

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 530
TO BE ANSWERED ON 25.07.2023

Rise in prices of essential commodities

530. SHRI M. SHANMUGAM:

Will the Minister of FINANCE be pleased to state:

- (a) whether there is a rise in the prices of essential commodities in the last three years;
- (b) if so, the reasons therefor;
- (c) the measures taken to control higher inflation to give relief to common people;
- (d) the reasons for higher food prices, especially in vegetables, fruits and pulses categories; and
- (e) the details of efforts made to stabilize the economy?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a) Government monitors prices of 22 essential food commodities at designated price monitoring centres. The All India retail prices of 22 essential commodities fluctuated in the last three years. The yearly average retail prices of these commodities in the last three years are presented in Annexure I.
- (b) Prices of essential food items get affected by several factors, such as mismatch in demand and supply, seasonality, supply chain constraints, rise in international prices, etc. Sometimes, slight disruptions in supply chain or damage due to heavy rains lead to spike in prices of agri-horticultural commodities.
- (c) Government has taken various measures to augment domestic availability and stabilize the prices of essential food items for the common people. These steps, *inter-alia*, include releases from the buffer stock, imposition of stock limits, monitoring of stocks declared by entities to prevent hoarding, as also requisite changes in trade policy instruments like rationalization of import duty, changes in import quota and restrictions on exports of specific commodities. Besides, in order to rein in core inflation, the Government has, from time to time, calibrated the import duty and excise duty on specified key inputs. Reserve Bank of India increased the Repo rate by 250 basis points from 4 per cent to 6.5 per cent between May 2022 and February 2023.
- (d) There has been an increase in the price of tomato because of crop seasonality, region-specific crop disease, instantaneous arrival of monsoon rains in the northern part of the country and logistics disruptions in isolated areas due to heavy rains. Among pulses, price of tur/arhar increased, despite higher imports, because of lower production.
- (e) Apart from measures taken to curb inflation, Government has taken various measures to stabilize the economy by containing fiscal deficit, while at the same time, significantly increasing capital expenditure. Union Budget, 2023-24 also initiated many investment-friendly measures to promote stable and robust economic growth.

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All India Yearly Average Retail Price of 22 Essential Food Items during 2020 to 2022 (Rs. Per Kg)

S.No.	Commodities	2020	2021	2022
1	Rice	34.25	35.98	37.03
2	Wheat	28.36	27.25	30.15
3	Atta	30.81	30.75	34.5
4	Gram Dal	68.59	75.26	73.66
5	Tur Dal	95.2	105.5	107.29
6	Urad Dal	101.8	107.9	106.57
7	Moong Dal	103.5	103.9	102.63
8	Masoor Dal	74.74	88.75	96.21
9	Groundnut Oil	147	176.3	189.24
10	Mustard Oil	123.3	170.7	181.98
11	Vanaspati	92.27	131	150.24
12	Soya Oil	102.8	147.3	158.41
13	Sunflower Oil	114.2	164.4	178.2
14	Palm Oil	92.14	128.3	134.83
15	Potato	31.25	21.34	25.2
16	Onion	35.88	32.52	28
17	Tomato	33.66	32.63	36.61
18	Sugar	39.85	40.62	41.87
19	Gur	47.89	47.68	49.31
20	Milk (Rs./Ltr.)	46.52	49.11	52.81
21	Tea Loose	224.7	279.8	282.48
22	Salt	16.27	18.09	20.25