

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

UNSTARRED QUESTION NO:3072
ANSWERED ON:16.03.2001
FORWARD MARKET COMMISSION
SULTAN SALAHUDDIN OWASI

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

- (a) whether Andhra Pradesh is a major producer of commodities like tobacco, rice, cotton, chillies, turmeric etc;
- (b) if so, whether the Union Government under the aegis of the Forward Market Commission have proposed to set up a National Commodity Exchange on the lines of Chicago Board of Exchange;
- (c) if so, the details thereof;
- (d) whether the Andhra Pradesh Government has requested the Union Government to setup National Commodities Exchange at Hyderabad; and
- (e) if so, the details thereof and action being taken by the Government on the request of the State Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION. (SREENIVASA PRASAD)

(a) & (b): Yes, Sir.

(c) : The Government of India as a facilitator for promoting commodity futures trading in the country has felt the need for having a modern national commodity exchange. However, such an Exchange is to be set up by private promoters and Government of India will have no stake in it. Accordingly, on the recommendations of the Core Group set up by the Government on the issue, an in-principle approval has been given to a consortium convened by Mahindra Group with National Stock Exchange, ICICI and Punjab State Warehousing Corporation as co-promoters to set up the Exchange.

(d) : Yes, Sir.

(e) : As replied in part (c), the decision regarding location etc. has to be taken by the Promoter Group.