

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

UNSTARRED QUESTION NO:4041

ANSWERED ON:15.12.2009

INCREASE IN CIP

Das Gupta Shri Gurudas;Lingam Shri P.;Rao Shri Nama Nageswara

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

(a) whether Government proposes to increase the Central Issue Price (CIP) of foodgrains supplied to Above Poverty Line (APL) families through Public Distribution System;

(b) if so, the details and the reasons therefor; and

(c) the date on which the CIP was last revised alongwith the changes made threerein?

**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),(b)and(c): Central Issue Prices (CIP) of wheat and rice supplied to Above Poverty Line (APL) families through Public Distribution System (PDS) have not been revised since 2002. During this period, Government have increased the Minimum Support Price (MSP) in order to provide more remunerative prices to farmers. Costs on account of other incidentals of procurement have also increased. This has led to an escalation in food subsidy and created a large gap between CIP for APL families and open market prices. The Department is examining a proposal to revise the CIPs of wheat and rice for APL category with a view to reducing the difference between the CIPs for APL and market price of wheat and rice.