

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

UNSTARRED QUESTION NO:2399

ANSWERED ON:16.08.2011

CASH TRANSFER OF FOOD SUBSIDY

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Dharmshi Shri Babar Gajanan;Singh Shri Ganesh

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

- (a) whether the Union Government is considering to replace the Public Distribution System (PDS) with cash transfers;
- (b) if so, the reasons therefor;
- (c) the manner in which cash transfer would address the question of food availability for poor;
- (d) whether objections to the said scheme have been raised from various quarters;
- (e) if so, the details thereof and reaction of the Government thereto; and
- (f) the steps taken by the Union Government to strengthen the PDS across the country?

Answer

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

(a) to (f): Proposals have been received from some State Governments like Bihar, Delhi, Haryana and Uttar Pradesh for direct disbursement of food subsidy in cash instead of distribution of foodgrains under Targeted Public Distribution System (TPDS) to Below Poverty Line (BPL)/Antyodaya Anna Yojana (AAY) families on a pilot basis only. A draft scheme is under examination.

Strengthening and streamlining of TPDS is a continuous process. To improve functioning of TPDS, Government has been regularly requesting State/ UT Governments for continuous review of lists of BPL and AAY families, ensuring timely availability of foodgrains at Fair Price Shops (FPSs), ensuring greater transparency in functioning of TPDS, improved monitoring and vigilance at various levels and introduction of new technologies such as Computerization of TPDS operations at various levels.