

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

STARRED QUESTION NO:443
ANSWERED ON:08.05.2012
FOOD SECURITY
Mishra Shri Govind Prasad

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

- (a) whether the Food Security System was launched in the country with the objective of proper management of food economy to check scarcity, ensure supply of foodgrains at affordable price and maintain price stability;
- (b) if so, the details thereof;
- (c) whether the shortage of foodgrains and instability in its prices continue to be reported from several parts of the country despite the operation of the said system;
- (d) if so, the details thereof and the reaction of the Government thereto alongwith the remedial steps taken in this regard; and
- (e) the other steps taken to ensure adequate supply and stability in prices of foodgrains?

Answer

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

(a)to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE STARRED QUESTION NO. 443 DUE FOR ANSWER ON 8.5.2012 IN THE LOK SABHA

Parts (a) and (b): The Public Distribution System aims at management of scarcity and distribution of foodgrains at affordable prices. With a view to specifically target poor sections of society for distribution of subsidized foodgrains, the Targeted Public Distribution System (TPDS) was launched in 1997. Under TPDS, foodgrains @ 35 kg. per family per month are allocated to States/Union Territories (UTs) for 6.52 crore accepted number of Below Poverty Line (BPL)/Antyodaya Anna Yojana (AAY) families for distribution through Fair Price Shops. The foodgrains are being allocated to States/UTs at highly subsidized Central Issue Prices of Rs.4.15 per kg for wheat and Rs.5.65 per kg for rice for BPL families and Rs.2 per kg for wheat and Rs.3 per kg for rice for AAY families. These prices have remained unchanged since July, 2000 for BPL families and December, 2000 for AAY families. Depending upon their availability in central pool and past offtake, foodgrains are also being allocated to Above Poverty Line (APL) families at the Central Issue Price of Rs.6.10 per kg for wheat and Rs.8.30 per kg for rice. Presently, the allocations for APL category range between 15 kg and 35 kg foodgrains per family per month. Central Issue Price of foodgrains for APL category has not been revised since July, 2002.

Considering the availability of surplus stocks in the Central Pool, requests received from State Governments/UTs and to augment supply of foodgrains at cheaper rates to check open market prices, Government has been making additional allocation of foodgrains under TPDS from time to time in addition to the normal TPDS and Other Welfare Schemes (OWS) allocations. Details of normal allocations of foodgrains under TPDS and special ad-hoc additional allocations made in the last three years are given at Annexure-I and Annexure-II respectively.

The stock of foodgrains (rice and wheat) in the Central Pool as on 1.4.2012 was 533.02 lakh tons comprising 333.50 lakh tons of rice and 199.52 lakh tons of wheat. The current level of stock of foodgrains is adequate to meet the requirement of foodgrains as per the existing level of allocations during the current year. The surplus stock available in the Central Pool could also be used for keeping foodgrains prices under control.

(c) to (e) : In view of the surplus stock position and allocation of foodgrains referred to in parts (a) and (b) above, no shortage of foodgrains or inadequate supply has been reported. As per information received from Department of Consumer Affairs, which monitors the prices of essential commodities, the daily retail prices of foodgrains (rice and wheat) during the last one year have largely remained constant.