

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

UNSTARRED QUESTION NO:152

ANSWERED ON:24.02.2015

COVERAGE UNDER NFSA

Adsul Shri Anandrao ;Ajmal Shri Sirajuddin;Chandel Kunwar Pushpendra Singh;Gavit Dr. Heena Vijaykumar;Hegde Shri Anant Kumar Dattatreya;Jayadevan Shri C. N.;Kesineni Shri Srinivas;Mahadik Shri Dhananjay Bhimrao;Nayak Shri B.V.;Patil Shri Shivaji Adhalrao;Patil Shri Vijaysinh Mohite;Rajesh Shri M. B.;Reddy Shri Ponguleti Srinivasa;Sule Smt. Supriya Sadanand;Yadav Shri Dharmendra;Yeddyurappa Shri B. S.

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

(a) whether a panel appointed by the Government has recommended to reduce coverage under the National Food Security Act, defer implementation of the scheme in States which have not complied with the rollout conditions including computerization of Public Distribution System and to move towards direct cash transfer regime;

(b) if so, the details thereof and the reaction of the Government thereto indicating the extent of subsidy likely to be saved as a result thereof; and

(c) the time by which the said recommendations are likely to be implemented?

Answer

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

(a) (b) & (c): Yes Madam. Government has appointed a High Level Expert Committee under the Chairmanship of Shri Shanta Kumar, MP consisting of distinguish panel of experienced persons and experts to recommend for restructuring of FCI after considering various aspects of present structure and functional areas of organizations and HLC has submitted its report on 21.1.2015. As regards National Food Security Act (NFSA), the High Level Committee

(HLC) has recommended:- i) to defer implementation of NFSA in States that have not done end to end computerization; have not put the list of beneficiaries online for anyone to verify, and have not set up vigilance committees to check pilferage form Public Distribution System (PDS). ii) to reduce coverage from 67 percent of population to 40 percent; raise allocation to priority households form 5 kg to 7 kg per person per month. iii) to gradually introduce cash transfers in Targeted Public Distribution System (TPDS), starting with large cities with more than 1 million population; extending it to grain surplus States, and then giving option to deficit States to opt for cash or physical grain distribution. The Government has examined these recommendations and the reaction is as under: i) The States/ UTs are already required to comply with certain pre-requisites like completion of the ongoing scheme for computerization of Targeted Public Distribution System operations, which includes putting up digitized list of beneficiaries on transparency portal; putting in place grievance redressal mechanism, etc. as per requirement of NFSA, in order to start implementation of the Act. ii) The NFSA is already in force. There is no proposal for any amendment to the Act. iii) Direct transfer of cash subsidy is one of the options discussed in various fora for checking diversion of foodgrains. Its implementation, however, depends upon readiness of States/ UTs in terms of digitization and de-duplication of beneficiary data-base seeds with bank account numbers and it can be taken up on specific requests from States/ UTs. There is no saving of subsidy possible in this context.