

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

UNSTARRED QUESTION NO:3837
ANSWERED ON:17.08.2010
PRICE OF SUBSIDISED FOODGRAINS
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the per capita quantity of rice/wheat/ pulses being provided at subsidised rates to the below poverty line families in various States, State-wise;
- (b) the price at which these foodgrains are being provided;
- (c) whether this expenditure is borne by the State Governments or the Union Government also contributes in it; and
- (d) the assistance provided to Haryana during the last five years for the purpose?

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(d): TPDS is operated under the joint responsibility of the Central Government State/Union Territory(UT) Governments. The Central Government is responsible for procurement, allocation and transportation of foodgrains upto the designated depots of the Food Corporation of India. The operational responsibility for lifting and distributing the allocated foodgrains within the States/UTs, identification of eligible Below Poverty Line (BPL) families, issuance of ration cards to them, and supervision over distribution of the allocated foodgrains to eligible card holders through the fair price shops are that of the State/UT Government.

Allocations of foodgrains (wheat/rice) under the Targeted Public Distribution System (TPDS) are made @ 35 kg per family per month for all 6.52 crore Below Poverty Line (BPL) families, including 2.43 crore Antyodaya Anna Yojana (AAY) families in the country on the basis of 1993-94 poverty estimates of the Planning Commission and March 2000 population estimates of Registrar General of India or the number of families actually identified and ration cards issued by the State/Union Territory Governments, whichever is less.

Government of India supplies these foodgrains at highly subsidized prices for distribution to BPL and AAY families, as is indicated below:

Central Issue Price (CIP):

(Rs per quintal)
Commodity AAY BPL

Wheat 200 415

Rice 300 565

In the case of BPL families, margin cost for Fair Price Shop owners may be charged in the end retail price. However, in the case of AAY, the end retail price will be retained at the above CIPs.

Considering the high prices of pulses prevailing in open market, a scheme for "Distribution of imported pulses at subsidized rates by State Governments" was approved in November, 2008 and is in operation till 31.3.2011. Under the scheme, pulses are supplied to State Governments for distribution through TPDS of a quantity not more than 1 kg of pulses per family per month to BPL families, and subject to availability and distribution logistics, to APL families. The total subsidy is limited to Rs. 10 per kg.

Haryana Government has been supplied, during 2009-10, 1298 tons of Moong, 2700 tons of Chick peas, 1000 tons of Yellow peas and 2100 tons of Urad dal.

Food subsidy provided by Government under TPDS is the difference between economic cost of foodgrains (rice/wheat) and their sales realization at Central Issue Prices(CIPs) fixed for TPDS.

Food subsidy released to Food Corporation of India and State Governments undertaking decentralized procurement (DCP) only. Haryana being a non-DCP State, no food subsidy is released to the State Government.

The cost of subsidy on account of distribution of rice, wheat and pulses at subsidized prices mentioned above are borne by the Government of India. However, some of the State Governments/UT Administrations have been distributing these commodities at further subsidized prices, the subsidy cost of which is borne by the respective State Govts/UT Administrations.