

Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs

RAJYA SABHA
UNSTARRED QUESTION No. 712
TO BE ANSWERED ON 03.12.2021

RISE IN THE PRICES OF ESSENTIAL COMMODITIES

712 SHRI ANAND SHARMA: SHRI SUSHIL KUMAR GUPTA:

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

- (a) whether it is a fact that the prices of commodities including foodgrains, pulses, tomato and edible oils, particularly mustard oil, have increased sharply resulting in consumer inflation in recent months;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps taken or proposed to be taken by Government to control inflation along with the advisories issued to States to check the stock limit of these items by the traders beyond the certain capacity

ANSWER

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI ASHWINI KUMAR CHOUBEY)

(a) & (b) : The monthly all-India average retail prices of 22 essential food commodities monitored by the Department of Consumer Affairs for the period June 2021 to November 2021 is given at **Annexure**.

Prices of food items are affected by several factors, such as mismatch in demand and supply, shortfall in production owing to adverse weather conditions, seasonality, increased transportation costs, supply chain constraints, artificial shortage created by hoarding and black marketing etc.

(c) : Government takes various measures from time to time to augment domestic availability and stabilize prices of essential food commodities. These steps, *inter-alia*, include releases from the buffer to cool down prices, imposition of stock limits, monitoring of stocks declared by entities to prevent hoarding as also requisite changes in trade policy instruments like rationalization of import duty, changes in import quota, restrictions on exports of the commodity etc.

In May, 2021 advisories were issued to States/UTs to monitor prices of essential food commodities and to ensure disclosure of pulses stocks held by millers, importers and traders under the Essential Commodities Act, 1955. Imposition of stock limit on all pulses except Moong was notified on 2.7.21. Thereafter, an amended order was issued on 19.7.21 for stock limits on four pulses, namely, Tur, Urad, Masur, Chana for a period up to 31.10.2021.

To improve availability and stabilise prices of pulses the government has allowed import of Tur, Urad and Moong under 'Free category' w.e.f May 15, 2021 in order to ensure smooth and seamless imports. The Free regime in respect of Tur and Urad has been extended; the last date for Bill of Lading is December 31, 2021 and for Customs clearance, it is January 31, 2022. This policy measure has been supported with facilitation measures and close monitoring of its implementation by the concerned Departments/organisations. The import policy measures have resulted in substantial increase in import of Tur, Urad and Moong as compared to the corresponding period for the past two years. In order to soften the impact of higher international prices on domestic consumers, the government reduced the basic import duty on Masur to zero and AIDC (Agriculture Infrastructure and Development Cess) to 10% from 27th July, 2021. To augment the availability of pulses in the market, 3 Lakh Metric Ton of Chana stock has been released between June and August, 2021 and to stabilise prices, futures trading in Chana has been suspended from 16th August, 2021. States Governments have been supplied pulses from the buffer during on an ongoing basis for their nutrition and welfare programmes.

Buffer stock of 2.08 LMT onion has been built in 2021-22. Open market releases of onion from the buffer have been targeted towards States/Cities where prices are increasing over the previous month and also in source markets to augment the availability in these key mandis and thereby reduce retail prices. States/UTs have been offered onion at Rs.21/kg ex-storage locations and same has been lifted by some States.

In respect of edible oils and oilseeds, government notified stock limits on 08-10-2021 for a period up to 31st March, 2022. Futures trading in mustard oil had also been suspended from 8th October, 2021. Import duty structure on edible oils has been rationalised to reduce the burden of price rise on the common man. As per the notification dated 14-10-2021, the total duty on crude palm oil has been reduced to 7.5%, and on crude soyabean oil and sunflower oil reduced to 5%. The basic duty on RBD palmolein oil, refined soyabean oil and refined sunflower oil has been reduced from 32.5% to 17.5%.

Further, the Government has issued advisory to States/UTs to set up the State-level Price Stabilisation Fund (PSF) corpus with central assistance, and has requested States which have set up the Fund already, to make appropriate interventions for cooling down retail prices of essential food commodities.

-2-

ANNEXURE

ANNEXURE REFERRED IN REPLY TO PARTS (A) & (B) OF RAJYA SABHA UNSTARRED QUESTION NO.712 FOR 03.12.2021 REGARDING RISE IN THE PRICES OF ESSENTIAL COMMODITIES

Commodity	Retail Price (Rs./Kg./Ltr.)						Percentage Variation over previous month (%)				
	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
Rice	35.66	35.58	35.39	35.1	35.27	35.49	-0.22	-0.53	-0.82	0.48	0.62
Wheat	26.4	26.64	26.56	26.75	27.28	27.98	0.91	-0.30	0.72	1.98	2.57
Atta (Wheat)	30.07	30.22	30.22	30.39	30.67	31.15	0.50	0.00	0.56	0.92	1.57
Gram Dal	76.7	75.17	74.97	75.71	76.03	76.24	-1.99	-0.27	0.99	0.42	0.28
Tur/Arhar Dal	107.4	105.7	104.64	105.42	105.5	104.86	-1.63	-0.97	0.75	0.10	-0.63
Urad Dal	108.9	106.9	105.65	106.61	107.1	107.47	-1.88	-1.12	0.91	0.47	0.34
Moong Dal	105.5	103	101.1	101.61	101.6	102.6	-2.41	-1.84	0.50	0.00	0.97
Masoor Dal	86.93	87	88.28	92.15	94.87	96.47	0.08	1.47	4.38	2.95	1.69
Groundnut Oil (Packed)	178.9	178	178.07	180.69	182.3	181.43	-0.48	0.02	1.47	0.90	-0.49
Mustard Oil (Packed)	170.7	170.1	172.28	179.29	184.8	186.35	-0.37	1.31	4.07	3.09	0.82
Vanaspati (Packed)	132.6	132.7	134.2	136.28	137.7	138.84	0.12	1.11	1.55	1.05	0.82
Soya Oil (Packed)	152.6	150.8	153.32	155.14	155	153.26	-1.16	1.66	1.19	-0.08	-1.14
Sunflower Oil (Packed)	173.1	171	171.1	170.69	169.2	166.27	-1.21	0.04	-0.24	-0.90	-1.70
Palm Oil (Packed)	132.3	129.6	131.87	132.69	132.9	131.46	-2.06	1.75	0.62	0.15	-1.08
Potato	20.17	20.62	20.48	20.31	21.9	26.18	2.23	-0.68	-0.83	7.83	19.54
Onion	26.99	29.13	29.35	28.49	37.41	39.94	7.93	0.76	-2.93	31.31	6.76
Tomato	21.27	26.8	30.06	27.99	43.05	58.32	26.00	12.16	-6.89	53.80	35.47
Sugar	39.7	39.5	40.02	41.44	42.3	42.44	-0.50	1.32	3.55	2.08	0.33
Gur	46.84	47.19	47.19	47.47	48.31	49.46	0.75	0.00	0.59	1.77	2.38
Milk (Rs./ltr)	48.93	48.95	49.21	49.26	49.48	49.88	0.04	0.53	0.10	0.45	0.81
Tea Loose	275.4	277.6	282.1	284.27	285	282.49	0.81	1.61	0.77	0.26	-0.89
Salt Pack (Iodised)	18.11	17.96	18.2	18.25	18.29	18.32	-0.83	1.34	0.27	0.22	0.16
