

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:2629
ANSWERED ON:08.08.2003
RELATIVE PRICES OF ESSENTIAL COMMODITIES
GADDE RAMAMOCHAN;SADASHIVRAO DADOBA MANDLIK

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

- (a) whether the Government have issued any guidelines for the maximum permissible difference between the wholesale and retail price of the essential commodities;
- (b) if so, the details thereof;
- (c) whether there have been violations of these guidelines;
- (d) if so, the details thereof, State-wise and U.T.-wise;
- (e) whether the Government have any mechanism to monitor the prices of essential commodities particularly the retail prices;
- (f) if so, the details thereof; and
- (g) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SREENVASA PRASAD)

(a) to (d): No, Sir. Wholesale and retail prices are mainly determined by market forces of supply and demand. There are no specific guidelines issued by Government for maximum difference permissible between the wholesale and retail prices. However, for those essential commodities, which are supplied through Public Distribution System (PDS), issue prices are prescribed by the Government.

(e) to (g): The retail and wholesale prices of 12 essential commodities of mass consumption are monitored regularly by the Central and State Governments at the highest level through various high powered committees. The daily retail prices and weekly wholesale prices of 12 selected essential commodities (rice, wheat, gram dal, tur/arhar, sugar, tea, groundnut oil, mustard oil, vanaspati, potato, onion and salt) are being monitored by the Price Monitoring cell in the Department of Consumer Affairs. Two new items viz. atta and milk have been added for price monitoring from 01.07.2003. On the basis of the data on prices collected from 18 State capitals and some major producing centres, through State Civil Supplies Departments, a close watch on the retail prices of essential commodities in different parts of the country is maintained and appropriate measures are taken by them to safeguard the interest of the consumers from time to time.