

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

UNSTARRED QUESTION NO:28  
ANSWERED ON:22.02.2011  
FOOD SUBSIDY  
Reddy Shri Magunta Srinivasulu

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

- (a) whether the food subsidy bill for 2010-11 has risen alarmingly; and
- (b) if so, the details thereof and the reasons therefor?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) & (b) The amount allocated for Food Subsidy during 2010-11 is Rs.59354.56 crore as compared to Rs.58242.45 crore released during 2009-10. Based on the actual offtake, an additional requirement of Rs.14877.63 crore has been sought for Food Subsidy for the current year. The main reasons for increase in Food Subsidy include:-

- (i) Increased procurement of foodgrains in the Central Pool.
- (ii) Continuous increase of Minimum Support Price of foodgrains (rice and wheat) and non- revision of Central Issue Price (CIP) under Targeted Public Distribution System (TPDS) since July, 2002,
- (iii) Increased offtake of subsidized foodgrains under TPDS and Other Welfare Schemes.
- (iv) Additional allocations of foodgrains made for APL/BPL families and Open Sale during the current year to provide additional subsidized foodgrains to these categories and to check rising prices in the open market respectively.