

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

LOK SABHA
UNSTARRED QUESTION NO. 2900
TO BE ANSWERED ON 5TH AUGUST, 2026

PADDY PROCUREMENT SUBSIDY

2900 SHRI M K RAGHAVAN:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Government is aware that a substantial amount of Rs.1079.34 crore is currently pending as arrears to the State of Kerala under the paddy procurement (Nellu Sambharanam) system for the financial years spanning from 2017-18 to 2025-26;
- (b) if so, the specific reasons, technical discrepancies or auditing delays that have led to this prolonged non-disbursal of subsidy dues over nearly a decade; and
- (c) the details of financial year-wise break-up of the total claim submitted by the State Government of Kerala, the amount cleared by the Centre and the exact remaining balance for each fiscal year from 2017-18 to 2025-26?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a) to (c): Department of Food and Public Distribution (DFPD) reimburses the expenditure incurred by States that have opted for Decentralized Procurement (DCP) mode including Govt. of Kerala for distribution of food-grains to the beneficiaries of Central Schemes as per allocation made by Government of India. Further, funds are also released by Food Corporation of India (FCI) to the States for the quantum of food-grains handed over to them by States for Central Pool. The difference between Economic Cost and Central Issue Price (CIP), at which foodgrains are issued to States, is reimbursed to FCI and DCP States as food subsidy. Further, the release of food subsidy is an ongoing and continuous process. The subsidy claims are processed keeping in view the opening and closing balance of stocks, procurement, allocation, distribution of food grains, FCI's reconciliation, Utilization Certificates etc. The food subsidy released to DCP States & FCI is made as per budgetary allocation made by Ministry of Finance (MoF). State wise funds are not allocated by MoF.

The entire admissible provisional subsidy has already been released by DFPD to Govt. of Kerala. As regards, FY 2025-26, State has been informed to rectify its stock flow statement and submit the supplementary claim on SCAN portal.

Further as per uniform process of final settlement applicable for all the states, State may claim any additional admissible subsidy, at the time of finalization/settlement of audited accounts for the respective years.

The details of food subsidy released to Government of Kerala under PMGKAY since 2017-18 onwards is at **Annexure**.

**ANNEXURE PRFERRED TO IN REPLY TO PART (A TO C) OF UNSTARRED
QUESTION NO. 2900 DUE FOR ANSWER ON 05.08.2026 IN LOK SABHA**

Details of food subsidy released to State Govt. of Kerala under PMGKAY since 2017-18 onwards:

Financial Year	Amount (Rs. In Crore)
2017-18	782.06
2018-19	620.23
2019-20	469.30
2020-21	1214.98
2021-22	1777.86
2022-23	1544.89
2023-24	1151.85
2024-25	1062.36
2025-26	900.51
2026-27 (as on 03.08.2026)	203.94

From April 2020 to December 2022 under Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), 5Kg per month per person free of cost food grain was additionally distributed to all AAY and PHH beneficiaries.
