

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

UNSTARRED QUESTION NO:4162

ANSWERED ON:15.12.2009

RISE IN PRICES

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

- (a) whether any Committee has been set-up to study the price rise and devise ways to overcome the present crisis;
- (b) if so, the details thereof;
- (c) whether the Government propose to include new commodities in the list of essential commodities;
- (d) if so, the details thereof;
- (e) the details of foodgrains, edible oil, sugar and pulses imported/proposed to be imported to check price rise;
- (f) whether the prices of the said commodities have moved in tandem with international prices;
- (g) if so, the details thereof and if not the reasons therefor; and
- (h) the steps taken to overhaul Public Distribution System to control Prices?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS,FOOD AND PUBLIC DISTRIBUTION

(PROF. K. V. THOMAS)

(a) & (b): Price rise is regularly monitored by High Level Committees such as Committee of Secretaries, Cabinet Committee of Prices and Cabinet, wherein relevant policy decisions are taken.

(c) & (d): The Government had recently decided to include Cotton Seed as an essential commodity in the Schedule to the Essential Commodities Act, 1955.

(e): Due to record procurement of wheat and rice, no need is felt to import them. Details of imports of pulses, sugar and edible oils, are given in Annexure I.

(f): The domestic and international prices of wheat, edible oil, pulses and sugar are largely observed to be moving in tandem.

The prices of wheat in the domestic market increased by 22.6% over the year, while in the international market they rose by 29%. In the case of edible oil, during the last one year, the prices of soyabean oil and RBD palmolein increased by 0.5% and 22% respectively in the domestic market while that of sunflower oil declined by 14.4% in the domestic market. In the international market, the prices of soyabean oil, sunflower oil and RBD palmolein increased by 40.9%, 30.6% and 54% respectively during the last one year. The domestic prices of all pulses except yellow peas and masoor increased over the past one year in the range of 11.58% to 131.58%, while international prices of all pulses except yellow peas and masoor increased in the range of 29.29% to 102.81%.

(h): Targeted Public Distribution System (TPDS), focused on the poor, is operated under joint responsibility of Central and the State/UT Governments. The operational responsibilities for allocation of foodgrains within the States/UTs, identification of eligible Below Poverty Line (BPL) families, issuance of ration cards to them, and supervision over & monitoring of functioning of fair price shops, rest with the concerned State & UT Governments. The Measures taken by the Government to improve the functioning of TPDS are given in Annexure II.

Further, in order to contain rise in prices of essential items, in addition to the commodities allocated by Central Government under TPDS, State/UT Governments may organize distribution of additional essential commodities through fair rice shops and other outlets. However, decisions on such additional commodities to be distributed, subsidy to be provided on them, etc, are of the State/UT

Governments.