

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

UNSTARRED QUESTION NO:108
ANSWERED ON:23.02.2010
FORWARD MARKET COMMISSION
Maadam Shri Vikrambhai Arjanbhai

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

- (a) whether the Government proposes to further strengthen the Forward Market Commission;
- (b) if so, the details thereof;
- (c) the turnover of various farm items traded through commodities exchange during the last two years, item-wise;
- (d) the revenue earned by the Government through trading of various farm items in the last two years through these commodity exchanges; and
- (e) the commodity transaction tax imposed on various items traded through commodity exchanges, item-wise?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS)

- (a) & (b): Yes Madam. In order to keep up with the regulatory requirements of a modern commodity derivative market, it is proposed to strengthen the Forward Markets Commission on the lines of the other modern market regulators and a bill to amend the Forward Contracts (Regulation) Act, 1952 is under the consideration of the Government. The amendment broadly proposes to grant autonomy to the Regulator and provide it with the necessary regulatory tools not available to it under the current legal provisions.
- (c): Details of volume and value of trade in various agri-commodities traded through commodity exchanges in the last 2 years is given in Annexure.
- (d): The Government does not collect any revenue from the commodity exchanges.
- (e): The Commodity Transaction Tax is not applicable to the commodities futures market.