

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

STARRED QUESTION NO:203

ANSWERED ON:12.03.2013

PRICE CONTROL

Kishor Shri Kamal ;Rao Shri Sambasiva Rayapati

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

- (a) whether the Government had constituted a Committee of Ministers/ Chief Ministers to make an assessment/ study on price rise of essential commodities and suggest measures to control the same;
- (b) if so, the details and the outcome thereof along with the action taken on the suggestions made by the said Committee;
- (c) whether the Government has made any assessment regarding the impact of hike in price of petroleum products on the prices of essential commodities and if so, the details and the outcome thereof along with the remedial steps taken in this regard;
- (d) whether the study by the Credit Rating and Information Services of India Limited has indicated that the worst impact of this price rise has been on the poorer section of the society; and
- (e) if so, the details thereof and the reaction of the Government thereto along with the steps taken/being taken to address the issue?

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 REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 203 FOR 12.3.2013 REGARDING PRICE CONTROL.

(a) & (b): Yes, Madam. As a follow up to the Conference of Chief Ministers (CMs) held on 06.02.2010 to consider measures to insulate the poor and vulnerable from adverse price movement, a Core Group of some CMs and concerned Central Ministers was constituted. The Core Group held a meeting on 08.04.2010 presided by the Prime Minister and recommended, inter-alia, setting up of a Working Group on Consumer Affairs under the Chairmanship of CM, Gujarat with CMs of Andhra Pradesh, Tamil Nadu and Maharashtra as its Members. The Working Group was to suggest strategies/ plan of action for reducing the gap between farm-gate and retail prices and commensurate measures which include the improvement of distributional efficiency, reducing intermediation cost.

Two other Working Groups on Agriculture Production and Food & Public Distribution headed by CM, Haryana and Deputy Chairman, Planning Commission respectively had also been constituted to look into the connected issues holistically.

The Working Group on Consumer Affairs had submitted its Report on 02.03.2011 to the Prime Minister. The main recommendations of the Working Group on Consumer Affairs include, inter-alia, increasing competition in Agriculture Produce Markets; improving Agri-Infrastructure; integrate warehousing/cold chain infrastructure with spot and future market; establishment of dedicated central body for collecting, analyzing and dissemination of information on market; and better implementation of an amendments to Essential Commodities Act, 1955. The aforementioned Recommendations pertain to a number of Departments/Ministries. As a follow up action, the concerned Departments/ Ministries have been requested to initiate necessary action within the ambit of existing policy framework/ plans/ schemes pending final deliberations on the Reports.

(c) : In so far as specific assessment regarding impact of hike of prices of petroleum products on the prices of essential commodities is concerned, as diesel and petroleum products are used in several sectors such as Agriculture, Transport, Power Generation and Industries, any increase in diesel prices is likely to have impact on prices.

(d) : As per the information furnished by the CRISIL, there is no such study/report published by the CRISIL which indicated the worst impact of this price rise on the poorer section.

(e) : Does not arise.