

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

STARRED QUESTION NO:237

ANSWERED ON:28.08.2012

DIFFERENCE IN PRICES

Hegde Shri Anant Kumar;Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether a big difference has been observed between the prices in wholesale market and retail market in the case of common consumer items during the last three years;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether similar difference in prices has also been observed in the organised and unorganised retail market; and
- (d) if so, the details thereof and if not, the facts in this regard?

**Answer**

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.237 FOR 28.08.2012 REGARDING DIFFERENCE IN PRICES

(a) & (b): Wholesale and retail price data as given by the State Governments from across a large number of reporting centres show that in the case of cereals and pulses, by and large the maximum variation between wholesale and retail prices appears to be less than 20% barring a few outliers where it is higher than 20%. In the case of edible oils it is noticed that by and large the maximum variations are even less than 20% as in the case of soya oil, vanaspati, sunflower oil, palm oil etc. barring a few centres. In respect of vegetables, potato, onion and tomato for which prices are reported on a daily basis, the maximum variation is of a much higher order.

The price variation between wholesale and retail prices are on account of different layers in the distribution channels, lack of market integration, transport and handling cost, wholesalers and retailers margin, packing expenses and various taxes levied by different State Governments. In view of these, the extent of gap between retail and wholesale prices tend to vary between different commodities.

(c) & (d): Retail trade is a subject matter of the State governments. No data is centrally maintained on retail trade.