

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

**LOK SABHA  
UNSTARRED QUESTION NO.3340  
TO BE ANSWERED ON 9<sup>TH</sup> AUGUST, 2023**

**ZERO FINANCIAL LIABILITY**

**3340. DR. PRITAM GOPINATHRAO MUNDE:  
SHRI RAHUL RAMESH SHEWALE:**

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

- (a) whether as per the MoUs with State Governments there has to be zero financial liability on the procuring agencies with regard to permissible items of cost to be borne by Union Government;
- (b) if so, the details in this regard;
- (c) the details of the amount of outstanding payments that need to be paid to the States Civil Supplies Corporations in connection with paddy/rice procurement, State-wise, particularly to Maharashtra;
- (d) whether the anticipated cost is required to be released in the form of advance subsidy at the rate of 90 percent of admissible claim on quantity basis in the first month of every quarter;
- (e) if so, whether the release of advance and provisional subsidy to States is irregular, particularly to Maharashtra;
- (f) if so, the reasons therefor; and
- (g) the steps taken by the Union Government to clear the outstanding amount of the States, particularly Maharashtra?

**A N S W E R  
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND  
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SADHVI NIRANJAN JYOTI)**

(a)&(b): As per MoU, the State Government/ designated agencies shall be paid quarterly provisional subsidy for decentralized procurement and distribution after adjusting the sale realization at CIP upto 100% basis for fixed incidentals and upto 95% of variable incidentals.

**(c): Procurement operation for paddy is carried-out by the concerned State Government/its agencies. However, food subsidy is re-imbursed to the State for distribution of food grains for Central Schemes covered under National Food Security Act and Other Welfare Schemes. Further, release of food subsidy is an ongoing and continuous process. Department of Food & Public Distribution, Government of India has been continuously releasing admissible amounts of food subsidy to the States on quarterly basis.**

**(d): As per MoU, advance subsidy will be released at the rate of 90% of the admissible claim on a quarterly basis in the first month of every quarter on receipt of complete subsidy proposal from the State Governments.**

**(e) to (g): Advance and Provisional subsidy is released to States on receipt of subsidy bill along with relevant documents. On 25.07.2023, this Department has released provisional subsidy amount of Rs. 1004.60 crore to State Government of Maharashtra against the subsidy bills for quarter ending December 2022. Presently, no food subsidy bill is pending for State Government of Maharashtra.**

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