

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

**LOK SABHA
UNSTARRED QUESTION NO. 3792
TO BE ANSWERED ON 17TH MARCH, 2020**

UTILIZATION OF SUBSIDY BILL

3792. SHRI DIBYENDU ADHIKARI:

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 a fact that the Food Corporation of India (FCI), the nodal agency that procures wheat and rice which are supplied under the public distribution system impacts the farmers of the country directly and indirectly ;
- (b) if so, whether it is also a fact that FCI whose share in the food subsidy bill last year, was Rs. 1.51 lakh crore, has spent only Rs. 75,000 crore in 2019-20 till February 2020;
- (c) whether this is one of the reasons for farmers' distress; and
- (d) if so, the action taken therein and the action plan to utilise the whole allocation?

A N S W E R

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

(a): The Food Corporation of India (FCI) is a nodal agency that procures wheat and rice for central pool to distribute under the public distribution system with the objective that farmers get remunerative prices for their produce and do not have to resort to distress sale.

(b) to (d): FCI's share in food subsidy allocation in Union budget of 2019-20 was Rs.1.51 lakh crore which has been revised to Rs.75000 crore. However, Rs.1,19,164.026 crore has already been released to FCI during 2019-20.

Over and above the subsidy provided to FCI, the required funds are sourced by FCI through loans, bonds etc. to meet the requirement of its operation so that the procurement operations including farmers' payment are met.
