

Food Security Bill cleared by cabinet

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try sought to cover up to 75% of the rural population and 50% of urban households with a proposed monthly entitlement of 7kg of foodgrain per person, at ₹3 per kg for rice, ₹2 per kg for wheat and ₹1 per kg for coarse grains. It also provides for cash handouts of ₹6,000 for pregnant and lactating women in 52 districts.

If Parliament passes the Bill, the food subsidy bill is expected to rise by ₹27,663 crore at nearly ₹95,000 crore while the foodgrains requirement would go up to 61 million tonnes (mt) from 55 mt, according to the

cabinet proposal.

The Bill has been discussed by an empowered group of ministers led by finance minister Pranab Mukherjee since September 2009. It could not be cleared in a cabinet meeting on 13 December, following apprehensions expressed by agriculture minister Sharad Pawar and Trinamool Congress chief Mamata Banerjee.

Banerjee was seeking a greater role for states in the decision making process, said a person close to the development who didn't want to be named. The West Bengal chief minister had also sought disbursal of foodgrains to be made on a

weekly basis instead of a monthly basis. Pawar expressed reservations over the additional subsidy required.

Following this, Gandhi directed food minister K.V. Thomas to hold discussions and iron out problems, the person cited above said, adding that the concerns of both leaders had been assuaged. According to the agricultural ministry's own assessment, there would be no shortage of food production until 2039-40, the person above said.

The cabinet approved the Bill at a 30-minute meeting on Sunday evening attended by all cabinet ministers, a top food ministry official who didn't want to be named said.

NAC welcomed cabinet approval for the proposed law.

"It is a major moment for bridging the gap between the two Indias," NAC member and activist Harsh Mander said.

"There are worries with the implementation like (with respect to the) the Right to Education and MGNREGA...but the decision is taken. It will take time for arrangements of the implementation, but I am confident that once the cabinet has taken the decision, the rest would happen."

The food ministry has suggested that as much as ₹1.1 trillion may be required to be invested in boosting farm production. Extra funds would be required for creating storage space and publicity, computerization of the public distribution system, among other measures.

The provision of meals to special groups would cost ₹8,920 crore a year while maternity benefits would be to the tune of ₹14,512 crore a year which is to be shared between the Centre and states.

The Bill has special provisions

to empower women which includes issue of ration cards to the eldest female member of the family. It also stipulates that the Centre would compensate states with cash in case of shortage of foodgrains because of any fall in production on account of natural calamities such as drought and floods.

In case of non-supply of foodgrains or meals to beneficiaries, the state governments would be required to provide a food security allowance.

Meanwhile, the cabinet is expected to discuss the much-debated Lokpal Bill on Monday. Social activist Anna Hazare has threatened to go on his third hunger strike against corruption this year if a "strong and effective" Lokpal Bill does not get passed in the current winter session of Parliament.

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PTI contributed to this story.