

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

UNSTARRED QUESTION NO:3364  
ANSWERED ON:16.03.2000  
INTRODUCTION OF T.P.D.S.  
A. VENKATESH NAIK;RAMSHETH THAKUR

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

- (a) whether the introduction of Targeted Public Distribution System by the Union Government has proved a curse rather than a boon to different sections of the people in many States particularly Karnataka and Maharashtra;
- (b) if so, the facts in this regard;
- (c) whether such a position is going to seriously affect and curtail the allocation of foodgrains to States thereby creating difficulties for large number of urban poor; and
- (d) if so, the mechanism proposed to resolve the differences between the Centre and the States in the matter of estimates of persons below the poverty line?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

( SHRI SRIRAM CHAUHAN )

(a), (b), (c) & (d) : A well targeted and properly functioning Public Distribution System

(PDS) is an important constituent of the strategy for poverty eradication. However, the PDS as it stood before June, 1997 was widely criticised for its failure to serve the population Below Poverty Line (BPL), its urban bias, negligible coverage in the States with the highest concentration of the rural poor and lack of transparent and accountable arrangements for delivery. The Targeted Public Distribution System (TPDS) with its focus on BPL population by assuring 10 kg. of foodgrains per family per month at highly subsidised rates was introduced in June, 1997 after extensive and intensive deliberations with the State Governments. By fixing the allocation on the basis of annual average lifting during past 10 years for all States including Karnataka and Maharashtra, an attempt was made to balance the considerations of equity and efficiency. States having significantly higher BPL population got higher allocation. The allocation in the past did not bear any meaningful relationship with actual offtake. Identification of BPL families at micro level is done by States and detailed guidelines were issued by Government of India for identification and issue of special ration cards before introduction of TPDS. The assured allocation for BPL families to the States is based on the estimates arrived at by Planning Commission using the methodology of Expert Group under Prof. Lakdawala. Recently Advisory Council meetings have been held on zonal basis wherein peoples' representatives in State Governments and authorities of Central Government have discussed at length on issues relating to PDS including matters of estimates of BPL population and allocation of foodgrains for them. To make PDS better targetised for the poor and needy, the Government of India has recently announced an increase in BPL allocation from 10 kg. to 20 kg. per family per month in the budget presented in Parliament for the year 2000-2001. The allocations for the Above Poverty Line population will continue subject to availability of foodgrains in the central pool and at economic cost entailing no subsidy.