

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

STARRED QUESTION NO:76  
ANSWERED ON:14.08.2012  
PRICES OF ESSENTIAL COMMODITIES  
Upadhyay Seema

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

- (a) whether the prices of essential commodities including food items have been increasing continuously;
- (b) if so, the details thereof during the last three months along with the reasons therefor;
- (c) whether the prospect of drought situation in the country has further aggravated the situation;
- (d) if so, the details thereof along with the steps proposed to be taken by the Government in this regard; and
- (e) the fresh steps/initiatives taken/ proposed to be taken by the Government to address the problem of rising price of essential commodities in the country?

**Answer**

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.76 FOR 14.08.2012 REGARDING PRICES OF ESSENTIAL COMMODITIES

(a) & (b): The Wholesale Price Index (WPI) that indicates the general price trend in the country shows that the rate of inflation for Food Articles which was 10.92 percent in the month of April, 2012 declined to 10.74 percent in May, 2012 and marginally increased to 10.81 percent in June, 2012.

The retail price of certain essential items has shown increase in most of the reporting centres during the last three months. The retail prices of commodities from select centres during the last three months (6-5-2012 to 6-8-2012) are at Annexure –I. Rise in the prices of essential commodities is due to several factors such as shortfall in domestic supplies relative to demand, hardening of international prices, adverse weather conditions as well as insufficient logistics and shortage of storage facilities.

(c) to (e): As per the India Meteorological Department data, for the country as a whole, rainfall deficit from normal was (-) 29% for the month of June, (-) 13% for the month of July and (-) 17% for the period 1st June to 5th August, 2012. The weather related factors including deficient rains could be one of the factors for price rise, as this would adversely affect farm output and their availability in the market.

The fresh steps initiated by the Government to tackle drought-related matters are at Annexure-II. The steps taken by the Government to contain inflation of essential items are at Annexure-III.