

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

LOK SABHA
UNSTARRED QUESTION NO. 276
TO BE ANSWERED ON 15.09.2020

FOOD INFLATION

276. SHRI BALASHOWRY VALLABHANENI:

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

- (a) whether the food inflation has gone up from 5.1% in September, 2019 to 14.12% in December, 2019;
- (b) if so, the details of status in January and March, 2020 and March to August, 2020;
- (c) the details of factors being taken into account to calculate food inflation;
- (d) the remedial measures that the Government is taking to contain food inflation; and
- (e) the manner in which the Integrated Development of Horticulture and National Food Security Mission are helping to contain food inflation along with the impact of COVID-19 on food inflation?

ANSWER

उपभोक्त मामले खाध एवं सार्वजनिक वितरण राज्य मंत्री
(श्री दानवे रावसाहेब दादाराव)

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI DANVE RAOSAHEB DADARAO)

(a) to (c) : As per Consumer Price Index compiled by Ministry of Statistics and Programme Implementation (MoSPI), the food inflation was 5.1% in September, 2019 which had gone up 14.12% in December, 2019. In January, 2020, the food inflation was 13.63%. As per the latest available figure, food inflation in July, 2020 was 9.62% (Provisional). Food inflation captures the year-on-year increase in the indices of food items in the consumption basket.

(d) & (e) : 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 duty, Minimum Export Price, export restrictions, etc. to regulate domestic availability and moderate prices; imposition of stock limits and advising States for effective action against hoarders and black marketers; and, provision of higher Minimum Support Prices to incentivize farmers for increasing production. Government is also implementing Schemes which, *inter alia*, include Mission for Integrated Development of Horticulture (MIDH), National Food Security Mission (NFSM), National Mission on Oilseeds and Oil Palm (NMOOP), etc for increasing agricultural production and productivity through appropriate interventions. Government also implements Price Stabilization Fund (PSF) to help moderate the volatility in prices of agri-horticultural commodities like pulses, onion, and potato. As part of Economic response to Covid-19, foodgrains are distributed at the rate of 5 kg per person per month, and pulses are distributed at the rate of 1 kg per household per month, free of cost, to all beneficiaries of the National Food Security Act (NFSA), 2013 under Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) for the period of eight months from April to November 2020. In addition, foodgrains at the rate of 5 kg per person per month, and pulses at the rate of 1 kg per household are distributed, free of cost, to migrant workers who are not covered under NFSA for the period of two months, from April and May 2020. Distribution of foodgrains and pulses under PMGKAY and ANB have contributed to ensuring the availability of food items during lockdown and in controlling food inflation.
