

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

UNSTARRED QUESTION NO:375  
ANSWERED ON:27.07.2010  
PRIVATISATION OF PUBLIC DISTRIBUTION SYSTEM  
Lingam Shri P.;Reddy Shri K. Jayasurya Prakash

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

- (a) whether the Government has received any recommendations/suggestions from FICCI and other bodies to pull out of the Public Distribution System and involve private companies in its implementation;
- (b) if so, the details thereof and the reaction of the Government thereto; and
- (c) the manner in which the Government proposes to protect the interest of vulnerable sections and provide foodgrains to them as affordable prices?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (c): FICCI in its report on PDS of April 2010 has, inter-alia, mentioned that Government could consider outsourcing procurement and distribution operations to the private sector. Targeted Public Distribution System (TPDS) has been introduced in 1997 with focus on poor. Under TPDS, foodgrains @ 35 kg./family/month are allocated to States/Union Territories for 6.52 crore BPL/AAY families for distribution at subsidized prices through Fair Price Shops. Depending upon their availability in central pool, foodgrains are also allocated to Above Poverty Line (APL) families. Presently, the allocations for APL category range between 10 and 35 kg foodgrains per family per month.

To ensure that TPDS protects the interests of vulnerable sections and provides foodgrains to them at subsidized prices, the entire system works on the concept of a joint responsibility of the Central and State/Union Territory Governments.