

Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs

LOK SABHA
UNSTARRED QUESTION NO. 1199
TO BE ANSWERED ON 09.02.2021

DEREGULATION OF AGRICULTURAL PRODUCE UNDER ECA

1199. SHRI S. VENKATESAN:

Will the Minister of **CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether there is any proposal to deregulate agricultural produces under the Essential Commodities (Amendment) Act, 2020;
- (b) if so, the number of agricultural produces that are going to be deregulated under the Essential Commodities (Amendment) Act, 2020 along with the details of agricultural produces to be deregulated under the Act;
- (c) whether the Processors and Supply Chain Owners stock the agricultural produces without any limit;
- (d) if so, whether they can be penalized under the Act;
- (e) if not, whether the Act be amended to include the penal provision for hoarding; and
- (f) if not, whether this deregulation will not lead to scarcity and price rise?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री दानवे रावसाहेब दादाराव)

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

(a) & (b) : No, Sir. The Essential Commodities (Amendment) Act, 2020 provides that the supply of such foodstuffs, including cereals, pulses, potato, onions, edible oilseeds and oil, may be regulated only under extraordinary circumstances which may include war, famine, extraordinary price rise and natural calamity of grave nature.

(c) to (f) : No, Sir. The amended EC Act provides that any action on imposing stock limit shall be based on price rise i.e. (i) hundred per cent increase in the retail price of horticultural produce; or (ii) fifty per cent increase in the retail price of non-perishable agricultural foodstuffs over the price prevailing immediately preceding twelve months, or average retail price of last five years, whichever is lower. Further, amended Act provides that such order shall not be applicable to a processor or value chain participant of any agricultural produce, if the stock limit of such person does not exceed the overall ceiling of installed capacity of processing or the demand for export in case of an exporter. State Governments as well as Central Government continue to exercise powers under the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 which provides for detention in such cases for the purpose of prevention of black-marketing and ensuring maintenance of supplies of essential commodities.
