

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

UNSTARRED QUESTION NO:4742

ANSWERED ON:23.04.2013

CONTROL ON PRICES

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

- (a) whether wholesale and retail prices of essential food items have drastically surged during February and March, 2013;
- (b) if so, the details thereof, item-wise;
- (c) whether retail inflation of essential items has touched around 11% during the said period;
- (d) if so, the details thereof and the reasons therefor; and
- (e) whether the Government propose to review the measures taken to check price and curb food inflation and initiate fresh ones in view of continuous failure to check price rise during the last three years and if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(PROF. K. V. THOMAS)

(a)&(b): The prices reported from major centres across the country show that the wholesale and retail prices have moderated during the period of February and March, 2013. The Month- end Retail Prices as on 28.02.2013, when compared with the prices one month back (31.01.2013) show that the prices of rice, wheat, moong dal and masur dal in pulses, sugar, milk, vanaspati, soya oil and palm oil in edible oils, potato and tomato in vegetables were steady whereas prices of gram dal, tur dal, urad dal, mustard oil and onions declined. The prices of groundnut oil and sunflower oil showed a mixed trend during this period.

The prices during the month of March 2013 (as on 28.03.2013) when compared to the previous month's prices of February 2013 (as on 28.02.2013) show that prices of rice, wheat, pulses (except moong dal) sugar, edible oils, potato and onion witnessed a steady to declining trend whereas the prices of moong dal and tomato showed an increasing trend.

The wholesale price trend during the months of February and March 2013 also indicates similar trend where the prices of rice, wheat, pulses, milk, edible oils and vegetables showed a stable to declining trend whereas the prices of soya oil and sunflower oil showed a mixed trend.

(c) to (e): As per the All-India General Consumer Price Index (CPI) (Combined), the provisional annual inflation rate on point-to-point basis for February and March 2013 has been 10.91% and 10.39% respectively. The rise in prices could be due to several factors such as demand-supply mismatch, different layers in the distribution channel from farmgate to retail market and related costs, various local levies, insufficient logistics and storage facilities.

Government reviews the prices of essential items on a continuous basis and initiates action to contain price rise. The steps in operation by the Government to control the prices of essential commodities are enclosed at Annexure-I.