

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

UNSTARRED QUESTION NO:5435
ANSWERED ON:06.09.2011
FOOD SUBSIDY
Lal Shri Kirodi ;Yadav Shri Om Prakash

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

- (a) the details of subsidy provided for distribution of foodgrains under the Public Distribution System (PDS)/Targeted Public Distribution System (TPDS)/Antyodaya Anna Yojana (AAY) during each of the last three years and the current year;
- (b) the economic cost of foodgrains for the Food Corporation of India (FCI) including transit and storage losses and expenditure incurred on transport and storage;
- (c) whether the Government has conducted any study to check corruption and improve the operational efficiency of FCI in order to check losses and control food subsidy; and
- (d) if so, the details and the outcome thereof alongwith the action taken thereon?

Answer

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

(a): The total food subsidy released for distribution of foodgrains under Targeted Public Distribution System (TPDS) including Antyodaya Anna Yojana (AAY) during the last three years is as under:-

(Rs. in crore)

2008-09	2009-10	2010-11
BPL 16157		19564 20385
APL 7294	12595	15875
AAY 12615	14224	14083
TPDS 36066	46383	50343

During the current year 2011-12, an amount of Rs. 28657.61 crore has been released as food subsidy as on 1.9.2011. Scheme-wise breakup of subsidy released for the year is worked out after the end of the financial year.

(b): A statement showing total economic cost of foodgrains incurred by Food Corporation of India (FCI) including shortages, transportation and storage charges during 2009-10, 2010-11 and 2011-12 is at Annexure I.

(c) & (d): With a view to enhance the efficiency of the Food Corporation of India, Government had engaged Mckinsey & Co. to undertake a study of FCI.

The salient recommendations given by M/s Mckinsey & Co. are at Annexure-II.

A number of these recommendations have been accepted and implemented by FCI.