

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

UNSTARRED QUESTION NO:1876

ANSWERED ON:13.12.2004

INCENTIVES UNDER TPDS

Ajaya Kumar Shri S.;Saradgi Shri Iqbal Ahmed;Sujatha Smt. C.S.

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

- (a) whether some incentives to strengthen Targeted Public Distribution System were announced after the Conference of State Food Ministers held in October, 2004;
- (b) if so, details thereof;
- (c) the details of incentives granted/recommended to Fair Price Shops;
- (d) the number of Fair Price Shops in the country, State-wise;
- (e) whether the Government proposes to review the identification of BPL families;
- (f) if so, the criteria to be adopted in this regard; and
- (g) the steps taken to strengthen village level societies involved in procurement of foodgrains?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION(DR. AKHILESH PRASAD SINGH)

(a) & (b): Yes, Sir. With a view to strengthen the Public Distribution System (PDS), the functioning of the PDS has been reviewed in the Conference of the State Food Secretaries held on 17th September, 2004 and thereafter in the Conference of State Food Ministers held on 28th October, 2004. As per the recommendations of these Conferences all the State Governments/ Union Territory Administrations have been instructed to ensure that all families at the risk of hunger including migrant labour/displaced persons/homeless population are issued ration entitlement authority slips; to take steps to improve the economic viability of ration shops and have been encouraged to increase procurement under decentralized procurement of foodgrains so as to make the PDS more cost effective as well as to cater to the local tastes. These incentives include:

- (i) Reimbursement of transportation costs incurred by the State Governments for the transportation of paddy from the procurement centre to the storage point and from the storage point to rice mills for milling.
- (ii) Increase in the milling rate of parboiled paddy from Rs. 15 per quintal to Rs. 20 per quintal;
- (iii) Providing commission of 1% of the Minimum Support Price (MSP) to all societies engaged by the State Governments for procurement of foodgrains.
- (iv) Reimbursement of full cost of freight, including transportation of foodgrains from the rail head to the procurement centres.

(c): The above Conference has inter alia recommended a number of steps to improve the economic viability of the Fair Price Shops in the country.

(d): Statement showing the State-wise number of Fair Price Shops is annexed.

(e) & (f): Under the Targeted Public Distribution System (TPDS), identification of families below the poverty line and issue of Ration Cards to them is the responsibility of the State Governments. The Public Distribution System (Control) Order, 2001, provides for review of lists of BPL families every year for the purpose of deletion of ineligible families and inclusion of eligible families.

(g): As regards, strengthening of the village level societies involved in procurement of foodgrains the Government has provided for commission to such societies (where arthia charges do not exist) at 1% of the MSP.

ANNEXURE

STATEMENT REFERRED TO IN REPLY TO PART (d) OF UNSTARRED QUESTION No. 1876 DUE FOR ANSWER ON 13.12.2004 IN THE LOK SABHA.

Sl. No. STATE/UTs NO. OF FAIR PRICE SHOPS

1. Andhra Pradesh 40691

2. Arunachal Pradesh 1444

3. Assam 33229

4. Bihar 41818

5. Chhattisgarh 7869 6. Delhi 3114

7 Goa 523

8. Gujarat 14325

9. Haryana 7373 10. Himachal Pradesh 4085 11. Jammu & Kashmir 3927 12. Jharkhand 14395 13. Karnataka 20681 14. Kerala 14137 15. Madhya Pradesh 18688 16. Maharashtra 49921 17. Manipur 2551 18. Meghalaya 4302 19. Mizoram 1019 20. Nagaland 401 21. Orissa 23579 22. Punjab 13874 23. Rajasthan 20861 24. Sikkim 1071 25. Tamil Nadu 27995 26. Tripura 1434 27. Uttar Pradesh 74788 28. Uttaranchal 7332 29. West Bengal 20430 30. A&N Islands 488 31. Chandigarh 56 32. D&N Haveli 78 33. Daman & Diu 51 34. Lakshdweep 35 35. Pondicherry 408 TOTAL 476973