

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

UNSTARRED QUESTION NO:160

ANSWERED ON:23.02.2010

PRICE RISE

Owaisi Shri Asaduddin

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

- (a) whether the Government has any mechanism to monitor the demand, supply and likely prices of essential commodities and food articles including milk and foodgrains;
- (b) if so, the details thereof;
- (c) whether the Government had recently announced the shortage of foodgrains and milk in the country;
- (d) if so, the details thereof and the basis on which such announcements were made regarding demand and supply of milk and foodgrains in the country;
- (e) whether such announcements proved to be premature and resulted in artificial price rise and hoarding of the same;
- (f) if so, the reaction of the Government thereto;
- (g) whether the issue was taken up during the recent conference on price rise; and
- (h) if so, the details and the outcome thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS)

(a) to (d): The projections on the demand for the food grains are done by the Planning Commission.

The Directorate of Economic and Statistics, Ministry of Agriculture, releases estimates of area, production and yield in respect of principal crops of food grains, oil seeds, sugarcane, fibers and important commercial and horticulture crops. The estimates of crop production are obtained by multiplication of area and yield rates by corresponding yield estimates. The demand and supply of milk is estimated by the Department of Animal Husbandry. Whole sale and retail prices received from the State Food and Civil Supplies Departments are monitored by the Price Monitoring Cell (PMC) under Department of Consumer Affairs. Information on Retail Prices is received on daily basis from 27 centres; on Wholesale Prices from 37 centres of the country on weekly basis of 17 essential commodities in the country viz., rice, wheat, atta, gram dal, tur/arhar dal, moong dal, urad dal, masoor dal, tea, milk, sugar, vanaspati, mustard oil, groundnut oil, potato, onion and salt.

Availability of essential commodities is analyzed in the context of price rise. There has been no specific announcement of shortage of any commodity.

(e) & (f): Does not arise

(g) & (h): In the conference of the Chief Ministers held on 06-02-2010 the agenda papers covered the issues of price rise and measures to contain it. After the conference it was decided to constitute a Standing Core Group of State Chief Ministers and concerned Central Ministers. This Core Group will deliberate on and recommend measures to

- (i) Increase agricultural production and productivity(including long term policies for sustained agricultural growth);
- (ii) Reduce the gap between farm gate prices and retail prices;
- (iii) Better implementation of and amendment to E.C. Act;
- (iv) Ensure better and effective delivery of essential commodities to the vulnerable sections of society;
- (v) Augmentation of warehousing and storage capacity (including cold chains);
- (vi) Issues relating to inputs viz. seeds/fertilizers etc.

