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

LOK SABHA UNSTARRED QUESTION NO. 358 TO BE ANSWERED ON 04.02.2020

FOOD INFLATION

358. SHRI PRASUN BANERJEE:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government is aware of the extent of food inflation and if so, the details of steps taken/being taken to control it; and
- (b) the reasons behind food inflation when the economy is growing at a slower pace every quarter?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री (श्री दानवे रावसाहेब दादाराव)

THE MINISTER OF STATE CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI DANVE RAOSAHEB DADARAO)

(a): Food inflation based on Consumer Food Price Index (CFPI), brought out by M/o Statistics and Programme Implementation (MoSPI) from September to December, 2019 is given below.

All India Inflation rate (%) based on CFPI				
Index	Sept'19	Oct'19	Nov'19	Dec'19
CFPI	5.11	7.89	10.01	14.12(P)

P – Provisional, Source: MoSPI.

Government has taken various measures from time to time to stabilize prices of essential food items which, inter-alia, include appropriately utilizing trade and fiscal policy instruments like import duty, Minimum Export Price, export restrictions, etc. to regulate domestic availability and moderate prices; imposition of stock limits and advising States for effective action against hoarders & black marketers ; and, provision of higher Minimum Support Prices to incentivize farmers for increasing production. Government is also implementing Schemes which, inter alia, include Mission for Integrated Development of Horticulture (MIDH), National Food Security Mission (NFSM), National Mission on Oilseeds and Oil Palm (NMOOP), etc for increasing agricultural production and productivity through appropriate interventions. Besides, Government is also implementing Price Stabilization Fund (PSF) to help moderate the volatility in prices of agri-horticultural commodities like pulses, onion, and potato.

(b) : Increase in prices of food items is mainly on account of demand supply mismatch owing to shortfall in production because of adverse weather condition and seasonality, increased transportation costs, supply chain constraints like lack of storage facilities and artificial shortage created by hoarding and black marketing.