

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

STARRED QUESTION NO:561

ANSWERED ON:07.05.2013

REGULATING PRICE RISE

Panda Shri Baijayant;Pratap Narayanrao Shri Sonawane

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

- (a) the details of the steps taken to control the prices of essential commodities including curb on hoarding, and the success achieved therein during the last one year and the current year;
- (b) whether the Government proposes to facilitate setting up of a Market Intervention Fund to mitigate the problem of rising prices;
- (c) if so, the details and the salient features thereof along with the agency proposed to be designated to administer the said Fund; and
- (d) the benefits likely to accrue to the consumers therefrom?

**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 REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.561 FOR 7.5.2013 REGARDING REGULATING PRICE RISE.

(a): Government has initiated several measures to control the prices and improve the availability of essential commodities such as allowing import of various items of mass consumption at zero or concessional import duties together with restrictions on their exports, prescribing stock holding limits under Essential Commodities Act, allocation of foodgrains at affordable prices under Targeted Public Distribution System (TPDS) etc. The steps in operation by the Government to control the prices of essential commodities are enclosed at Annexure-I. To protect the consumers from exploitation by unscrupulous traders, the Government has enacted the Essential Commodities Act, 1955 and The Prevention of Black- marketing and Maintenance of Supplies of Essential Commodities Act, 1980. State Governments have a major role in checking prices of essential commodities by curbing malpractices, profiteering and hoarding through a set of administrative and regulatory measures. All the State Governments have been advised from time to time to make appropriate use of both these Acts.

The Wholesale Price Index (WPI), which is an indicator of the general price trend, shows that the yearly rate of inflation for Primary Food Articles which was at a high of 17.70% for the year 2010 declined to 9.09% for the year 2011 and further declined to 8.46% for the year 2012. The rate of inflation for the month of March 2013 declined to 8.73% when compared to 11.38% for the previous month of February 2013. During this period the rate of inflation for cereals like rice and wheat, pulses like gramdal, masurdal and uraddal, vegetables like potato, onion and tomato, milk, sugar and edible oils declined . The information received from the States/UTs on Action Taken under the Essential Commodities Act, 1955 are enclosed at Annexure-H.

(b)& (c): There is no proposal under consideration to facilitate setting up of a market intervention fund.

(d): Does not arise.