

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

UNSTARRED QUESTION NO:3928  
ANSWERED ON:18.02.2014  
CONFERENCE ON FOOD SECURITY  
Kalmadi Shri Suresh

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

- (a) the details and the outcome of the deliberations made in the State Food Ministers Conference held in October, 2013 indicating the number and the names of States which participated in the conference along with those which did not participate in it;
- (b) whether several State representatives have insisted that the Union Government should bear the entire expenses associated with implementation of the Food Security Act, such as transportation, handling charges, commission to ration shop owners etc. and set up the consumer redressal mechanism;
- (c) if so, the details thereof and the reaction of the Union Government thereto, State/UT-wise; and
- (d) the mechanism devised by the Union Government to ensure that the grains reach the intended beneficiaries only and to check diversion to the open market in view of the huge difference between its market price and the issue price along with the steps taken to mobilise funds to provide for huge subsidy required to implement the food security scheme?

**Answer**

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

(a) to (c) A Conference of Food Ministers and Food Secretaries of States/Union Territories (UTs) was held in New Delhi on 30th September and 1st October, 2013, to discuss various issues relating to implementation of the National Food Security Act, 2013 (NFSA). All the States/UTs participated in the Conference of Food Secretaries held on 30th September, 2013 and Food Ministers of 20 States/UTs participated in the Conference of Food Ministers held on 1st October, 2013. In the conference, various implementation related issues including assistance to States/UTs for meeting the expenditure on intra-State transportation, handling and margins to be paid to fair price shop dealers, as provided in the Act, were discussed. Some State Governments also suggested Central assistance for District Grievance Redressal Officer (DGRO) and State Food Commission.

In pursuance of the discussions in the Conference, a Committee of select State Food Secretaries and officers of Central Government has been constituted to inter alia look into and make recommendation on assistance to States/UTs for meeting expenditure on intra-State movement, handling of foodgrains and margins paid to Fair Price Shop (FPS) dealers. With respect to DGRO and State Food Commission, the Act gives flexibility to State Governments to either set up separate mechanism or use some existing machinery. Further, Government has decided to provide one-time financial assistance for non building assets for State Food Commission, in case a State decides to set up State Food Commission on exclusive basis.

(d) The NFSA inter alia provides for right to receive foodgrains at subsidized prices by persons belonging to eligible households under Targeted Public Distribution System (TPDS). Under the Act, the responsibility of the Central Government is to allocate entitled quantity of foodgrains to State Governments and thereafter it is their responsibility to ensure actual delivery of foodgrains to the entitled persons.

Strengthening and streamlining of TPDS is a continuous process. A Nine Point Action Plan for curbing the leakages/diversion of foodgrains under TPDS was also evolved in July, 2006, for implementation by State/UT Governments.

The NFSA also contains measures for reforms in TPDS, to be undertaken progressively by the Central and State Governments. These reforms inter alia include, doorstep delivery of foodgrains to the TPDS outlets, application of information and communication technology tools, diversification of commodities distributed under the Public Distribution System over a period of time etc. Provisions for transparency and accountability in TPDS, which includes disclosure of records of TPDS, conduct of social audit and setting up of Vigilance Committees at the State, District, Block and fair price shop levels have also been made in the Act, besides grievance redressal mechanism at the District and State levels.

The expenditure on food subsidy required to meet the entitlements provided in the NFSA will be met out of budget allocation for food subsidy made available to the Department of Food and Public Distribution. In the Budget Speech 2012-13, it was announced that from 2012-13 subsidies related to food and for administering the Food Security Act will be fully provided for. In 2013-14 Budget, an amount of Rs. 10,000 crore, over and above the normal provision for food subsidy, was allocated for incremental cost under the NFSA.