

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

UNSTARRED QUESTION NO:2343
ANSWERED ON:16.08.2011
CO-OPERATIVES IN FOOD DISTRIBUTION .
Maadam Shri Vikrambhai Arjanbhai

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

- (a) whether the Government proposes to encourage co-operatives to improve the food distribution chain;
- (b) if so, the details thereof;
- (c) whether the services of co-operatives could effectively check the rise in prices of food products, particularly pulses; and
- (d) if so, the further strategy formulated by Government to strengthen the role of co-operatives in the food distribution chain?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (d): State/Union Territory (UT) Governments have been requested to give priority to Co-operatives and other agencies like Women's Self Help Groups, Village Panchayats and Urban Local Bodies in allotment of Fair Price Shops. As per reports received from State Governments upto 30th June, 2011, out of 5.05 lakh fair price shops in the country, about 1.40 lakh fair price shops are being run by such agencies. In the Conference of Food Secretaries of States/UTs on Best Practices and Reforms in Targeted Public Distribution System (TPDS) held in July 2010, States/UTs were further requested that Cooperatives, Self Help Groups and similar community based organizations may be given preference in the selection of Fair Price Shop dealers.

Cooperatives alone are not sufficient to effectively check the rise in prices of pulses. Therefore, a holistic approach is necessary to increase the availability of pulses. The rise in prices of pulses can be attributed to the demand supply mismatch. Since the demand for pulses is more, therefore, there is a need to increase the supply/domestic availability of pulses. Government has taken the following steps to augment the domestic availability:

- (a) Government has extended the policy of zero duty on import of pulses up to 31.03.2012.
- (b) Scheme for distribution of subsidized imported pulses through State Governments/UTs with subsidy of Rs. 10/- kg for distribution to BPL families @ 1 kg per month. The Scheme is in force up to 31.03.2012.
- (c) Banned export of pulses (except Kabuli chana and organic pulses up to a maximum of 10000 tonnes per year) which is now valid up to 31.03.2012.