

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

UNSTARRED QUESTION NO:225

ANSWERED ON:23.02.2010

IMPORT OF ESSENTIAL COMMODITIES

Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Thamaraiselvan Shri R.

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

- (a) whether the State Governments have requested the Union Government to allow State Public Sector Undertakings to import essential commodities;
- (b) if so, the details thereof and the response of the Union Government thereto;
- (c) whether the State Governments have suggested that an upper ceiling may be imposed on the retail prices of some essential commodities such as sugar, toor dal etc. under the Essential Commodities Act;
- (d) if so, the details thereof and the response of the Union Government thereto;
- (e) whether the Government proposes to extend subsidy support to such imports; and
- (f) if so, the details thereof?

**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): Yes Madam.

(b): A few State Governments such as Chhattisgarh, Kerala, Rajasthan, Tamilnadu, Uttar Pradesh, Lakshadweep had requested the Union Government to allow State Public Sector Undertakings to import pulses. After due deliberations in the high level meetings, the Government decided that permitting additional players in the international market will cause the international prices of pulses to rise exorbitantly and could also introduce some complexities in implementation, as the issue of inter-State allocation of subsidized pulses will become difficult.

(c) & (d): Few State Governments such as Tamil Nadu and Chattisgarh have requested that an upper ceiling may be imposed on the retail prices of some essential commodities under the Essential Commodities Act.

In a market driven economy, State Governments can better influence the prices of essential commodities by intervening in the market by selling these essential commodities at specific retail outlets at prices below the prevailing market prices. This has been done by some state governments.

(e) & (f): In view of (b) above, does not arise.