

Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs

LOK SABHA
UNSTARRED QUESTION NO. 1859
TO BE ANSWERED ON 14.03.2017

PRICE RISE

1859. SHRI GAJENDRA SINGH SHEKHAWAT: SHRI RABINDRA KUMAR JENA:
SHRI BADRUDDIN AJMAL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) the details of prices of essential commodities viz. foodgrains, pulses, edible oils and vegetables during the last three years, year-wise;
- (b) whether the price of essential commodities viz. foodgrains, pulses, edible oils, sugar, milk and vegetables is rising in the country and affecting common people, if so, the details thereof including the factors causing the price rise and the extent of the price rise during the last year;
- (c) the remedial steps taken by the Government to contain the rising food prices;
- (d) whether the Government is considering to make available wheat, onion and oil etc. in retail stores, throughout the country to contain price rise and if so, the details thereof; and
- (e) if not, the reasons therefor?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री सी. आर. चौधरी)

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

- (a) : Details of prices of essential commodities during the last three years are at **Annexure I**.
- (b) : Over the last year, prices of tur, urad, moong and masoor in pulses; potato, onion and tomato in vegetables; sunflower oil in edible oils have declined while prices of gram dal in pulses; palm oil, groundnut oil, Vanaspati, soya oil and mustard oil in edible oil; rice in cereals and sugar has increased. Prices of other commodities have either remained stable or rose marginally.

Rise in the prices of essential food items are due to various factors such as shortfall in production, increased transportation costs, supply chain constraints like lack of storage facilities, increase in demand because of rise in population and per capita income and change in food habits. In addition, speculation, cartelization, black-marketing/hoarding also put pressure on prices.

- (c) : From time to time, Government takes various steps to contain rise in prices of essential food items. Details are at **Annexure II**.

(d) & (e) : No madam. Government is providing highly subsidized foodgrains at ₹ 1/2/3 per kg. for coarse grains/wheat/rice under National Food Security Act, 2013, covering two third of the population of the country.

STATEMENT REFERRED IN REPLY TO PART (a) OF LOK SABHA UNSTARRED QUESTION NO.1859 FOR 14.03.2017 REGARDING PRICE RISE .

Commodities	All India Average Retail Price (Rs/Kg.)						
	Price As On	1 Year Ago	2 years Ago	3 Years Ago	% Variation over		
	9/3/2017	9/3/2016	9/3/2015	7/3/2014	1 Year	2 years	3 Years
Rice	28.81	26.95	27.53	27.42	6.9	4.65	5.07
Wheat	24.42	23.41	22.61	21.49	4.31	8.01	13.63
Gram Dal	90.16	65.39	49.32	48.23	37.88	82.81	86.94
Tur/Arhar Dal	89.84	135.37	81.29	70.06	-33.63	10.52	28.23
Urad Dal	98.55	134.76	79.19	64.92	-26.87	24.45	51.8
Moong Dal	78.15	101.19	98.77	83.48	-22.77	-20.88	-6.38
Masoor Dal	74.88	78.97	74.25	59.24	-5.18	0.85	26.4
Sugar	42.39	34.61	33.25	34.04	22.48	27.49	24.53
Milk (per litre)	41.11	39.83	38.6	35.45	3.21	6.5	15.97
Groundnut Oil (Packed)	133.01	124.26	119.06	122.45	7.04	11.72	8.62
Mustard Oil (Packed)	109.8	109.47	100.6	96.57	0.3	9.15	13.7
Vanaspati (Packed)	77.64	71.01	77.23	74.31	9.34	0.53	4.48
Soya Oil (Packed)	86.42	80.48	85.51	83.68	7.38	1.06	3.27
Sunflower Oil (Packed)	93.84	96.44	93.51	95.54	-2.7	0.35	-1.78
Palm Oil (Packed)	71.01	64.92	67.37	71.23	9.38	5.4	-0.31
Potato	13.6	14.88	16.31	15.4	-8.6	-16.62	-11.69
Onion	14.59	17.71	24.63	16.88	-17.62	-40.76	-13.57
Tomato	16.8	18	19.88	14.64	-6.67	-15.49	14.75

Source: - State Civil Supplies Departments.

STATEMENT REFERRED IN REPLY TO PART (c) OF LOK SABHA UNSTARRED QUESTION NO.1859 FOR 14.03.2017 REGARDING PRICE RISE .

Steps Taken by government from time to time to control prices and improve availability of essential commodities:

(a) General Measures:

- National Consultation Meeting of Ministers of States & UTs in charge of Food and Consumer Affairs, on prices of food items was held on 21.5.2016 at New Delhi to take steps to keep prices of essential commodities including Pulses, Edible Oil etc. under control.
- Advisory were issued to State Governments to take strict action against hoarding & black marketing and effectively enforce the Essential Commodities Act, 1955 & the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.
- Regular review meeting on price and availability situation is being held at the highest level including at the level of Committee of Secretaries, Inter Ministerial Committee and other Departmental level review meetings.
- Higher MSP has been announced so as to incentivize production and thereby enhance availability of food items which may help moderate prices.
- A Plan Scheme titled Price Stabilization Fund (PSF), implemented to regulate price volatility of agricultural commodities.

Specific Measures:

Pulses

- Government has approved creation of buffer upto 20 lakh tonnes of pulses for appropriate market intervention.
- Subsidized unmilled pulses from the buffer stock were offered to States/Agencies for direct distribution to public/consumer at a reasonable rates.
- Export of all pulses is banned except kabuli channa and up to 10,000 MTs in organic pulses and lentils.
- Import of pulses are allowed at zero import duty.
- Stock limit on pulses extended till 30.9.2017.
- Securities & Exchange Board of India (SEBI) banned new contracts in Chana to dampen speculative activities in Chana and in respect of running contracts in Chana disallowed taking fresh positions to reduce speculative activities.
- Pulses seized through raids and disposed of either by auction or other means permitted under EC Act, 1955.

Edible Oils

- Export of edible oils in bulk is prohibited with some exceptions.
- Export of edible oils in branded consumer packs of up to 5 kg. is permitted with a minimum export price of USD 900 per MT.
- MSP (including bonus) increased for various rabi and kharif oil seeds.

Vegetables:-

- To improve domestic availability MEP of USD 360 was imposed on Potato till December, 2016.
- Reduced import duty on Potatoes from 30% to 10% till end October 2016.
- A buffer stock of around 17,747 MT of onion was created.

Sugar:-

- Government imposed stock holding and turn over limit on stockiest/dealers of sugar on 29.04.2016 for six months to check speculative tendencies and possible hoardings.
- Stock limit was also imposed on Sugar mills to prevent hoarding of stocks by them.
- Withdrew production subsidy scheme before time, vide order dated 19th May, 2016, to discourage Sugar mills from further export as the scheme was linked with the export performance of Sugar mills.
- Government imposed 20% duty on export of sugar for promoting availability and moderating price rise.
