

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

UNSTARRED QUESTION NO:1978
ANSWERED ON:04.08.2000
REDUCTION IN PRICES OF FOODGRAINS UNDER PDS
BHUVAN CHANDRA AVSM (RETD.) KHANDURI

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

- (a) whether the Government have reduced the prices of foodgrains being issued under the PDS system;
- (b) if so, the details thereof;
- (c) the basis on which the prices have been reduced and the reasons for doing so;
- (d) whether the economic cost have been reduced;
- (e) if so, the details thereof;
- (f) whether the Government propose to reduce the cost further; and
- (g) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SRI HIRAM CHAUHAN)

(a) : Yes, Sir.

(b) : The Central Issue Prices (CIPs) of wheat and rice under PDS on 1.4.2000 were as follows:-

(Rs. per quintal)		
Commodity	BPL	APL
1. Wheat	450	900
2. Rice		
(i) Common	590	-
(ii) Grade `A`	590	1180

The CIPs have been revised with effect from 25.7.2000 as under:-

(Rs. per quintal)		
Commodity	BPL	APL
1. Wheat	415	830
2. Rice		
(i) Common	565	-
(ii) Grade `A`	565	1130

(c) The CIPs of wheat and rice are fixed at 50% of economic cost for BPL population and at 100% of economic cost for APL

population. The CIPs have been revised with effect from 25.7.2000 on approval of the recommendations of the Expenditure Reforms Commission (ERC).

(d) : Yes, Sir.

(e) : The economic cost of wheat and rice have been reduced from Rs.900/- per qtl. to Rs.830/- per qtl. and Rs.1180/- per qtl. to Rs.1130/-per qtl. for wheat and rice respectively with effect from 25.7.2000.

(f) & (g) : At present, there is no proposal to reduce the cost further.