GOVERNMENT OF INDIA MINISTRY OF FINANCE DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA UNSTARRED QUESTION NO. 387 TO BE ANSWERED ON 06.02.2024

INFLATION ON FOOD ITEMS

387. SHRI PRAMOD TIWARI:

Will the Minister of FINANCE be pleased to state:

- a) whether Government is aware of the significantly increasing price rise of food items such as onions, wheat and tomatoes, etc., in recent months and if so, the reasons thereof:
- b) the actions being taken by Government to control the inflation on these food items;
- c) whether Government has been able to moderate and reduce the price of these food items and if so, the details thereof; and
- d) if not, the reasons thereof?

ANSWER

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

- (a): As per the information available from the designated centres where the Government is monitoring the daily prices of essential food commodities, the retail price of wheat, including atta, stabilized during December 2023 and January 2024. The retail prices of onion and tomato declined considerably during these two months. Temporary increases in the prices of such food items are caused by demand-supply mismatches arising out of adverse weather conditions.
- (b) to (d): The steps taken by the Government to contain prices, *inter alia*, included strengthening buffers of onion, channeling supplies through designated outlets for onion and tomato, appropriate trade policy measures aimed at augmenting domestic supply of onion and wheat, making periodic open market sales for wheat, preventing its hoarding through imposition/revision of stock limits and providing atta at subsidized rates. The Pradhan Mantri Garib Kalyan Anna Yojana, providing free food grains, including wheat, to about 81.35 crore beneficiaries, has been extended for a period of five years with effect from 1st January 2024. As a result of these measures, the retail prices of onions, wheat and tomato showed benign trends in December 2023 and January 2024.
