

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

STARRED QUESTION NO:455
ANSWERED ON:08.05.2012
PRICE RISE DUE TO COMMODITY FUTURES
Singh Shri Uday Pratap

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

- (a) whether telecast of multicommodity exchange prices of food items on television channels has led to rise in their prices;
- (b) if so, the details thereof;
- (c) whether telecast of the said information on television channels promotes speculation in forward trading in commodity futures markets;
- (d) if so, the details thereof; and
- (e) the steps taken/proposed to be taken to stop telecasting of multi-commodity exchange prices of food items in order to control price rise?

Answer

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

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 455 FOR 8.5.2012 REGARDING PRICE RISE DUE TO COMMODITY FUTURES

No, Madam. The Multi Commodity Exchange provides the data on futures prices on commodities that are discovered on its platform, to various news channels including television channels. These prices are discovered through a transparent online mechanism based on anticipated demand and supply conditions. Price dissemination provides valuable information to all the stakeholders and does not promote speculative activity. These price signals also act as robust indicators for the farming community and can be used as valuable inputs in their decision making process.

There is no proposal to ban the broadcasting of futures prices on news channels. Broadcasting of futures prices which have already been discovered on the Exchange platform promotes awareness and helps the various stake holders to take appropriate decisions based on the above information.