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

LOK SABHA STARRED QUESTION NO. *222 TO BE ANSWERED ON 10.05.2016

RISE IN PRICES OF ESSENTIAL COMMODITIES

*222. SHRI PRALHAD JOSHI: SHRI B.S. YEDIYURAPPA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION milkork ekey; [kk | vk | 1 ko/t fud for j.k e2=hbe pleased to state:

- (a) whether prices of essential commodities including those monitored by Price Monitoring Cell continued to rise over a period of time despite various steps taken by the Government, if so, the details thereof and the reasons therefor;
- (b) whether the Government has received all necessary information/logistics on price trends during the last three years, if so, the details thereof and the action taken thereon;
- (c) the steps taken by the Union Government to check hoarding and ensure compliance with various rules related to supply of essential commodities and price control by the States, if so, the details and the outcome thereof; and
- (d) whether any assessment has been made about impact of water shortage on prices and if so, the details thereof?

ANSWER

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THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI RAM VILAS PASWAN)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.* 222 FOR 10.05.2016 REGARDING RISE IN PRICES OF ESSENTIAL COMMODITIES.

- (a): Prices of most of the essential food items monitored by Price Monitoring Cell (PMC) has remained relatively stable or declined over the year. The food items which showed an increase in prices include pulses (especially tur, urad and chana), potato and sugar. Increase in prices of food items is mainly on account of shortfall in production owing to adverse weather conditions, increased transportation costs, supply chain constraints like lack of storage facilities and artificial shortage created by hoarding and black marketing. The details are at **Annnexure I.**
- (b): Yes sir. The requisite information is given at **Annexure II & III**.
- (c): States have been advised to take effective action against hoarders of essential commodities under the Essential Commodities Act, 1955 and the Prevention of Black-Marketing and Maintenance of Supplies of Essential Commodities Act 1980. States/UTs have been conducting raids and seized pulses are being disposed, as per the provisions under the EC Act, 1955. The Action Taken Report is given at **Annexure IV**.
- (d): Water shortage adversely affects the sown area and productivity of crops. The resultant shortfall in production in turn affects the quantum of market arrivals and thereby prices. However, no official assessment of direct impact of water shortage on prices has been made.

STATEMENT REFERRED IN REPLY TO PART (a) OF LOK SABHA STARRED QUESTION NO.* 222 FOR 10.05.2016 REGARDING RISE IN PRICES OF ESSENTIAL COMMODITIES.

ALL INDIA AVERAGE RETAIL PRICES (Rs./Kg)

Commodities	Prices as on (5/5/2016)*	Prices as on (5/5/2015)	Percent change
Rice	26.92	27.29	-1.36
Wheat	23.3	22.06	5.62
Atta (Wheat)	24.49	24.34	0.62
Gram Dal	72.33	53.5	35.2
Tur/Arhar Dal	141.38	87.92	60.81
Urad Dal	149.39	86.37	72.97
Moong Dal	101.34	100.97	0.37
Masoor Dal	83.07	76.33	8.83
Sugar	38.93	31.85	22.23
Milk @	40.25	38.93	3.39
Groundnut Oil (Packed)	128.28	120.9	6.1
Mustard Oil (Packed)	108.95	99.6	9.39
Vanaspati (Packed)	73.22	75.55	-3.08
Soya Oil (Packed)	82.09	85.32	-3.79
Sunflower Oil (Packed)	95.14	94.48	0.7
Palm Oil (Packed)	69.32	67.58	2.57
Gur	40.93	40.29	1.59
Tea Loose	197.67	205.05	-3.6
Salt Pack (Iodised)	14.8	14.65	1.02
Potato	18.52	13.48	37.39
Onion	16.33	22.02	-25.84
Tomato	22.8	25.08	-9.09

NR -> Not Reported * --> (Iodised) @ --> (Rs./Ltr.) *latest available Source:- State civil supplies Department

STATEMENT REFERRED IN REPLY TO PART (b) OF LOK SABHA STARRED QUESTION NO. *222 FOR 10.5.2016 REGARDING RISE IN PRICES OF ESSENTIAL COMMODITIES.

RETAIL AND WHOLESALE PRICES OF ESSENTIAL COMMODITIES FOR LAST THREE YEARS.

