

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

UNSTARRED QUESTION NO:3662

ANSWERED ON:05.08.2014

DIFFERENCE IN PRICES

Choudhary Shri Ram Tahal;Khairi Shri Chandrakant Bhaurao;Nath Shri Chand;Shewale Shri Rahul Ramesh;Venkatesh Babu Shri T.G.

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

- (a) whether there is a wide gap between the wholesale and retail prices of essential commodities and if so, the details thereof and reasons therefor along with the steps taken to bridge the gap;
- (b) whether the Government has received any representation from the States in this regard and if so, the reaction of the Government thereto;
- (c) whether the accurate analysis of price rise has also been affected by this widening gap as the said analysis is being made on the basis of wholesale prices and not the price which consumer pay; and
- (d) if so, the details thereof and the corrective steps taken in this regard?

Answer

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

(a) : A comparison of the monthly average retail and wholesale prices of select essential commodities over the last six months (January- July 2014) indicate that the difference between the two either shows a decline or only a marginal increase as given at Annexure.

The gap between the two sets of prices will be more when there are market imperfections like different layers in the distribution channels, along with other costs of packaging, transportation, state specific levies etc. In the case of essential food items various steps have been taken to reduce this gap through introduction of market reforms, more efficient operation of Public Distribution System and providing essential items at subsidized rates including through Government outlets.

(b) :No specific representations from State Governments have been received.

(c) & (d) :No, Madam. Government is monitoring on a daily basis both Wholesale and Retail prices of select essential commodities which include cereals, pulses, vegetables and edible oils through data obtained from select Centers across the country.