

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 1014
ANSWERED ON DECEMBER 07, 2021**

INCREASING INFLATION

1014 Shri Sanjay Singh:

Will the Minister of *Finance* be pleased to state:

- (a) the policies to combat the increased retail inflation rate from 4.35 percent in September to 4.48 percent in October according to data released by the National Statistical Office;
- (b) the ways to control the high food, fuel and commodity prices; and
- (c) the safeguards provided to the most impacted urban poor falling in the bottom 20 per cent income category?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) and (b): Government has taken various measures to keep inflation under control. Some of them include the following:

Crude Oil/Petroleum Products: To check the petrol and diesel prices, Central Government has reduced Central Excise Duty on Petrol & Diesel by Rs. 5 and Rs. 10 respectively with effect from 04.11.2021. In response many states governments have also reduced Value Added Tax on petrol and diesel. Retail prices of petrol and diesel have sobered down across the country.

Essential Commodities: Price situation of major essential commodities is being monitored by the Government on a regular basis and corrective action taken from time to time.

Pulses: (i) A buffer stock target of 23 lakh metric tonne (LMT) has been approved for 2021-22. Stocks are subsequently utilised for cooling down prices through supply to states and disposal through Open Market sales (ii) Imposition of stock limits on some pulses under the Essential Commodities Act, 1955 in July 2021 to prevent hoarding. (iii) Changes in the import policy by keeping Tur and Urad under 'free' category till 31st December, 2021. (iv) Basic import duty and Agriculture Infrastructure and Development Cess on Masur have been brought down to zero and 10% respectively. (v) 5-year memorandum of understanding (MoUs) have been signed with Myanmar for annual import of 2.5 LMT of Urad and 1 LMT of Tur, and with Malawi for annual import of 0.50 LMT of Tur and MoU with Mozambique for annual import of 2 LMT Tur has been extended for another 5 years.

Edible Oils: To soften the prices of edible oils, the import duty on edible oils have been rationalised and stock limits imposed to avoid hoarding upto a period of March 31, 2022. National Mission on Edible Oils- Oil Palm has been approved with a financial outlay of Rs.11,040 crore to encourage domestic production and availability of oil palm.

(c): Various initiatives have been taken to safeguard the interests of the vulnerable population both in rural and urban areas. In the wake of COVID-19 crisis in the country, the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) was started in April 2020 to provide additional free foodgrains to about 80 crore National Food Security Act (NFSA) beneficiaries in the country initially for a period of 3 months from April to June 2020 which was later extended for a further period of 5 months from July to November 2020. Further, in 2021, the PMGKAY scheme was resumed for a period of another 7 months from May to November 2021 and has been further extended upto March 2022. Further, under the Atma Nirbhar Bharat Scheme (ANBS) foodgrains were allocated to all states/UTs for free distribution to migrants/stranded migrants and all those not having NFSA or any state PDS ration cards, for a period of 2 months of May and June 2020. Additionally, One Nation One Ration Card (ONORC) enabled ration card portability for NFSA beneficiary to lift the entitled foodgrains for self or on behalf of the complete household from any Fair Price Shop (FPS) in the country by using their same/existing ration card with biometric authentication on an electronic Point of Sale (ePoS) device. So far, the ONORC plan is enabled in 34 States/UTs covering about 75 Crore beneficiaries (94.3% NFSA population) in the country.
