MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION
LOK SABHA
UNSTARRED QUESTION NO.34
TO BE ANSWERED ON 2ND FEBRUARY, 2022
MINIMUM SUPPORT PRICE

34. SHRI SHA.BRA.DR.JAI SIDDDESHWAR SHIVACHARYA MAHASWAMIJI:
SHRI B.Y. RAGHAVENDRA:
DR. UMESH G. JADHAV:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
be pleased to state:
(a) whether the Government is taking any steps to settle the pending and current
claims of Minimum Support Price (MSP) operations in the country;
(b) if so, the details thereof; and
(c) the details of the proposals received from Maharashtra and Karnataka and
the action being taken to settle the pending and current claims of MSP?

ANSWER
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND CONSUMER
AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)

(a) to (b): There are two types of Procurement System of Wheat and Paddy for
central pool viz Centralized (Non-DCP) procurement system and Decentralized (DCP)
Procurement system.

Under centralized (Non-DCP) procurement system, the procurement of wheat
and paddy in Central Pool is undertaken either by FCI directly or by State Govt.
Agencies (SGA). Procurement carried out by SGA is handed over to FCI for storage and
subsequent issue against Government of India allocation in the same State or
movement of surplus to other States.

Under Decentralized(DCP) system, the State Govt./its agencies procure, store
and distribute (against GOI’s allocation for TPDS & OWS) paddy/rice/wheat within
the state. The excess stocks (Rice & wheat) procured by the State/ its agencies are
handed over to FCI in Central Pool.

Release of food Subsidy towards distribution of food grains under NFSA and
Other Welfare Schemes is a continuous process. The claims received from the State
Government are processed keeping in view the opening and closing balance of stock
of the relevant financial year, procurement, allocation and distribution of food grains,
Food Corporation of India (FCI) reconciliation, Utilization Certificate, Economic Cost of
food grains etc, among others.

(c): Rs. 1920.17 crore during the year 2019-20, Rs. 2555.74 crore during the year
2020-21 and Rs. 2184.44 crore were released during the year 2021-22 (upto
27.01.2022) towards food subsidy to State Government of Maharashtra. No provisional
claim of food subsidy received from the State Government is pending.

Rs. 205.79 crore during the year 2019-20, Rs. 323.99 crore during the year 2020-
21 and Rs. 340.28 crore were released during the year 2021-22 (upto 27.01.2022) to
the State Government of Karnataka. Two provisional claims of food subsidy received
from the State Government are under scrutiny.