LG directory (as on date) and number of godowns**

Sl.	State/UT	Districts	Sub-Districts	Blocks	Godowns
1	A&N ISLANDS	3	9	9	5
2	ANDHRA PRADESH	13	671	668	412
3	ARUNACHAL PRADESH	25	199	114	10
4	ASSAM	33	166	229	963
5	BIHAR	38	534	534	432
6	CHANDIGARH	1	1	1	4
7	CHHATTISGARH	27	150	146	124
8	D&N HAVELI	1	1	1	4
9	DAMAN & DIU	2	2	2	3
10	DELHI	11	33	-	10
11	GOA	2	12	12	12
12	GUJARAT	33	270	250	268
13	HARYANA	22	142	142	565
14	HIMACHAL PRADESH	12	117	80	119
15	JAMMU & KASHMIR + LADAKH	22	215	321	157
16	JHARKHAND	24	264	261	205
17	KARNATAKA	30	176	176	218
18	KERALA	14	77	152	269
19	LAKSHADWEEP	1	10	10	18
20	MADHYA PRADESH	52	352	313	191
21	MAHARASHTRA	36	355	352	648
22	MANIPUR	16	65	70	20
23	MEGHALAYA	11	46	46	306
24	MIZORAM	8	26	26	120
25	NAGALAND	11	120	74	80
26	ODISHA	30	476	314	331
27	PUDUCHERRY	4	8	6	4
28	PUNJAB	22	81	150	295
29	RAJASTHAN	33	309	295	343
30	SIKKIM	4	16	32	37
31	TAMIL NADU	32	295	385	710
32	TELANGANA	33	589	589	440
33	TRIPURA	8	23	58	251
34	UTTAR PRADESH	75	329	822	1,368
35	UTTARAKHAND	13	128	95	204
36	WEST BENGAL	23	341	344	715
	TOTAL	725	6,608	7,079	9,861