

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

LOK SABHA
UNSTARRED QUESTION NO. 433
TO BE ANSWERED ON 27.11.2024

PRICES OF ESSENTIAL COMMODITIES

433. SHRI MURASOLI S:
SHRI ESWARASAMY K:

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 is aware of the sky-rocketing of prices of essential food and domestic commodities;
- (b) if so, the effective steps taken by the Government to mitigate the price rise crisis and its impact on the common people;
- (c) whether the Government has allocated any additional foodgrains and essential commodities to States/UTs; and
- (d) if so, the appropriate steps taken by the Government to mitigate the issues and problems faced by the poor and middle class people due to the steep rise in prices of essential commodities?

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) : Department of Consumer Affairs monitors the daily retail and wholesale prices of selected essential food commodities, submitted by the 555 price monitoring centres that have been set up with Central assistance by the State Governments and UT Administrations across the country. The daily report of prices and indicative price trends are duly analysed for taking appropriate decisions such as release of stocks from the buffer, stock disclosure by stockholding entities, imposition of stock limits, changes in trade policy instruments like rationalisation of import duty, changes in import quota, restrictions on exports of the commodity etc.

Prices of food commodities tend to be volatile as they are affected by several factors, such as seasonality in production, adverse weather conditions, supply chain disruptions, artificial shortages created by hoarding and black marketing, rise in international prices etc. Sometimes slight disruptions in the supply chain or crop damage due to adverse weather condition etc. lead to spike in the prices of agri-horticultural commodities. Conversely, bulk arrival and logistics problems have the potential of creating a situation of glut in the market and resultant dip in prices.

In order to ensure accessibility, affordability and availability of foodgrains for the poor, the government has decided to provide free foodgrains to about 81.35 crore beneficiaries of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) for a period of next five years with effect from 1st January, 2024, as per their entitlement (i.e. 35 kg of foodgrains per month per AAY household and 5 kg of foodgrains per person per month in case of Priority Household).

The Government keeps a close watch on the production and availability of essential 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 through imports. Ministry of Agriculture and Farmers Welfare (DAFW) is a major stakeholder in all these meetings and continues to undertake measures to increase production and productivity.

Buffer stocks of pulses and onion have been maintained for market interventions through calibrated and targeted release to moderate the prices in the market. Part of the stock of pulses from the buffer are converted to 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 manners 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 the general consumers at affordable prices and also in stabilising the prices.
