

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
STARRED QUESTION NO. 18
ANSWERED ON 19.07.2022

INFLATION IN THE 'ESSENTIAL ITEMS' LIST

18. SHRI ABDUL WAHAB:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the inflation rate in the country is highest in the last eight years;
- (b) if so, the measures taken by Government to address this issue during the last four months; and
- (c) the details of inflation that has occurred in the 'Essential Items' during the last four months?

ANSWER

THE FINANCE MINISTER
(SMT. NIRMALA SITHARAMAN)

(a) to (c): A statement is laid on the Table of the House

**STATEMENT REFERRED TO IN REPLY TO THE RAJYA SABHA STARRED QUESTION NO.18
RAISED BY SHRI ABDUL WAHAB FOR 19TH JULY, 2022 ON
“INFLATION IN THE ‘ESSENTIAL ITEMS’ LIST”**

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(a) The inflation rate, based on Consumer Price Index-Combined (CPI-C), in the last 8 years is given in the table below

Year	CPI-C based retail Inflation Rate (%)
2014-15	5.93
2015-16	4.91
2016-17	4.52
2017-18	3.59
2018-19	3.41
2019-20	4.77
2020-21	6.16
2021-22	5.51

Source: M/o Statistics and Programme Implementation

(b) The price situation of major essential commodities is monitored by the Government on a regular basis and corrective action is taken from time to time. Several supply-side measures have been taken by the Government to address inflation in the last 4 months. These include:

- i. On 6th July 2022, the government has asked producers to implement a reduction in retail prices and ensure price uniformity across geographies amidst a decline in global prices of edible oils. The Central Government has directed leading Edible Oil Associations to ensure a reduction in the MRP of edible oils by Rs. 15/- with immediate effect. The Centre has also advised that the price to distributors by the manufacturers and refiners needs to be reduced immediately so that the price drop is not diluted in any way.
- ii. reduction in excise duty by Rs. 8 per litre on petrol and Rs. 6 per litre on diesel on May 21, 2022, to check prices of petrol and diesel.
- iii. changes have been made in the import policy, on March 30, 2022, by keeping Tur and Urad under the 'Free Category' till 31.03.2023 which will ensure their smooth and seamless import.
- iv. both the basic import duty and Agriculture Infrastructure and Development Cess have been brought down to zero on Masur.
- v. to soften the prices of edible oils, tariffs on edible oils have been rationalized and stock limits on edible oils and oil seeds have been extended up to December 31, 2022, to avoid hoarding. The basic duty on refined palm oil was reduced from 17.5 per cent to 12.5 per cent w.e.f 21.12.2021 and the duty on crude palm oil was reduced from 7.5 per cent to 5 per cent w.e.f 12.2.2022. As per notification dated 14th October 2021, the total duty on crude soyabean oil and refined sunflower oil has been reduced from 32.5 per cent to 17.5 per cent.
- vi. Government has notified the order under the Essential Commodities Act to declare ‘Soya Meal’ as an essential commodity up to 30th June 2022 by amending the Schedule of the Essential Commodities Act, 1955. The stock limit on Soya Meal has been imposed for a period from 23rd December 2021 to 30th June 2022.
- vii. A buffer stock of onion and pulses has been maintained for price stabilization.

(c) The details of retail inflation in the essential items based on CPI-C for the last four months are given in Annexure.

ANNEXURE**STATEMENT REFERRED TO PART (C) IN REPLY TO THE RAJYA SABHA STARRED QUESTION NO. 18 RAISED BY SHRI ABDUL WAHAB FOR 19TH JULY 2022****Retail Inflation based on Consumer Price Index-Combined (CPI-C) (Base 2012) (in %)**

Item Description	Mar-22	Apr-22	May-22	June-22
Rice_PDS	-3.32	-0.47	0.37	0.61
Rice_other sources	3.63	3.96	2.83	3.16
Wheat/atta_PDS	-0.13	-0.13	-0.26	-0.13
Wheat/atta_other sources	7.77	9.59	9.45	10.06
Milk: liquid (litre)	4.78	5.53	5.71	6.15
Mustard oil	28.6	23.15	14.25	7.21
Groundnut oil	9.88	10.46	9.1	7.86
Refined oil [sunflower; soyabean; saffola; etc.]	19.1	19.78	17.98	14.63
Vanaspati; margarine	27.94	27.29	26.71	24.68
Potato	20.42	17.39	18.68	23.86
Onion	-9.21	-3.88	-13.67	-20.74
Tomato	18.54	33.56	135.6	158.78
Arhar; tur	-0.7	-1.56	-3.84	-4.32
Gram: split	4.47	2.72	-0.88	-2.41
Gram: whole	6.08	4.33	0.93	0.2
Moong	-2.1	-2.26	-3.84	-3.8
Masur	15.42	14.84	12	10.59
Urad	-1.55	-1.83	-3.53	-3.74
Peas [Pulses]	2.6	2.07	-0.53	-1.61
Sugar - other sources	6.03	5.54	4.45	4.45
Gur	4.93	5.13	4.01	3.67
Salt	11.26	13.09	13.13	14.99

Source: NSO, M/o Statistics and Programme Implementation

Note: Figures of June 2022 are provisional