Sl.No.	Commodities	ALL INDIA AVERAGE RETAIL PRICES		ALL INDIA AVERAGE WHOLESALE			
		(Rs./Kg)		PRICES (Rs./Qtl)			
		2016-17	2015-16	2014-15	2016-17	2015-16	2014-15
		as on (5/5/2016)*	as on	as on	as on	as on	as on
			(5/5/2015)	(5/5/2014)	(5/5/2016)	(5/5/2015)	(5/5/2014)
1 F	Rice	26.92	27.29	27.08	2410.66	2442.5	2447.56
2 V	Wheat	23.3	22.06	20.81	2066.96	1988.78	1858.4
3 A	Atta (Wheat)	24.49	24.34	22.94	2164.29	2154.92	2017.7
4	Gram Dal	72.33	53.5	47.96	6721.13	4909.63	4343.62
5 Т	Tur/Arhar Dal	141.38	87.92	69.92	13278.55	8345.58	6552.45
6 U	U rad Dal	149.39	86.37	66.78	14006.1	8142.28	6176.17
7 N	Moong Dal	101.34	100.97	87.76	9355.12	9482.69	8246.36
8 N	Masoor Dal	83.07	76.33	63.04	7643.1	7110.42	5818.14
9 8	Sugar	38.93	31.85	36.12	3621.02	2894.83	3374.67
10 N	Milk @	40.25	38.93	36.51	3748.83	3704.92	3471.13
11 (Groundnut Oil	128.28	120.9	121.61	12090.62	11379.4	11355.58
((Packed)						
12 N	Mustard Oil	108.95	99.6	97.38	9981.67	9242.74	8907.23
((Packed)						
13 V	Vanaspati	73.22	75.55	76.58	6792.69	6969.32	7163.71
	(Packed)						
14 S	Soya Oil	82.09	85.32	85.46	7609.45	7774.88	7900.21
	(Packed)						
	Sunflower Oil	95.14	94.48	95.21	9017.24	8873.96	8951.42
`	(Packed)						
	Palm Oil	69.32	67.58	71.56	6516.3	6252.21	6760.38
((Packed)						
	Gur	40.93	40.29	39.12	3658.75	3496.9	3463.32
18 Т	Геа Loose	197.67	205.05	205.11	18024.03	18322.7	17650
	Salt Pack	14.8	14.65	14.24	1249.75	1266.13	1229.07
	(Iodised)						
	Potato	18.52	13.48	19.64	1467.47	1021.05	1532.77
	Onion	16.33	22.02	17.96	1221.42	1711.63	1369.96
22 7	Γomato	22.8	25.08	18.58	1796.18	1918.1	1380.84

^{* --&}gt; (Iodised) @ --> (Rs./Ltr.) * latest available

Source: State civil supplies Department

STATEMENT REFERRED IN REPLY TO PART (b) OF LOK SABHA STARRED QUESTION NO. *222 FOR 10.5.2016 REGARDING RISE IN PRICES OF ESSENTIAL COMMODITIES.

Steps taken by the Government to improve the availability and to contain prices of essential food items:

General Measure:

- 1. National Consultation Meeting of the minister of states/UTs in-charge of Consumer Affairs and Food held on 7thJuly, 2015 at New Delhi resolved to take steps to keep prices of essential commodities, especially Pulses and onion under control.
- 2. Advisory were issued to State Governments to take strict action against hoarding & black marketing and effectively enforce the Essential Commodities Act, 1955 & the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.
- 3. Regular review meeting on price and availability situation is being held at the highest level including at the level of Finance Minister, Committee of Secretaries, Inter Ministerial Committee, Price Stabilization Fund Management Committee and other Departmental level review meetings.
- **4.** Higher MSP has been announced so as to incentivize production and thereby enhance availability of food items which may help moderate prices.
- **5.** A Plan Scheme titled Price Stabilization Fund (PSF) is being implemented to regulate price volatility of agricultural commodities.

Specific Measures:

Onion

- **6.** Export of onion were restricted through imposition of Minimum Export Price (MEP) when prices were ruling high and import is allowed at zero duty.
- 7. Retail sale of onion was undertaken from the stock held by SFAC and NAFED.
- **8.** Imported 2000 MT of onion from Egypt and China through MMTC. As no demands from state were received, the onion were disposed off through tender in the open market.
- **9.** The stock limits in respect of onion have been extended by one more year i.e. up to 2nd July 2016 under the Essential Commodities Act.
- **10.** Procurement of 15000 MT of onion by SFAC and NAFED for market intervention during lean period has been approved.

