

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

**LOK SABHA  
UNSTARRED QUESTION NO. 2528  
TO BE ANSWERED ON 3<sup>RD</sup> DECEMBER, 2019**

**ALLOCATION OF NFSA**

**2528. SHRI NALIN KUMAR KATEEL:**

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

- (a) whether it is true that there is a significant gap between the quantum of procurement of grains and the volume of allocation to States under the National Food Security Act (NFSA);
- (b) if so, whether it is also true that it has resulted in rising food subsidy expenses in the country;
- (c) if so, the details of the subsidy incurred on food grains during the last three years including the current year;
- (d) whether the Government has conducted any studies on the impact of huge procurement of grains on the FCI's economic cost; and
- (e) if so, the details of the findings of the study?

**A N S W E R**

**MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS, FOOD &  
PUBLIC DISTRIBUTION  
(SHRI DANVE RAOSAHEB DADARAO)**

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(a): Under the procurement policy of Government of India (GOI), Minimum Support Price (MSP), period of procurement and quality specifications are declared before start of each marketing season(Kharif/ Rabi). Further, procurement policy of GOI is open ended, under which whatever paddy and wheat is offered by farmers within the stipulated period and conforming to the specifications prescribed in advance by GOI are purchased at MSP by the Government Agencies including Food Corporation of India (FCI) for Central Pool to avoid any distress sale by farmers. On the other hand, the allocation of foodgrain (rice and wheat) to states is made as per entitlements prescribed under the National Food Security Act.

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**(b) and (c):** The food subsidy released to Food Corporation of India (FCI) and Decentralised Procurement (DCP) States during last 3 years and current year is as under:

Year	Food subsidy released (Rs. in crore)		
	FCI	DCP State	Total
2016-17	103334.61*	27338.35	130672.96*
2017-18	101981.69*	38000.00	139981.69*
2018-19	140098.00*	31029.485	171127.485*
2019-20 (as on 28.11.2019)	106000.00	26087.25	132087.25
* Including loan to FCI from National Small Saving Fund (NSSF).			

**(d):** No, Sir.

**(e):** Question does not arise.

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