

Ahmedabad, Kolkata, Chennai, Hyderabad and Pune based on replies from 2,000 respondents shows that prices of fruits and vegetables moved up 100 to 115 per cent while incomes rose 10 to 15 per cent in the past three years.

According to ASSOCHAM, this has resulted in many households having been forced to cut consumption of fruits and vegetables.

(e) Steep rise in the prices of fruits and vegetables is largely explained by weather and seasonal factors.

Transportation charges and margin for sugar

2833. DR. VIJAY MALLYA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Karnataka Government had submitted proposals regarding urgent revision of wholesale transportation charges and margin for sugar and payment of incidental charges in respect of procurement of foodgrains;

(b) whether no response to these proposals, submitted during 2007 to 2010 were sent to the State Government;

(c) whether it is proposed to consider the proposals expeditiously and convey Government's approval to the State Government; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) and (b) In respect of rice, the proposal of Government of Karnataka for incidental claim for the year 2006-07 which was received in August, 2009, was pending for processing for want of the annual reports for the years 2006-07 and 2007-08 from the State Government, which have been received in July, 2011 only. Besides, the Government of Karnataka had submitted a proposal in June, 2011 for revision of incidental charges in respect of procurement of coarse grains for the year 2007-08 and the deficiencies in the proposal were intimated by FCI to the State Government in June, 2011. As far as margin for sugar is concerned, the Government of Karnataka has submitted its detailed proposal in March, 2011 for the years 2003-04 to 2008-09. However, provisional payments are made to States, pending final settlement of their claims.

(c) Yes, Sir.

(d) Does not arise.

Price rise in food items

2834. SHRI RAM KRIPAL YADAV: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether PMO has appointed any Committee for study and suggestions to control high price rise specially in food items;

(b) if so, whether this Committee has suggested that Foreign Direct Investment should be allowed in retail sector to control price rise; and

(c) the details of the report submitted by the Committee?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) to (c) With the approval of the Prime Minister an Inter-Ministerial Group (IMG) was set up under the Chairmanship of the Chief Economic Adviser, Dr. Kaushik Basu, "to review the overall inflation situation, with particular reference to primary food articles and suggest corrective measures."

The "Position Paper No. 1" of the Inter-Ministerial Group (IMG) on Inflation brought out the first set of recommendations of the IMG in May, 2011. The position paper has recommended *inter-alia* the following:—

- Allow foreign direct investment in multi brand retail in India with a proper regulatory framework. This according to the IMG will enable reforms in this sector, facilitate introduction of new technology, expand organized retail, open up Indian exports to the international market and ensure remunerative prices to farmers and small producers and fair prices to consumers.
- Reform the Agricultural Produce Marketing Act, 2003. This will help to narrow down the gap between farm gate and retail prices which today is rather high. The strategy according to the Group should be to make a few pivotal changes which will facilitate competition, narrow price margins and enable and incentivize private citizens and firms in nation building activities. The amendments should be so made to help promote competition at the local level and prevent cartelization and enable the APMC Act to act as a facilitator of efficient markets.

Foodgrains lying in the open

2835. PROF. ANIL KUMAR SAHANI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether lakhs of tonnes of foodgrains is lying in the open and is being damaged due to rains, etc.;

(b) whether Government is facing crisis in storing foodgrains;

(c) the quantum of storing capacity available with Government for storing foodgrains; and

(d) the quantum of foodgrains as on date with Government indicating the quantum of foodgrains laying in the open?