

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

UNSTARRED QUESTION NO:3077

ANSWERED ON:08.12.2009

FOOD SUBSIDY TO THE POOR

Dikshit Shri Sandeep;Majhi Shri Pradeep Kumar;Siricilla Shri Rajaiah

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

- (a) whether the Planning Commission has recommended to replace the existing public distribution system by cash for food scheme;
- (b) if so, the details thereof and the benefits likely to accrue therefrom;
- (c) whether the Government has launched a pilot project in this regard;
- (d) if so, the details and the outcome thereof;
- (e) the time by which the proposal regarding an alternative mode for providing food subsidy to the poor is likely to be finalised; and
- (f) the manner in which the Government proposes to ensure that the benefit/cash likely to be provided under the said scheme reaches the targeted beneficiaries?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a),(b),(c),(d),(e)&(f): Planning Commission has not recommended to replace the existing Public Distribution System by cash for food scheme. However, State Governments of Uttar Pradesh, Haryana and Delhi submitted proposals for approval to direct disbursement of food subsidy in cash to Below Poverty Line (BPL) families in lieu of foodgrains under TPDS on pilot basis in five districts i.e. Lakhimpur Kheri and Hardoi in Uttar Pradesh, Panchkula and Jhajjar in Haryana and Central District in Delhi. Based on those proposals, a draft scheme has been prepared to test feasibility of this alternative mode of transfer of food subsidy under TPDS to BPL/AAY families. The draft scheme is under examination. Government of Bihar has also suggested for disbursement of cash subsidy under TPDS. The Planning Commission has forwarded a request from Government of NCT of Delhi for inclusion of all nine districts of Delhi in pilot Scheme on transfer of food subsidy in cash. Clarifications have been sought for from Government of NCT of Delhi and Government of Bihar.

The actual benefits of the Scheme would be known after the implementation of the Scheme. Under the proposed scheme, the amount of subsidy in cash is proposed to be deposited in the bank Accounts of AAY and BPL beneficiaries.