

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

UNSTARRED QUESTION NO:113

ANSWERED ON:24.02.2015

CASH SUBSIDY

Dhruvanarayana Shri Rangaswamy;Jadhav Shri Sanjay Haribhau;Paraste Shri Dalpat Singh;Singh Shri Hukum;Singh Shri Rakesh

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

- (a) whether the Government is considering to change the distribution system of ration to be given to poor persons under the Public Distribution System (PDS) to check diversions;
- (b) if so, the details of changes proposed to be made therein;
- (c) whether the Government proposes directly to transfer cash subsidy in place of foodgrains under the PDS and if so, the details thereof;
- (d) whether the said cash subsidy would be at par with market rates for foodgrains; and
- (e) if so, the details thereof and if not the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) to (e): No, Madam. Government is at present not considering to change the distribution system of ration being given under Targeted Public Distribution System (TPDS).

There are various methods to check leakages and diversion of foodgrains. Direct Transfer of Cash subsidy is one of such options, which has also been discussed in various forums. Its implementation however depends upon readiness of States/ Union Territories in terms of digitization and de-duplication of beneficiaries database, seeded with bank accounts numbers, and it can be taken up on specific request from States/UTs. At present there is no such proposal from any State/UT