

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1000**  
TO BE ANSWERED ON FEBRUARY 08, 2021

**INFLATION**

1000. SHRI DIBYENDU ADHIKARI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Consumer Food Price Index or the inflation in the food basket surged to double digit in the month of August 2020 and was above 9.6 percent average in consecutive last three quarters of 2020-21 financial year;

(b) if so, the action taken by the Government thereon and the process to overcome post covid-19 situation; and;

(c) the details of proposal to save the poor people from the alarming inflation?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI ANURAG SINGH THAKUR)

(a) No, Sir. The inflation rate based on Consumer Food Price Index (CFPI) recorded 9.05 per cent in the month of August 2020 and monthly average of CFPI inflation during last three quarters of 2020-21 was 9.12 per cent.

(b) & (c) Government monitors the price situation regularly and has taken various measures from time to time to stabilize prices of 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 has taken several steps to improve the availability of pulses, onion and potato and make them available to consumers at affordable prices. These include: i. Banning the export of onion with effect from 14.09.2020, revoked w.e.f. 1.01.2021. ii. Imposition of stock limit on onion under the Essential Commodities Act w.e.f. 23.10.2020 to prevent hoarding. iii. Easing of restrictions on imports, facilitating imports at integrated check-posts, issuance of licenses for imports and reduction in import duties. Government also implements Price Stabilization Fund (PSF) to help moderate the volatility in prices of agri-horticultural commodities like pulses, onion, and potato. Government of India has entered into a Memorandum of Understanding (MoU) with Mozambique to ensure assured supply of pulses (Tur and other pulses) in India. The MoU envisages imports of 2 LMT pulses during 2020-21.

On 26<sup>th</sup> March, 2020, Government of India announced Pradhan Mantri Garib Kalyan Package of Rs. 1.70 lakh crore for the poor to help them fight the battle against Corona Virus. Under PM-Garib Kalyan Ann Yojana (GKAY), additional 5 Kg per person per month, over and above the normal entitlements under National Food Security Act (NFSA), free-of-cost foodgrains was distributed to NFSA beneficiaries (AAY & PHH) including those covered under DBT for a period of 8 months (initially for three months i.e. April-June 2020, which subsequently extended up to the end of November 2020). Under this provision, total 297.5 Lakh Metric Tons (LMT) foodgrains have been distributed during this period.

PM-GKAY also included a provision of pulses like moong, tur, *chana* and urad for NFSA beneficiaries at the rate of 1 kg per family, for 3 months from April to June 2020 to ensure adequate availability of protein to the poor. Under this provision, about 5.49 LMTs pulses were distributed during this period. In June 2020, the PM-GKAY was extended beyond the initial period of three months until the end of November, 2020. During this five-month period, 1 kg free whole *chana* was provided to each family of NFSA beneficiary households per month free of cost. About 8.28 LMTs *chana* have been distributed during these five months.

Similarly, under Atma Nirbhar Bharat Scheme, as announced on 14 May 2020, the migrants/ stranded migrants labour, not covered under NFSA or without a ration card, were provided foodgrains free of cost at the rate of 5 kg per person per month for two months i.e. May and June 2020. About 2.74 LMTs foodgrains have been distributed under the scheme. Further, 1 kg *chana* per family per month during this period was also distributed under the scheme to migrants/stranded migrants. Under this provision, total 16644.88 MTs whole *chana* were distributed.

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