

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

UNSTARRED QUESTION NO:3896

ANSWERED ON:22.12.2015

Implementation of NFSA

Birla Shri Om; Biswas Shri Radheshyam; Chinnaraj Shri Gopalakrishna; Patel Smt. Jayshreeben ; Swain Shri Ladu Kishore

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

- (a) whether the Government is facing some hurdles in implementing the National Food Security Act (NFSA) in all the States;
- (b) if so, the details thereof and the reasons therefor along with the steps taken to overcome these hurdles;
- (c) whether the Government proposes to provide any incentives to such defaulting States for effective implementation of the Act, if so, the details thereof;
- (d) whether it will be easy for the Government to check price rise after the full implementation of said Act; and
- (e) if so, the details thereof and the effective steps being taken by the Government to check rise in prices and black marketing?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)

(a) and (b): Main responsibility for implementation of the National Food Security Act, 2013 (NFSA) rests with States/ Union Territories (UTs) and inter alia includes identification of eligible households, ensuring delivery of foodgrains upto doorstep of fair price shops, setting up of grievance redressal mechanism. 23 States/UTs are presently implementing the National Food Security Act, 2013 (NFSA) and foodgrains under the Act are being allocated to them based on the preparedness and identification of

...2/-

...2...

beneficiaries reported by them. Besides, proposals of Sikkim and Uttar Pradesh for allocation of foodgrains under NFSA w.e.f. the month of January, 2016 have been approved. Remaining 11 States/UTs have not completed all the preparatory measures required for implementation of the Act. Foodgrains allocation under existing Targeted Public Distribution System (TPDS) is continuing in these States/UTs.

Implementation of the Act is reviewed on a regular basis and necessary advisories are issued to States/UTs, wherever required. Various meetings/ conferences have also been held with the States/UTs to review status of implementation of the Act. This year, four such meetings – on 7 July, 1 September, 19 November (with North-East States) and 23 November, 2015 – have been held with the States/UTs. During such meetings/conferences, the points raised by States/UTs are clarified and the need for early implementation of Act and necessary strengthening of TPDS in order to be able to successfully deliver entitlements in a rights-based approach under NFSA are emphasized.

(c): There is no such proposal.

(d) and (e): NFSA entitles upto 75% of the rural population and upto 50% of the urban population to receive foodgrains at subsidised prices of Rs. 3/2/1 per kg for rice/wheat/coarse grains under TPDS, thus covering about two thirds of the population of the country. The large coverage and highly subsidized prices of foodgrains under the Act is likely to help in checking prices of foodgrains. The steps taken by the Government to improve the availability and contain prices of food items are at Annexure.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (d) AND (e) OF UNSTARRED QUESTION NO. 3896 DUE FOR ANSWER ON 22.12.2015 IN THE LOK SABHA

Step taken by the Government to improve the availability and to contain prices of essential food items

1. National Consultation Meeting with Ministers of States/UTs in-charge of Consumer Affairs and Food held on 7th July, 2015 at New Delhi to discuss steps required to keep prices of essential commodities, especially Pulses and onion under control.
2. Advisory to State Government issued to take strict action against hoarding & black marketing and effectively enforce the Essential Commodities Act, 1955 & the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.
3. Regular review meeting on price and availability situation is being held at the highest level including at the level of Minister, Committee of Secretaries (CoS), Inter-Ministerial Committee (IMC), Price Stabilization Fund Management Committee (PSFMC) and other Department level review meeting.
4. Measures taken to improve availability by incentivizing production through higher Minimum Support Price (MSP).
5. A new Plan Scheme titled Price Stabilization Fund (PSF) has been implemented for regulating price volatility of agricultural commodities.
6. Export of onion is restricted through Minimum Export Price (MEP) and presently the MEP is USD 400 per MT w.e.f. 11.12.2015. Import of onion is allowed at zero duty.
7. Imported 2000 MT of onion from Egypt and China through MMTTC under PSF scheme. As no demands from state were received, the onion disposed off through tender in open market.
8. Retail sale of onion was undertaken from the stocks held by Small Farmers Agri-Business Consortium (SFAC) and National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED).
9. The stock limit in respect of onion has been extended by one more year i.e. up to 2nd July 2016 under the Essential Commodities Act.
10. Export of all pulses is banned except kabuli channa and up to 10,000 MTs in organic pulses and lentils.
11. Zero import duty on pulses extended till 30.9.2016 except for chana and lentils.

12. Stock limit on pulses extended till 30.9.2016.

13. Imported 5000 MT of Tur from Malawi/Mozambique and allocated to States with a subsidy of Rs. 10 per Kg for retail sale to consumer.
