

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:4176

ANSWERED ON:14.12.2001

INCREASE IN PRICES OF ESSENTIAL COMMODITIES

GANTA SRINIVASA RAO;KAMBALAPADU E. KRISHNAMURTHY;MANIBHAI RAMJIBHAI CHAUDHARY

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether it is a fact that there has been considerable increase in the prices of essential commodities in the country during the last one year and till date;
- (b) if so, the specific reasons therefor and the percentage of increase in various essential commodities in the country; and
- (c) the details of steps taken or proposed to be taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD)

(a) : The prices of most of the essential commodities, barring some items of pulses, edible oils and vegetables indicated a steady to declining trend during the last one year. Percentage variations in the Wholesale Price Index (WPI) numbers in respect of selected essential commodities/groups during the last one year ending 24.11.2001 are given below:

Commodity % Variation

(24.11.2001 / 25.11.2000)

Rice	3.0
Wheat	-2.1
Pulses	6.8
Sugar	-5.7
Edible Oil	11.9
Vegetables	33.4
Tea	-6.7
Salt	-11.6

(b) : The main reasons for the increase in the prices of these items were, decline in production of pulses, increase in import duty on edible oils, and adverse climatic conditions in respect of some of the vegetables. In case of onion and potato, delay in arrivals in mandis/market also led to increase in the prices.

(c) : The Government have maintained a close watch on the availability and prices of essential commodities in the country. Apart from certain long term measures to increase the production of essential commodities in the country, imports of items like pulses and edible oils are allowed under OGL to augment their availability. Exports of onion are regulated through quantitative restrictions and export releases are made after assessing the availability and prices. Essential commodities like rice, wheat, sugar and kerosene are also being supplied through the outlets of Public Distribution System at below market prices. All the State/UT Governments have been requested to monitor the prices of essential commodities and to take stringent actions against hoarders, black marketeers and others indulging in unfair trade practices under the Essential Commodities Act and Prevention of Black marketing and Maintenance of Supplies of Essential Commodities Act.