

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

UNSTARRED QUESTION NO:744  
ANSWERED ON:24.11.2009  
SHORTAGE OF ESSENTIAL COMMODITIES  
Owaisi Shri Asaduddin

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

- (a) whether the advance and hasty announcement regarding shortage of essential commodities like sugar, pulses and rice has led to hoarding and black marketing of these commodities;
- (b) if so, the details thereof alongwith the present demand and supply position of these commodities in the country; and
- (c) the steps taken/being taken by the Government to observe caution and restraint in making such announcements to avoid hoarding and artificial shortage of essential commodities?

**Answer**

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

(a) to (c) : Shortage of essential commodities like sugar, pulses and rice is on account of various factors like poor rainfall, high international prices and rising demand. The increase in prices is on account of these factors and not any information given to the public.

In commodities like pulses, imports take place every year because domestic production is not sufficient. Further there is a shortage of pulses because of high international prices, lower domestic production in certain varieties of pulses. In the case of rice, price has increased due to increase in MSP and poor monsoon leading to lower kharif production. Similarly in the case of sugar, production was lower than normal in 2008-2009; on account of this and rising demand as well as high international prices, domestic prices have increased. In order to check hoarding and blackmarketing, the Government of India has taken the following steps:-

(i) Powers have been vested with State Governments for taking action under the provisions of Essential Commodities Act, 1955 and Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980.

(ii) To enable the State Governments/UT Administrations to take effective action for undertaking de-hoarding operations under the Essential Commodities Act, 1955, it was decided to enable State Governments to impose stockholding limits by keeping in abeyance some provisions of the Central Order dated 15.02.2002 in respect of pulses, edible oils, edible oilseeds, rice and paddy for the period upto 30.09.2010. The commodity wheat which had also been included in the above list has been removed w.e.f. 01.04.2009 .

(iii) Further, in respect of sugar, the Central Government have also issued Orders providing for stock-holding/turnover limits which are as follows:

Stockholding:

(i) in Kolkata and extended area –

(a) recognized dealers who import sugar from outside West Bengal – 10,000 quintals;

(b) other recognized dealers – 2000 quintals;

(ii) in other places – 2000 quintals.

Turnover: No dealer can hold the stock of sugar for a period exceeding 30 days from the date of receipt by him of such stock.

(iv) The details of the raids conducted, value of goods confiscated and persons booked for violation of rules under the Essential Commodities Act, 1955, during the year 2009 (updated upto 31.10.2009) as reported by State Governments/UT Administrations is as given below:

Year	No. of Raids	No. of persons arrested	No. of persons prosecuted	No. of persons convicted	No. of goods confiscated	Value of goods confiscated
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(Rs.in lakhs)

2009 111367 5516  
(upto  
31.10.2009)

2982

42 2634.66

(v) The State Governments/UT Administrations are empowered to detain such persons under the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980, whose activities are found to be prejudicial to the maintenance of supplies of commodities essential to the community. During the year 2009 (upto 31.10.2009), 126 detention orders have been issued under the said Act as reported to the Central Government by the State Governments/UT Administrations.

(vi) The State Governments/UT Administrations have been repeatedly advised to strictly enforce both the Acts and also monitor such enforcements.