

सी. विश्वनाथ  
सचिव  
C. VISWANATH  
Secretary

Tel. : 011-23782807, 23070121  
Fax : 011-23384716  
E-mail : secy-ca@nic.in

D.O.No.S-2/8/2015-ECR&E



भारत सरकार  
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय  
उपभोक्ता मामले विभाग  
कृषि भवन, नई दिल्ली - 110001  
Government of India  
MINISTRY OF CONSUMER AFFAIRS, FOOD AND  
PUBLIC DISTRIBUTION  
Department of Consumer Affairs  
KRISHI BHAWAN, NEW DELHI - 110001

August 19, 2015

Dear

The Parliamentary Standing Committee on Food, Consumer Affairs and Public Distribution has deliberated and examined the subject of price rise and six monthly Action Plan concluded in the National Consultation Meeting held on 4<sup>th</sup> July, 2014. The relevant portion is annexed. The Parliamentary Committee has desired action taken may be reported.

2. In the National Consultation Meeting held on 7<sup>th</sup> July, 2015, six monthly Action Plan was concluded and States are required to prepare a six monthly Action Plan for the period July to December, 2015. Being the crucial period vulnerable to price rise of essential food items including vegetables and fruits due to festive season, the six monthly Action Plan will play a vital role in keeping the prices of these commodities at reasonable levels and ensuring their availability to the general public. The State Governments are requested to finalize the Action Plan immediately and send a copy to this Ministry.

3. I shall be grateful if you look into the matter personally and provide the Action Plans prepared for the years 2014 and 2015 and the action taken to control prices in 2014 and so far in 2015, by 31.8.2015, so as to submit the report within the time frame prescribed by the Parliamentary Committee.

With regards,

Yours sincerely,

(C. Viswanath)

Secretary (CA, F & PD) of all States/UTs



www.jagograhakjago.in

Issued  
19-8-15

(127)

Annexure

**Observations / Recommendations of the Parliamentary Standing Committee of Consumer Affairs, Food and Public Distribution (2014-15) contained in its Sixth Report**

**Recommendation (Serial No.16) -**

The Committee's examination has also revealed that rise in prices of essential commodities viz. foodgrains, pulses, edible oils, vegetable especially potatoes, onion and tomato in the country is due to variety of reasons like anticipation of deficient rains with possible shortfall in production, increase in transportation cost, supply constraints like storage facilities for fruits and vegetables and artificial shortage created through hoarding and black marketing. The Committee have been informed that with a view to contain price rise, the Department of Consumer Affairs has claimed to have taken number of steps like reducing Minimum Export Price of potatoes and onions from end of July, 2014 to August, 2014 due to reasons like good arrivals and nearly steady wholesale price, advising States to allow free price movement of fruits and vegetables by delisting them from APMC Act, advising State Governments to be tough with blackmarketeers and hoarders, asking them to increase the period of detention from six months to one year, making the offence of blackmarketing a non-bailable offence, imposing a stock limit in respect of onion and potatoes for one year w.e.f. 3<sup>rd</sup> July, 2014 etc. In this connection the Committee are constrained to note that all the State Governments/UTs have failed to submit their decision to Department of Consumer Affairs on Essential Commodities Act as also on Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act as requested by Department of Consumer Affairs in May, 2014. The Committee feel that real test lies with implementation of these measures in coordination with State Governments. **Therefore, the Committee recommend that all the measures narrated above need to be pursued vigorously with State Governments so that common man gets essential commodities of daily needs at affordable prices.**

**Recommendation (Serial No.17) -**

The Committee while going into the reasons behind price rise of essential commodities find that as there are structural constraints on supply side, prices of essential commodities are largely risen from July to December every year when important festivals like Id-ul-fitr, Deepawali, Christmas are celebrated and inter-medietaries in markets play a disproportionally important role in controlling availability of commodities. In this connection two welcome suggestions have come up before the Committee arising out of Conference of Food Ministers of State Governments held on 4<sup>th</sup> July, 2014. One is drawing of an action plan for maintaining adequate supplies of essential commodities at reasonable prices by each State Government and its monitoring by the centre and second, establishment of a common National Market. The Committee also find that a time frame of six months has been prescribed for this purpose. Since the time frame for that purpose is already over on 4<sup>th</sup> December, 2014, the Committee desire that action taken be communicated to them for arriving at logical conclusions.