

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:108
ANSWERED ON:09.11.2010
RELEASE OF FOODGRAINS
Viswanathan Shri P.

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

- (a) whether the Government owned Food Corporation of India has refused to allow State Governments to lift foodgrains and demanded pre-payment for foodgrains before release;
- (b) if so, the details thereof and the likely impact of the said move on food based welfare schemes; and
- (c) the steps taken to assist the State Governments in implementing the food based schemes without any hindrance?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (b): The food grains allocated under Targeted Public Distribution System (TPDS) and Other Welfare Schemes are lifted by the States/UTs on pre-payment of cost of food grains, except in the case of Mid Day Meal Scheme (MDM). The pre-payment system for the food grains lifted by the States/UTs has been working well and there is no adverse impact on account of this on food based welfare schemes.

In case of Mid Day Meal Scheme, the Department of School Education & Literacy, Ministry of Human Resources Development have been making payment for the food grains lifted by the States/UTs on a centralized basis to Food Corporation of India (FCI) till March, 2010. However, from 01.04.2010, the Department of School Education & Literacy introduced a decentralized post-payment system for the food grains lifted by the States/UTs against the allocations made under the scheme. Although, initially in March 2010, the FCI insisted with the Department of School Education & Literacy for prepayment of cost of foodgrains, as in the case of all other similar schemes, foodgrains have been released on post-payment basis by FCI on the directions of the Department of Food and Public Distribution in April 2010.

(c): Allocations of foodgrains under various food based schemes are made to States/UTs in advance subject to furnishing of Utilisation Certificates for the foodgrains released in the past. Wherever requests for extension of validity period for deposit of cost and lifting is requested by the States/UTs, the same are considered and extensions given. The Department of School Education & Literacy has provided central assistance to the States/UTs for making payment to FCI for the food grains lifted under the Mid Day Meal scheme.