

Prices of essential commodities

3305. SHRI UPENDRA KUSHWAHA : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the prices of essential commodities such as pulses and edible oils have shown a rising trend over the prices prevailing during the last year;

(b) if so, the details of decisions taken and implemented by the Committee of Secretaries (COS) and Cabinet Committee on Prices (CCP) to contain rising prices of essential commodities; and

(c) the details of stringent measures taken to control the prices of essential commodities and the steps taken to chalk out effective strategies in consultation with other Departments, Traders and FMC to ensure that the prices of essential commodities are kept in check?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS) : (a) In comparison to 2010-11, during 2011-12, the Wholesale Price Index (WPI), an indicator of general price trend, has shown a marginal increase in the case of foodgrains and edible oils but a decline in the case of all pulses except gram. In respect of milk, eggs, meat and fish, the WPI has shown an increase over the last 2 years and in the case of gram, while the WPI was fairly stable in 2010-11, it increased during 2011-12.

(b) To contain prices, decisions taken, *inter alia*, include reduction of import duties, ban on exports, imposing stock limits, and suspension of futures trading in Tur, Urad and Rice.

(c) A list of fiscal and administrative measures taken is given in Statement.

Statement*List of fiscal and administrative measures taken by the Government***1. Fiscal Measures**

- (i) Reduced import duties to zero for rice, wheat and onion, pulses, edible oils (crude) and to 7.5% for refined & hydrogenated oils & vegetable oils.
- (ii) NDDB has been allowed to import 50000 tonnes of skimmed milk powder and whole milk powder and 15000 MT of Butter Oil and Anhydrous Milk Fat at zero duty under Tariff Rate Quota.
- (iii) Permitted import of duty-free raw sugar under Open General Licence (O.G.L.).
- (iv) Permitted Central/State Government Agencies and private trade to import duty-free white/refined sugar.

2. Administrative Measures

- (i) Removed levy obligation in respect of all imported raw sugar and white/ refined sugar.
- (ii) Banned export of edible oils (except coconut oil and forest based oil) and pulses (except Kabuli chana and organic pulses up to a maximum of 10000 tonnes per annum).
- (iii) Imposed ban on export on non-basmati rice and wheat for short period of time.
- (iv) Prohibited export of milk powders (including skimmed milk powder, whole milk powder, dairy whitener and infant milk food).
- (v) Effected no change in Tariff Rate Values of edible oils;
- (vi) Imposed stock limits from time to time in the case of select essential commodities.
- (vii) Ban on export of onion was imposed for short period of time whenever required. Exports of Onion were calibrated through the mechanism of Minimum Export Prices (MEP) of onion.
- (viii) Maintained the Central Issue Price (CIP) for rice (at Rs. 5.65 per kg for BPL and Rs. 3 per kg for AAY) and wheat (at Rs. 4.15 per kg for BPL and Rs. 2 per kg for AAY) since 2002.
- (ix) Suspended Futures trading in rice, urad and Tur.
- (x) The levy obligation on sugar factories restored to 10% for sugar season 2011-12.
- (xi) Allowed increased and liberalized allocation of wheat and rice.
- (xii) Extended the scheme for distribution of subsidized imported pulses upto 30.06.2012 and edible oils upto 30.09.2012.
- (xiii) Organised special drives against hoarding.
- (xiv) State Governments/UT Administrations detained persons under the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980, whose activities were found prejudicial to maintenance of supplies of commodities essential to the community. During the year 2011, 270 detention orders were issued.

Expenditure on NFSB

3306. SHRI RAMA CHANDRA KHUNTIA : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :