

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

UNSTARRED QUESTION NO:839

ANSWERED ON:10.12.2013

PRICE RISE

Anuragi Shri Ghansyam ;Azad Shri Kirti (Jha);Bauri Smt. Susmita;Bundela Shri Jeetendra Singh;Chaudhary Shri Arvind Kumar;Deka Shri Ramen;Dhotre Shri Sanjay Shamrao;Hazari Shri Maheshwar ;Hegde Shri Anant Kumar;J Helen Davidson;Jeyadural Shri S. R.;Joshi Dr. Murlu Manohar;Mahendrasinh Shri Chauhan ;Mahtab Shri Bhartruhari;Mani Shri Jose K.;Nagar Shri Surendra Singh;Patil Shri A.T. Nana;Putul Kumari Smt. ;Rao Shri Konakalla Narayana;Rao Shri Nama Nageswara;Ray Shri Rudramadhab ;Reddy Shri Modugula Venugopala ;Roy Shri Arjun;Shivanagouda Shri Shivaramagouda;Sugavanam Shri E.G.;Upadhyay Seema;Vardhan Shri Harsh

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

(a) whether there has been a spurt in the prices of essential commodities including vegetables, foodgrains, edible oil, pulses etc. during the last three months leading to a rise in the wholesale price Index and also causing hardships to the poor and damage to the National economy;

(b) if so, the details thereof and the reasons therefor along with the steps taken to curb the rising prices;

(c) whether the Government has carried out any study/analysis of the reasons for the rising prices and if so, the details and the outcome thereof along with the action taken thereon; and

(d) the steps taken to strengthen the Public Distribution System (PDS) to ensure timely supply of essential commodities and also remove the gap between the production cost and retail prices with a view to check the menace of rising prices?

**Answer**

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

(PROF. K. V. THOMAS)

(a) & (b): The percentage change in Wholesale Price Index (WPI) of essential commodities during the last three months is given below:

Commodity/Item group	Aug-13	Sep-13	Oct-13
Food Articles	19.17%	18.40%	18.19%
Cereals	15.57%	13.05%	12.00%
Pulses	-14.70%	-13.42%	-11.19%
Vegetables	80.96%	89.37%	78.38%
Sugar	-4.75%	-7.49%	-8.50%
Edible Oils	-2.86%	-2.58%	-0.74%

Rise in the prices of essential commodities are normally due to several factors such as shortfall in domestic supply related to demand, rising transportation cost, adverse weather conditions and improvement in income and living standards with resultant changes in dietary habits. Government has initiated several measures on the prices front to improve availability of essential commodities such as import of various items of mass consumption at zero or concessional import duties together with restriction on export, prescribing stock holding limits under Essential Commodities Act, and allocation of foodgrains at affordable prices under Targeted Public Distribution System (TPDS).

(c) : Government monitors the Wholesale/Retail prices of select essential commodities through data obtained from 57 Reporting Centres across the country on a continuous basis. The prevailing price situation as well as other factors which have impact on prices both in domestic and international markets are analysed, and based on this measures are taken to contain price rise and increase the availability of essential commodities.

(d) : Strengthening and streamlining of Targeted Public Distribution System (TPDS) is a continuous process. Government has regularly reviewed and has issued instructions to States/UTs to strengthen functioning of TPDS by improving monitoring mechanism and vigilance, increased transparency in functioning of TPDS, adoption of revised Model Citizens Charter, use of Information and Communication Technology (ICT) tools and improving the viability of Fair Price Shop (FPS) operations.