

GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

**RAJYA SABHA**  
UNSTARRED QUESTION NO. 669  
TO BE ANSWERED ON 08<sup>th</sup> FEBRUARY, 2019

**IMPLEMENTATION OF CASH FOR FOOD SCHEME**

669. SHRI RAM NATH THAKUR:

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

- (a) whether it is a fact that Government is implementing the Cash for Food scheme on pilot basis in some States;
- (b) if so, the objective behind implementing this scheme; and
- (c) whether this amount is sufficient enough to purchase better quality nutritious foodgrains from the market, if so, the details thereof?

**A N S W E R**  
MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI C. R. CHAUDHARY)

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(a) to (c) : The scheme of cash transfer of food subsidy is implemented as per provisions of the Cash Transfer of Food Subsidy Rules, 2015, notified under the National Food Security Act, 2013 (NFSA). The cash transfer of food subsidy scheme is being implemented in Union Territories of Chandigarh, Puducherry and urban areas of Dadra and Nagar Haveli. Under this scheme, the admissible amount of subsidy is directly transferred into the bank account of beneficiaries. The scheme provides greater autonomy to beneficiaries to choose their consumption basket and also reduces the need for physical movement of foodgrains. It reduces leakages and facilitates better targeting while promoting financial inclusion.

As per Cash Transfer of Food Subsidy Rules, the amount of food subsidy payable to a entitled household shall be computed by multiplying entitled quantity of foodgrains with difference between 1.25 times applicable Minimum Support Price (MSP) (Derived Minimum Support Price in the case of rice) and the Central Issue Prices (i.e. Rs.1/2/3 for coarsegrains/ wheat/ rice respectively) or as may be revised from time to time, by the Central Government. As and when the MSP is revised, the amount of food subsidy is revised accordingly.

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