Pulses

- 11. Export of all pulses is banned except kabuli channa and up to 10,000 MTs in organic pulses and lentils.
- 12. Import of pulses are allowed at zero import duty.
- 13. Stock limit on pulses extended till 30.9.2016.
- **14.** Government imported 5000 MT of Tur from Malawi/Mozambique and allocated it to States for retail sale to consumers to improve availability and to moderate prices.
- **15.** MSP (including bonus) raised for kharif pulses for Tur and Urad and Moong. MSP also raised for Rabi pulses for Gram and Masoor.
- **16.** Government has approved creation of buffer stock of 1.5 lakh MT of pulses for effective market intervention.
- 17. Government has decided to immediately release 10,000 MT of pulses from the buffer stock (consisting of 8,000 MT of Tur and 2,000 MT of Urad) to States/UTs at subsidized rates for retailing by them at not more than Rs 120/- per kg to improve availability and stabilise prices.
- **18.** Regulatory measures by Securities & Exchange Board of India (SEBI) on Chana contracts including increase in the margin requirement to discourage speculation and to moderate the price volatility in forward market and close monitoring by SEBI
- **19.** Strict vigilance by Directorate of Revenue Intelligence to prevent importers from mis-using the facilities of Customs Bonded Warehouse facility
- **20.** Setting up of a Group of Officers for regular monitoring and exchange of information on hoarding, cartelization etc.

Edible Oils

- **21.** Export of edible oils in bulk is prohibited except coconut oil and other edible oils in branded consumer packs of up to 5 kgs is permitted with a minimum export price of USD 900 per MT.
- 22. MSP increased for various rabi and kharif oil seeds

STATEMENT REFERRED IN REPLY TO PART (c) OF LOK SABHA STARRED QUESTION NO. *222 FOR 10.5,2016 REGARDING RISE IN PRICES OF ESSENTIAL COMMODITIES.

ACTION TAKEN UNDER THE ESSENTIAL COMMODITIES ACT, 1955 DURING 2016

(Relating to offences under EC Act- for other than violation of stock control orders/ for violation of stock control orders)

Updated as on 03.05.2016

		No. of	No. of Persons			Value of	Detentions	Reported
Sl. No.	STATES/UTs	Raids Conducted	Arrested	Prosecuted	Convicted	goods Confiscated (Rs. In Lakhs)	Ordered	upto
1	2	3	4	5	6	7	8	9
1.	Arunachal Pradesh	Nil	Nil	Nil	Nil	Nil		January
2.	Delhi	1	-	-	-	-		January
3.	Goa	8	Nil	Nil	Nil	Nil		March
4.	Gujarat	1641	0	1	-	21.29	4	February
5.	Haryana	17	-	-	-	-		*
6.	Himachal Pradesh	3912	-	-	-	5.03		February
7.	Kerala	10	4	1	0	0.10		January
8.	Maharashtra	75	93	45	0	26.95		February
9.	Manipur	Nil	Nil	Nil	Nil	Nil		January
10.	Mizoram	3	-	-	-	-		January
11.	Nagaland	Nil	Nil	Nil	Nil	Nil		January
12.	Rajasthan	35	Nil	Nil	Nil	Nil		*
13.	Sikkim	30	-	-	-	-		February
14.	Telangana	479	67	5	5	25.52	7	February
15.	Uttarakhand	591	2	-	-	-		March (Except Feb.)
16.	Uttar Pradesh	10886	27	21	3	30.84		March
17.	West Bengal	113	23	11	NIL	9043.96		February
18.	A & N Islands	29	-	-	-	-		March
19.	Chandigarh	Nil	Nil	Nil	Nil	Nil		February
20.	D & N Haveli	Nil	Nil	Nil	Nil	Nil		February
21.	Puducherry	231	-	-	-	0.14		March
22.	Tamilnadu	NR	NR	NR	NR	NR	50	-
	TOTAL	18061	216	84	8	9153.83	61	

Note: Other States have not submitted report so far., NR: Not Reported,

^{*:} Raids under Pulses only