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

UNSTARRED QUESTION NO:1492 ANSWERED ON:03.08.2010 UNIVERSAL PDS Lingam Shri P.;Panda Shri Prabodh

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

- (a) whether the Government is actively considering to reintroduce the Universal Public Distribution System to provide protection to consumers against food inflation;
- (b) if so, the details thereof and the time by which the new system is likely to start functioning; and
- (c) if not, the reasons therefor?

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): With a view to specifically target poor sections of society for distribution of subsidized foodgrains (rice, wheat & coarse grains) and sugar, Targeted Public Distribution System (TPDS) was launched in June, 1997.

Government is not actively considering to reintroduce Universal Public Distribution System as the focus on poor will get diluted.

Further, procurement of huge quantities of wheat and rice to meet the requirement of Universal Public Distribution System, would result in very less availability of foodgrains in the market, leading to rise in open market prices. If the same quantity of foodgrains is distributed equally among all, then the scale of issue will have to be reduced.

Further, in order to manage the level of food subsidy, the issue prices of rice and wheat may have to be increased substantially from the present Central Issue Prices (CIPs) which have not been revised during the last eight to ten years. This would also mean that BPL and AAY families would end up not only getting much reduced scale of issue but also have to pay higher CIPs.