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

UNSTARRED QUESTION NO:5100 ANSWERED ON:08.05.2012 PRICE RISE DUE TO POOR DISTRIBUTION Choudhry Smt. Shruti

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

- (a) whether poor distribution and hoarding is primarily responsible for pushing up food prices;
- (b) if so, the details thereof item-wise and State-wise during the last three years;
- (c) the reasons for such a situation and its impact on the poor people;
- (d) the views of each State in this regard; and
- (e) the steps being taken to correct the situation?

## **Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS)

(a) to (e): No Madam. There are number of factors influencing the prices of food items. The enforcement of the Essential Commodities Act, 1955 lies with the State Governments/Union Territories. The State Governments/UT Administrations have been delegated powers to take necessary action under the provisions of both ` The Essential Commodities Act, 1955 (EC Act, 1955)` and The Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980 (PBMMSEC Act, 1980), to prevent hoarding and blackmarketing of essential commodities. The State Governments/UT Administrations have been repeatedly requested to strictly enforce both the Acts and also monitor enforcement of these Acts.

The Central Government in consultation with State Governments/UT Administrations is operating the Targeted Public Distribution System (TPDS). Reports on irregularities in the implementation of TPDS have been received from certain regions/States in the country from time to time. The State Governments/UT Administrations concerned have been informed to take appropriate action. The Central Government has requested all States/UTs to take necessary measures to improve the efficiency and effectiveness of the Targeted Public Distribution System.

Various steps have been taken which include fiscal measures and administrative measures by the Government to maintain a smooth supply and for containing the price rise of Essential Commodities. Action under the Essential Commodities Act, 1955 for violation of rule and other measures are enumerated at Annexure I to III.