

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 343**  
**TO BE ANSWERED ON 27.11.2024**

**FOOD INFLATION**

343. ADV K. FRANCIS GEORGE:

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

- (a) whether the Government has assessed the impact of reducing food stocks on inflation, specifically food inflation and if so, the findings of this assessment;
- (b) the details of measures the Government has taken to address the rise in food prices, particularly for essential items such as vegetables and edible oils, given the recent spike in Consumer Price Index (CPI) inflation to a 14-month high of 5.81%;
- (c) whether the Government is aware of inflationary expectations created by stock reductions, which could lead to speculative buying and further price escalation;
- (d) if so, the steps taken to manage speculative activities that affect food prices and to ensure the availability of government-held stocks in times of inflation; and
- (e) whether there are any plans to reconsider recent policy decisions, such as the increased import taxes on edible oils to mitigate inflationary pressure and if so, the details thereof?

**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) to (d) : As an indicator of availability situation, stock position in food commodities impacted the prices and inflationary expectations. The government keeps a close watch on the production, availability and prices of essential food commodities through regular reviews by the Inter-Ministerial Committee (IMC). The Committee reviews, on regular basis, the situation of prices and price trends of essential agri-horticulture commodities and suggests measures to enhance availability through increased domestic production and imports.

In order to tackle the volatility in prices, the government maintains buffer stocks of pulses and onion for market interventions through calibrated and targeted release to moderate the prices in the market. The buffer stock with the government also discourages hoarding and unscrupulous speculations. As a measure of direct intervention in the retail market, part of the stock of pulses from the buffer are converted into dals for retail sale to the consumers at affordable prices under the Bharat Dal brand. Similarly, atta and rice are distributed to retail consumers under Bharat brand at subsidized prices. Onion from the buffer are released in a calibrated and targeted manner to moderate prices in high price consuming centres at wholesale markets and through retail outlets. Onion is distributed among retail consumers at Rs.35 per kg through stationary retail outlets and mobile vans in major consumption centres. These measures have helped in making essential food commodities such as pulses, rice, atta and onion available to consumers at affordable prices and also in stabilising the prices.

The Essential Commodities Act, 1955 and the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980, are enforced to deal with the regulation of the production, supply and distribution of essential commodities and malpractices like black marketing, hoarding and profiteering of pulses and wheat. In order to prevent hoarding and unscrupulous speculation, the government had, vide orders dated 21.06.2024 and 11.07.2024, imposed stock limits on Tur and Chana which remain in force till 30.09.2024. The government also, vide notification dated 24.06.2024, imposed stock limit on wheat till 31.03.2025.

(e) : The Government is closely monitoring the international and domestic prices of edible oils to take necessary measures to mitigate inflationary pressure, keeping in mind the interest of the consumers, domestic farmers and domestic edible oil industry.

\*\*\*\*\*