

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

LOK SABHA
UNSTARRED QUESTION NO.514
TO BE ANSWERED ON 25.06.2019

PRICE CONTROL OF PULSES AND EDIBLE OILS

514. SHRI RAHUL RAMESH SHEWALE: SHRI BHARTRUHARI MAHTAB:

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

- (a) whether the Government has issued instructions to the commodities futures regulator Forward Market Commission (FMC) to curb speculation and price manipulation in farm items particularly pulses and edible oils keeping in view the high rise in the prices of pulses and edible oils in the country;
- (b) if so, the details thereof along with the implementation status of such instructions;
- (c) whether the Government has decided to stepping up imports of pulses and edible oils projecting that the demand of pulses and edible oils is likely to exceed their supply in near future;
- (d) if so, the details thereof along with the quantum of pulses and edible oils likely to be imported; and
- (e) the other corrective steps taken/ being taken by the Government to keep the equilibrium in the demand and supply of food items particularly pulses and edible oils?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री
(श्री राम विलास पासवान)

THE MINISTER OF
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)

(a) & (b) : Consequent upon merger of regulatory functions of Forward Market Division with SEBI vide Finance Act 2015, SEBI is presently the regulator of commodity derivatives market. Cases of suspected speculation and price manipulation in the agricultural commodity derivatives are taken up by Government regularly with SEBI. Further, in order to strengthen and maintain the integrity of the commodity derivatives market, SEBI has taken various measures and has prescribed specific norms in the areas of risk management like, imposition of additional or/and special margins to contain high volatility in commodity derivatives prices, position limits, daily price limits, governance of stock exchanges, registration of brokers etc. SEBI is also carrying out integrated monitoring and surveillance of trading activity, under which, the commodity derivatives market is continuously kept under watch to ensure market integrity.

(c) & (d) : As per the 3rd Advance Estimates released by Department of Agriculture, Cooperation and Farmers Welfare, production of pulses for the year 2018-19 is estimated to be 23.22 Million MT (MMT) as compared to 25.42 MMT as per final estimates for the year 2017-18 while production of oilseeds for the year 2018-19 is estimated to be 31.42 Million MT (MMT) as compared to 31.46 MMT as per final estimates for the year 2017-18.

The total availability of edible oils from all sources (primary and secondary) for 2018-19 is estimated at 99.94 LMT as against 103.80 LMT in 2017-18. The country has to rely on imports to meet the gap between demand and supply of edible oils. Import of edible oils is under Open General Licence. In the year 2018-19 (Nov-Apr), 7.44 MMT of edible oils was imported as compared to 14.59 MMT in 2017-18. In case of pulses, import during 2018-19 stood at 2.53 MMT as against an import of 5.61 MMT in 2017-18.

(e) : Government has taken various measures including initiatives for increasing production and productivity of pulses and oil seeds through National Food Security Mission (NFSM) and National Mission on Oilseeds and Oil Palm (NMOOP) respectively, promulgating appropriate Minimum Support Price (MSP) to incentivize production of pulses and oil seeds, introducing suitable trade and fiscal policy measures to promote availability of pulses and edible oil at reasonable prices. In addition, Government has signed a MoU with Mozambique for assured supply of Tur and other pulses, and also undertakes calibrated releases of pulses from buffer from time to time to moderate price fluctuations. Also, Government closely monitors prices of pulses and edible oils for timely interventions in case of price fluctuations.
