

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

UNSTARRED QUESTION NO:38
ANSWERED ON:22.11.2011
FOOD SUBSIDY
Singh Shri Ganesh

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

- (a) whether food subsidy is being provided to the States in proportion to the Below Poverty Line population in the respective States;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor alongwith the remedial steps taken in this regard?

Answer

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

(a) to (c): For allocation of foodgrains to States/Union Territories (UTs) under Targeted Public Distribution System (TPDS), Department of Food and Public Distribution uses the number of Below Poverty Line (BPL) families based on 1993-94 poverty estimates of Planning Commission and population estimates of Registrar General of India as on 1st March, 2000 or the number of such families actually identified and ration cards issued to them, whichever is less.

Central Government allocates foodgrains (rice and wheat) under TPDS to States/UTs for distribution to BPL category at Central Issue Prices (CIPs) of Rs.5.65 per kg for rice and Rs.4.15 per kg. for wheat.

Food subsidy is released to Food Corporation of India (FCI) and State Governments undertaking procurement of foodgrains under Decentralized Procurement Scheme (DCP) to meet the difference between economic cost of foodgrains and Central Issue Price (CIP) fixed for TPDS and other Welfare Scheme (OWS). The quantum of food subsidy released depends on offtake of foodgrains under various schemes.