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

LOK SABHA UNSTARRED QUESTION NO. 2625 TO BE ANSWERED ON 07.08.2024

INCREASE IN PRICES OF FOODGRAINS

2625. SHRI SHRIRANG APPA CHANDU BARNE: SHRI ARVIND GANPAT SAWANT: SHRI SANJAY HARIBHAU JADHAV:

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 food items, especially potatoes, onions, tomatoes and pulses etc. increase during the rainy season;
- (b) if so, the details thereof;
- (c) whether the Union Government has set up Price Stabilization Fund (PSF) to mitigate the hardship faced by consumers due to price volatility in agri-horticultural commodities;
- (d) if so, whether the PSF has been utilised majorly for creation of pulses (Tur, Urad, Moong, Masur and Chana) and onion buffers to make these commodities available to consumers at affordable prices;
- (e) if so, whether it is true that the prices of pulses including Arhar dal are skyrocketing these days; and
- (f) if so, the reasons for such rises in the prices of pulses when the SPF is in place and the steps taken to control the prices of pulses?

ANSWER उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री (श्री बी.एल. वर्मा)

THE MINISTER OF STATE CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI B.L.VERMA)

- (a) & (b): The prices of agri-horticultural crops are volatile due to seasonality in production and exposure to vagaries of adverse weather conditions. During rainy season phenomena like incessant rains, floods and landslides causes disruption in transportation and supply chain of food items from production centres to consumption centres and also higher rate of spoilage leading to higher prices of perishable agri-horticultural items like tomatoes, onions and potatoes.
- (c) to (f): To protect consumers from excessive price volatility in agri-horticultural commodities, the Government introduced the Price Stabilisation Fund (PSF) scheme in 2014-15. Under PSF, buffer stock of major pulses, namely, Tur, Urad, Moong, Masur and Chana, and onion have been maintained for market interventions and also to discourage hoarding and unscrupulous speculation. Stocks from the buffer are released in calibrated manner to augment availability of pulses and onion in the market thereby making commodities available to consumers at affordable price and stabilize prices.

The all-India average retail price of Arhar dal was Rs 167.58 per kg as on 01st August 2024 compared to Rs 135.25 per kg 1 year ago witnessing an increase of 23.90 %. The increase in prices of Tur dal and other pulses like Chana dal and Urad dal are on account of lower domestic production due to erratic monsoon rains and moisture deficit in the major producing States during last two seasons.

Government took, from time to time, various measures to contain increase in food prices. Some steps include launching of Bharat Dal in July, 2023 by converting Chana (whole) stock with the Government into Chana Dal for retail disposal to make the dals available to consumers at affordable prices. The Bharat Dal is made available to the consumers at subsidized rates of Rs.60 per kg for 1 kg pack and Rs.55 per kg for 30 kg pack. Similarly, Moong Dal and Moong Sabut are being sold at subsidized prices of Rs.107 per kg and Rs.93 per kg respectively, to the consumers, under the Bharat Dal brand. The Bharat Dals are distributed through NCCF, NAFED, Kendriya Bhandar and state government controlled cooperatives.

In order to augment domestic availability of pulses, import of Tur and Urad under 'Free' category has been allowed till 31st March 2025 and the import duty on Masur has been reduced to zero till 31st March, 2025. Import of Yellow Peas under 'Free' category with zero import duty has been allowed from 8th December, 2023 till 31st October 2024. Further, the import of desi Chana at zero duty has been allowed from 4th May, 2024 till 31st March, 2025. All the above steps have been taken to augment supply of pulses.

Further, government has also imposed stock limit on Tur and Chana to discourage hoarding and prevent unscrupulous speculation.

Price control measures taken by Government together with robust progress in sowing area under kharif pulses this year (2024-25) have stabilised the market and the prices of Chana, Tur and Urad in major mandis had declined in past one month. The declining trend in mandi prices are now reflected in retail prices in recent weeks as the all-India average retail prices of pulses have either declined or stabilized in recent weeks.
