

**GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION**

**LOK SABHA
UNSTARRED QUESTION NO.1744
TO BE ANSWERED ON 8TH DECEMBER, 2021**

INCREASE IN OIL AND PULSES PRICE

1744. SHRI DHARAMBIR SINGH:

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

- (a) whether it is a fact that there is a sharp increase in the prices of edible oil and pulses over the last three years;
- (b) if so, the details thereof;
- (c) whether it is also a fact that the economy is witnessing a sharp slowdown and houses are combating reduced salaries, joblessness and uncertainty against the backdrop of second wave of COVID-19 pandemic; and
- (d) if so, the details thereof and the steps the Government is taking to control the prices of essential items?

**A N S W E R
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)**

(a)&(b): The All India average retail price of edible oils and pulses over the last three years is Annexed.

(c): Economies the world over have witnessed slowdown due to COVID 19 pandemic. However, the Government has been responsive to the situation with several relief packages due to which India has shown signs of rapid recovery growth.

(d): High inflation affects the consumer, especially the weak and vulnerable section of society. The Government is implementing Price Stabilization Fund (PSF) to help moderate the volatility in prices of agri-horticultural commodities like pulses and onion by releasing stocks from the buffer. Government takes various measures from time to time to augment domestic availability and stabilize prices of essential food commodities. These steps, *inter-alia*, include releases from the buffer to cool down prices, imposition of stock limits, monitoring of stocks declared by entities to prevent hoarding as also requisite changes in trade policy instruments like rationalization of import duty, changes in import quota, restrictions on exports of the commodity etc.

During April to November 2020, under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), Government has provided one kg pulses out of the buffer stock, per household per month, free of cost, to 19.4 crore beneficiary Households as per the National Food Security Act, 2013 (NFSA). The pulses were distributed under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), initially for a period of 3 months- April to June, 2020 (PMGKAY-I) and later extended for 5 month from July to November 2020 (PMGKAY-II) to ameliorate the hardships faced by the poor due to livelihood disruption caused by COVID-19.

Distribution of additional free-of-cost foodgrains (Rice/Wheat) has been ensured to about 80 Crore National Food Security Act (NFSA) beneficiaries at the rate of 5 Kg per person per month under the PM Garib Kalyan Anna Yojana (PMGKAY), over and above the regular monthly NFSA foodgrains. Phase-I and Phase-II of PMGKAY was operational from April to June, 2020 and July to November, 2020 respectively. Phase-III of the scheme was operational from May to June, 2021. Phase-IV of the scheme was operational from July to November, 2021. Government has further approved the extension of the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY-Phase V) for a period of 4 months i.e. December 2021 to March 2022.

The efforts being made by Government to bring down the prices of foodgrains in the domestic market are given below and they have shown positive results.

- **FCI has been allowed to undertake sale of wheat and rice in the open market through OMSS(D) throughout the year upto 31st March, 2022 or till further orders, whichever is later as per extent of Policy.**
- **FCI sells stocks of wheat and rice in excess of stocking norms and strategic reserve in Central Pool in the open market at pre-determined prices through Open Market Sale Scheme(Domestic)[OMSS(D)] to enhance supply in the lean season, especially in the deficit regions and thereby moderate the prices in the open market.**
- **The Reserve price for all categories of wheat has been kept uniform throughout the country without adding any further freight in order to scale up the sales and also to facilitate buyers to lift stocks from any place at ease without their dependence on the railways to move their stocks to their desired location.**
- **In view of resurgence of COVID-19 situation and to ease process of sale for the State Govts/UTs, FCI will give option to State Govts/UTs to lift stocks with or without e-auction at reserve price.**

In order to improve the domestic availability and to keep prices under control, the Government has been rationalizing the duty structure on edible oils during 2021-22 to reduce the price burden of common man. In the latest notification dated 14.10.2021 the following measures have been taken:

- **In a bid to control the continuous rise in the cooking oil prices since past one year, the Central Government has cut the basic duty on Crude Palm Oil, Crude Soyabean Oil and Crude Sunflower Oil from 2.5% to Nil.**
- **The Agri-cess on these Oils has been brought down from 20% to 7.5% for Crude Palm Oil and 5% for Crude Soyabean Oil and Crude Sunflower Oil.**
- **Consequent upon the above reduction, the total duty is 7.5% for Crude Palm Oil and 5% for Crude Soyabean Oil and Crude Sunflower Oil.**
- **The basic duty on RBD Palmolein Oil, Refined Soyabean and Refined Sunflower Oil has been slashed to 17.5% from the current 32.5%.**
- **Before reduction, the agricultural infrastructure cess on all forms of Crude Edible Oils was 20%. This has been reduced to 7.5% for crude palm oil, 5% each for crude soyabean oil and crude sunflower oil.**
- **To control prices of edible oils, futures trading in mustard oil on NCDEX has been suspended and stock limits have been imposed.**
- **The Department of Food and Public Distribution has imposed stock limits on Edible Oils and Oilseeds for a period up to 31st March, 2022. The Removal of Licensing Requirements, Stock Limits and Movement Restrictions on Specified Foodstuffs (Amendment) Order, 2021 has been issued w.e.f. 8th October, 2021.**

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (a)&(b) OF THE UNSTARRED QUESTION NO.1744 FOR ANSWER ON 08.12.2021 IN THE LOK SABHA.

All India Yearly Retail Average Prices of Pulses and Edible Oils

| Pulses and Edible Oils | Retail Prices (April- March) (Rs./Kg.) | | | | Variation (%) | | |
|------------------------|--|---------|---------|---------|---------------|---------|---------|
| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2018-19 | 2019-20 | 2020-21 |
| Gram Dal | 80.00 | 65.11 | 65.92 | 70.42 | -18.62 | 1.25 | 6.82 |
| Tur/Arhar Dal | 78.66 | 71.17 | 84.90 | 99.57 | -9.52 | 19.29 | 17.28 |
| Urad Dal | 85.33 | 70.23 | 83.77 | 104.49 | -17.69 | 19.28 | 24.73 |
| Moong Dal | 76.24 | 74.03 | 86.27 | 106.01 | -2.89 | 16.53 | 22.89 |
| Masoor Dal | 66.81 | 61.33 | 64.12 | 78.04 | -8.20 | 4.55 | 21.71 |
| Groundnut Oil (Packed) | 129.18 | 125.80 | 132.57 | 153.62 | -2.61 | 5.38 | 15.87 |
| Mustard Oil (Packed) | 106.04 | 106.81 | 111.92 | 130.63 | 0.73 | 4.79 | 16.72 |
| Vanaspati (Packed) | 78.09 | 80.73 | 82.26 | 99.03 | 3.38 | 1.90 | 20.39 |
| Soya Oil (Packed) | 85.62 | 90.29 | 94.04 | 109.45 | 5.45 | 4.16 | 16.39 |
| Sunflower Oil (Packed) | 93.13 | 97.33 | 101.87 | 123.89 | 4.50 | 4.67 | 21.61 |
| Palm Oil (Packed) | 71.14 | 77.13 | 79.44 | 98.79 | 8.43 | 2.99 | 24.36 |

Source: DoCA
