

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

**LOK SABHA
UNSTARRED QUESTION NO. 2692 (OIH)
TO BE ANSWERED ON 07.08.2024**

BLACK MARKETING OF FOODGRAINS

2692. SMT. GENIBEN NAGAJI THAKOR:
(OIH)

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

- whether any measures are being taken by the Government to prevent hoarding and black marketing of foodgrains;
- if so, the details thereof; and
- the measures being taken for monitoring of prices of the essential items and their availability?

ANSWER

**उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री बी.एल.वर्मा)**

**THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI B.L. VERMA)**

(a) & (b) : The Essential Commodities Act, (EC Act), 1955 and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, (PBMMSEC Act), 1980 provide the legislative and administrative foundations to the Government to regulate prices, production, supply, distribution etc. of essential commodities for maintaining or increasing their supplies and for securing their equitable distribution and availability at fair prices.

In order to prevent hoarding and unscrupulous speculation stock limits were imposed on Tur and Chana, vide orders dated 21.06.2024 and 11.07.2024, under the EC Act. Directives were issued to the States and UTs to enforce compliance to the stock limits by stockholding entities and follow up meetings were held with the States/UTs to review the status of implementation. To monitor the stock of pulses with stockholding entities, namely, traders, millers, stockists, millers, importers and big chain retailers, a stock declaration portal was created for the entities to register and disclose stock of pulses held by them on a weekly basis. The status of registration and stock disclosure are monitored and reviewed with the stockholding entities. Further, the State Governments were asked to hold regular meetings with various stakeholders at State and District levels and to keep strict vigil on prices, hoarding, speculative trading and profiteering, unfair and illegal trade practices like cartelling etc. Similarly, stock limits under the EC Act were imposed on wheat vide order dated 24.06.2024 in order to manage the overall food security and to prevent hoarding and unscrupulous speculation.

In order to check cartelization, hoarding, and black-marketing of essential commodities, a Committee was constituted in 2016 under the Chairmanship of Secretary, Department of Consumer Affairs with the representatives of Intelligence Bureau, Enforcement Directorate, Directorate of Revenue Intelligence, Income Tax and Delhi Police. So far 21 meetings of this group have been held.

The Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities (PBMMSEC) Act, 1980 is complementary to the EC Act, 1955. It is implemented through the State Governments/UT Administrations for preventing the illegal and unethical trade practices, profiteering, hoarding and black-marketing of essential commodities etc. by ordering preventive detentions for six months of persons involved in such activities.

(c) : Department of Consumer Affairs monitors the daily prices of essential food commodities to keep close watch on the prices as well as the structural and other constraints affecting their availability and to provide inputs for timely policy interventions. The number of commodities covered under price monitoring has been expanded from initial 14 items in 1998 to 38 in 2024-25 and the number of price reporting centres has increased from 18 to 550 across the country during the same period.

Government took, from time to time, various measures to contain food prices. To protect consumers from excessive price volatility in agri-horticultural commodities, the Government introduced the Price Stabilisation Fund (PSF) scheme in 2014-15. Under PSF, buffer stock of major pulses and onion have been maintained for market interventions and also to discourage hoarding and unscrupulous speculation. Stocks from the buffer are released in calibrated manner to augment availability in the market and stabilise prices.

To make the dals available to consumers at affordable prices, Bharat Dal was launched in July, 2023 by converting the Chana stock with the Government into Chana Dal for retail disposal. The Bharat Dal is made available to the consumers at subsidized rates of Rs.60 per kg for 1 kg pack and Rs.55 per kg for 30 kg pack. Similarly, Moong Dal and Moong Sabut are being sold at subsidized prices of Rs.107 per kg and Rs.93 per kg respectively, to the consumers, under the Bharat Dal Brand. The Bharat Dals are distributed through NCCF, NAFED, Kendriya Bhandar and state government controlled cooperatives.

In order to make tomatoes available at affordable prices, NCCF started retail sale of tomatoes the consumers at Rs.60 per kg from 29th July, 2024

To augment domestic availability of pulses, import of Tur and Urad under 'Free' category has been allowed till 31st March 2025 and the import duty on Masur has been reduced to zero till 31st March, 2025. Import of Yellow Peas under 'Free' category with zero import duty has been allowed from 8th December, 2023 till 31st October 2024. Further, the import of desi Chana at zero duty has been allowed from 4th May, 2024 till 31st March, 2025. All the above steps have been taken to augment supply of pulses.

Government maintains onion buffer under the PSF for calibrated release during the lean availability months and check the volatility in prices. The onion buffer size has been increased year after year from 1.00 LMT in 2020-21 to 2.50 LMT in 2022-23 and further to 5.00 LMT in 2024-25. The onions from the buffer are released through retail sales, e-Nam auction and bulk sales in wholesale markets to augment the availability. Further, to ensure availability of onions at affordable prices to domestic consumers, the Government imposed restrictions on onion exports from August, 2023 through measures such as imposition of export duty, minimum export price (MEP) and export prohibition. From 4th May, 2024, onion export had been allowed with 40% duty and MEP of USD 550 per MT to maintain domestic availability of onion at affordable prices to consumers.

Price control measures taken by Government together with robust progress in sown area under kharif pulses this year (2024-25) have stabilised the market and the prices of Chana, Tur and Urad in major mandis have declined in past one month. The declining trend in mandi prices are now reflected in retail prices in recent weeks as the all-India average retail prices of pulses have either declined or stabilized in recent weeks.
