

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2841
ANSWERED ON:19.12.2003
PRICES OF DAILY NEED ITEMS
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Will the Minister of FINANCE be pleased to state:

- (a) Whether the prices of daily need items like vegetables, fruits, eggs, food items, cloth, electricity and edible items have increased ;
- (b) if so, the impact of the rise in prices on the inflation rate ; and
- (c) the measures taken to check the rise in price and to contain inflation rate ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) & (b) For the week ending 29-11-2003, the point to point annual inflation rate based on WPI was 5.25 per cent (as against 3.40 percent last year's corresponding week) and that for 30 essential commodities monitored on a weekly basis was 1.71 per cent (as against 3.34 percent last year's corresponding week) . The inflation rate for the items mentioned, for the same periods, is given below :

Commodities		Annual Inflation rate (Week ending Nov. 29)	
2002-03	2003-04		
All Commodities		3.40	5.25
Foodgrains		2.38	-0.80
Vegetables		-23.04	18.96
Fruits		2.94	4.26
Eggs, Meet & Fish		3.69	-2.04
Eggs		9.72	-6.89
Electricity		3.57	4.07
Sugar, Khandsari & Gur		-11.78	10.56
Edible Oils		28.33	7.79
Long cloth		0.68	5.55
Dhoties, Sarees & Voils		0.77	2.77

c) Government's anti inflationary policies in recent years include monetary and fiscal discipline; effective management of supply and demand for essential commodities and raw materials through liberal imports, and further strengthening of the public distribution system.

Adequate public stocks of foodgrains have ensured comfortable supply situation and have helped stabilise prices of foodgrains despite the shortfall in domestic production resulting from drought during 2002. The good monsoon experienced this year has raised the hopes for agricultural production during 2003-04.