

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

LOK SABHA

UNSTARRED QUESTION NO. 2291  
TO BE ANSWERED ON 31<sup>ST</sup> JULY, 2018

FOOD SUBSIDY UNDER DBT SCHEME

2291. SHRI JAI PRAKASH NARAYAN YADAV:  
SHRI PARBHUBHAI NAGARBHAI VASAVA:  
SHRI PANKAJ CHAUDHARY:  
SHRI GEORGE BAKER:  
SHRI BODHSINGH BHAGAT:  
SHRI ANIL SHIROLE:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) the details of the subsidy to be given on ration to the poor during the financial year 2017-18, State-wise including wheat and rice at the rate of Rs. 2 and Rs. 3 per kg;
- (b) whether the Government has formulated any plan to improve the ration system under the National Food Security Act and if so, the details thereof;
- (c) whether the Government plans to bring food subsidy also under Direct Benefit Transfer Scheme instead of giving refund to the poor and providing wheat, rice, if so, the details thereof along with the reasons therefor;
- (d) whether the Government has launched this scheme in some of the States on trial basis, if so, the details thereof along with the outcome thereof, State-wise including West Bengal;
- (e) the number of States which have adopted schemes, the details thereof; and
- (f) the time by which it is likely to be implemented across the country?

A N S W E R

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI C. R. CHAUDHARY)

(a): Government has enacted National Food Security Act (NFSA) under which the foodgrains are provided to the priority category @ 5 kg per person per month and Antyodaya Anna Yojana (AAY) households which constitute the poorest of the poor @ 35kg per family per month at highly subsidized prices of Rs.1/2/3 per kg for coarse grains/wheat/rice respectively. Although, subsidy given varies from State to State but on an average Rs. 21.96/Kg for Wheat and Rs. 29.94/Kg for Rice is given as food subsidy by Gol on distribution of foodgrains by the States. Presently, the subsidy given to FCI and DCP States for last 3 years is annexed.

(b): Targeted Public Distribution System (TPDS) is operated under the joint responsibility of the Central and State Government. Central Government is responsible for procurement, allocation and transportation of foodgrains upto the designated depots of the Food Corporation of India. The operational responsibility for allocation of foodgrains within the States/UTs, including distribution of foodgrains to the eligible beneficiaries under TPDS rests with the concerned State Government/UT Admn.

Under NFSA, the receipt of foodgrains by beneficiaries in time is a legal entitlement and therefore, it is imperative that State/Union Territory lift the foodgrains within the validity period and ensure its timely distribution to the targeted beneficiaries. From time to time , State/UT Governments are requested to review the list of beneficiaries, improving the offtake of allocated foodgrains, ensuring timely availability of foodgrains at Fair Price shops (FPSs), greater transparency in functioning of TPDS, increased monitoring and vigilance at various levels, improving the viability of FPS operations, etc.

(c) to (f): 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) which inter alia provides that the scheme can be taken up in identified areas, subject to fulfilment of certain conditions regarding preparedness for its implementation. Identified area is defined under the Rules as State or Union Territory or any specified area within the State or Union Territory for which there is a written consent of the State Government for implementation of the scheme. It is therefore optional for the States/UTs to implement the cash transfer of food subsidy scheme or continue with distribution of foodgrains as per provision of NFSA through fair price shops.

The cash transfer of food subsidy scheme is being implemented in the Union Territories of Chandigarh, Puducherry and urban areas of Dadra & Nagar Haveli, under which food subsidy is being transferred into bank accounts of beneficiaries who then have a choice to buy foodgrains from open market.

Further, a pilot scheme of Direct Benefit Transfer on the pattern of 'PAHAL', has been started in Nagni Block of Ranchi District(Jharkhand) w.e.f. 01.10.2017 under which subsidy component is credited in advance into beneficiaries account and beneficiaries purchase foodgrains from fair price shops (FPS) at the Economic Cost of foodgrains.

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE UNSTARRED QUESTION NO. 2291 DUE FOR ANSWER ON 31.07.2018 IN THE LOK SABHA.

The details of food subsidy released during last three years including current year to FCI and DCP States is as below:

(I) Food Subsidy released to FCI:

(Rs. in crore) (As on 29.07.2018)

Year	FCI
2015-16	112000.00
2016-17	103334.61*
2017-18	101981.69**
2018-19 (upto 29.07.18)	91224.00

\* Includes NSSF loan of Rs.25,000 crore to FCI

\*\* Includes NSSF loan of Rs.40,000 crore to FCI

(II) Food Subsidy released to DCP States & UTs under DBT scheme:

(Rs in crores)

S.No.	Name of the State	2015-16	2016-17	2017-18	2018-19 (till 29.07.18)
1	Andhra Pradesh	1364.25	3212.82	6060.17	2598.18
2	Bihar	2540.92	1495.24	4535.11	1004.44
3	Chhattisgarh	3328.93	3141.28	4272.36	1933.27
4	Gujarat	55.57	46.21	0.00	9.31
5	Karnataka	0.00	0.00	166.95	0.00
6	Kerala	834.42	419.25	782.06	253.64
7	Madhya Pradesh	5737.29	5354.97	8113.23	3638.03
8	Maharashtra	-	-	583.66	0.00
9	Odisha	3331.39	3847.72	5133.57	2602.17
10	Punjab	300.00	2877.68	796.33	947.61
11	Rajasthan	155.11	0.00	0.00	0.00
12	Tamil Nadu	936.89	2303.76	651.70	256.43
13	Telangana	1390.08	1716.71	3853.71	854.50
14	Uttarakhand	408.67	346.80	860.11	0.00
15	West Bengal	2465.86	2441.93	2042.30	2363.22
16	DBT*	69.62	133.97	148.74	42.81
	<b>योग Total</b>	<b>22919.00</b>	<b>27338.35</b>	<b>38000.00</b>	<b>16503.61</b>

\* Under DBT scheme, w.e.f. 2015-16 subsidy is released to UTs of Chandigarh, Puducherry, Dadra & Nagar Haveli & 1 District of Jharkhand.

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