

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

UNSTARRED QUESTION NO:6647
ANSWERED ON:07.05.2013
FOOD SUBSIDY
Mani Shri Jose K.

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

- (a) the total amount spent as food subsidy during 2012-13 along with the percentage of GDP spent as the food subsidy;
- (b) whether there are reports suggesting that some States including Karnataka, Chhattisgarh and Kerala spent more on Public Distribution System (PDS) than the subsidy provided by the Union Government; and
- (c) if so, the details thereof and the reasons therefor along with the remedial measures taken in this regard?

Answer

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

(a): An amount of Rs. 84554.00 crore was released as food subsidy during 2012-13, which was 0.85 percent (approx) of Gross Domestic Product (GDP).

(b) & (c): Government of India reimburses the difference between Economic Cost and Central Issue Price (CIP) fixed for various categories of beneficiaries to the States and Union Territories as food subsidy under Targeted Public Distribution System (TPDS) . However, some States/UTs further subsidize the foodgrains by distributing it below the CIPs for which the extra expenditure is borne by the State/UTs concerned from their own resources.