

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
DEPARTMENT OF CONSUMER AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION No. 843
TO BE ANSWERED ON 11.02.2025

RISE IN PRICES OF ESSENTIAL COMMODITIES

843. SHRI VAIKO:
SHRI M. SHANMUGAM:

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

- (a) whether any steps have been taken by Government to check price rise of essential commodities like grains, pulses, vegetables and cooking gas;
- (b) if so, the details thereof along with the policies implemented in this regard;
- (c) the reasons for hike in prices of essential commodities in recent months, as compared to corresponding period of the last two years;
- (d) whether Government is monitoring price rise situation of major essential commodities on regular basis;
- (e) if so, the details thereof and suitable action taken to keep the prices under check; and
- (f) if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE, CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI B. L. VERMA)

(a) to (b) : In order to tackle the volatility in prices, government maintains buffer stocks of pulses and onion for market interventions through calibrated and targeted release to moderate the prices in the market. Part of the stock of pulses from the buffer are converted to dals for retail sale to the consumers at affordable prices under the Bharat Dal brand. Similarly, atta and rice are distributed to retail consumers under Bharat brand at subsidized prices. Onion from the buffer had been released during September to December, 2024 in a calibrated and targeted manner to moderate prices in high price consuming centres at wholesale markets and through retail outlets. Onions from the buffer were distributed among retail consumers at Rs.35 per kg through stationary retail outlets and mobile vans in major consumption centres.

Government reduced the retail selling price of domestic LPG by Rs. 200 per 14.2 Kg LPG cylinder with effect from 30th August, 2023 and by Rs.100 per 14.2 Kg cylinder with effect from 9th March, 2024. The retail selling price of a 14.2 Kg domestic LPG cylinder is currently Rs 803 in Delhi. After a targeted subsidy of Rs.300/cylinder to PMUY consumers, Government of India is providing 14.2 Kg LPG cylinders at an effective price of Rs.503 per cylinder (in Delhi). This is available to more than 10.33 crore Ujjwala beneficiaries, across the country. A few State Governments are providing some additional subsidy on LPG refills and bear the additional cost from their respective budgets.

(c) : The prices of food commodities tend to be volatile as they are affected by several factors, such as seasonality in production, adverse weather conditions, supply chain disruptions, rise in international prices etc. Sometimes slight disruptions in the supply chain or crop damage due to adverse weather condition etc. lead to spike in the prices of agri-horticultural commodities. Conversely, bulk arrival and logistics problems have the potential of creating a situation of glut in the market and resultant dip in prices. Further, El Nino phenomenon observed during the past two consecutive years of 2022-23 and 2023-24 created adverse weather conditions which impacted the production and prices of food commodities, especially, vegetables and pulses.

(d) to (f) : Department of Consumer Affairs monitors the daily retail and wholesale prices of selected essential food commodities, submitted by the 555 price monitoring centres that have been set up with Central assistance by the State Governments and UT Administrations across the country. The daily report of prices and indicative price trends are duly analysed for taking appropriate decisions such as release of stocks from the buffer, stock disclosure by stockholding entities, imposition of stock limits, changes in trade policy instruments like rationalisation of import duty, changes in import quota, restrictions on exports of the commodity etc.

Government keeps a close watch on the production and availability of essential commodities through regular reviews by the Inter-Ministerial Committee (IMC). The Committee reviews, on regular basis, the situation of prices and price trends of essential agri-horticulture commodities and suggests measures to enhance availability through increased domestic production and through imports. Ministry of Agriculture and Farmers Welfare (DAFW) is a major stakeholder in all these meetings and continues to undertake measures to increase production and productivity.
