

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

UNSTARRED QUESTION NO:3426

ANSWERED ON:17.03.2015

PRICE FOR PDS

Adsul Shri Anandrao ;Patil Shri Shivaji Adhalrao;Yadav Shri Dharmendra;Yeddyurappa Shri B. S.

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

- (a) whether the difference of selling and procurement price and other administrative cost of foodgrains issued under the TPDS and other welfare schemes of the Union Government is reimbursed to the States;
- (b) if so, the details thereof;
- (c) whether the State Governments are free to sell the said foodgrains in the open market at price below the market rate; and
- (d) if so, the details thereof and the reasons therefor?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAMVILAS PASWAN)

- (a): Yes Madam. In case of the States under- taking Decentralised procurement (DCP), the difference of economic cost, which includes Minimum Support Price(MSP) and other procu- rement incidentals, and Central Issue Price is directly reimbursed by the Central Gover- nment to the State Governments as Food Sub- sidy for the quantity of foodgrains issued under the Targeted Public Distribution System (TPDS) and other welfare schemes.
- (b): A statement indicating the food subsidy released to the DCP States during current year (2014-2015) is at Annex-I.
- (c)&(d): No Madam. The foodgrains allotted by Government of India under various schemes are meant only for distribution to the identified beneficiaries of the scheme and are supplied at highly subsidised rates.