

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

**LOK SABHA
UNSTARRED QUESTION NO. 5998
TO BE ANSWERED ON 11.04.2017**

HIKE IN PRICES OF VEGETABLES AND FOODGRAINS

5998. SHRI MANSUKHBHAI DHANJIBHAI VASAVA: SHRI HARISHCHANDRA CHAVAN:
(OIH)

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

- (a) whether the prices of vegetables and foodgrains are likely to be increased in future due to rise in agricultural and transport cost;
- (b) if so, the response of the Government in this regard; and
- (c) the strategy adopted by the Government to control price rise in the said situation along with the outcome thereof?

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) : Prices of essential commodities including vegetables and foodgrains are inter-alia affected by mismatch in demand and supply, shortfall in production owing to adverse weather conditions, increased transportation costs, supply chain constraints like lack of storage facilities, artificial shortage created by hoarding and black marketing etc.

(b) & (c) : Government has taken various measures from time to time to stabilize prices of essential food items which inter-alia, include appropriately utilizing trade and fiscal policy instruments like import and export duty, Minimum Export Price, export restrictions etc. To regulate domestic availability and moderate prices; imposition of stock limits, and provision of higher Minimum Support Prices to incentivize farmers for increasing production. Besides, Government is also implementing Price Stabilisation Fund (PSF) scheme to help moderate the volatility in prices of agricultural commodities. These policy interventions along with better agricultural production have helped in moderation of prices of essential commodities like pulses, onions, potatoes, tomato etc over last 6 months.