

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

UNSTARRED QUESTION NO:4761
ANSWERED ON:23.04.2013
FUTURES TRADING IN GUAR
Dhruvanarayana Shri R.

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

- (a) whether the Government is considering to launch guar gum and guar seed contract in commodities futures market;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the farmers are demanding a resumption of guar futures since the acreage has increased this year; and
- (d) if so, the details thereof and the time by which the futures trading in guar gum/ seed is likely to be resumed?

Answer

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

(a) & (b) : Yes Madam. The decision to launch the guar gum and guar seed contracts in commodities futures market is under consideration of the Forward Market Commission (FMC), the commodity regulator for futures trading. The Government has directed the FMC to take a considered view on the re-launch of futures trading in Guar seed and Guar gum keeping in view the recommendations of the Advisory Committee constituted by the Government, trend in prices for Guar seed and Guar gum, interest of farmers and on the basis of the ground situation. FMC has asked the concerned National Commodity Exchanges to conduct a ground level survey to ascertain the availability of Guar seed in the market to facilitate a considered decision in the matter.

(c) & (d) : Yes, Madam. FMC has received several representations from farmers and farmers' Associations for allowing the exchanges to launch the Guar seed and Guar gum contracts due to various reasons including inter-alia increase in acreage of Guar seed and transparent price discovery to farmers due to futures trading on the exchange platforms. FMC will take a decision in this matter after receipt of the ground level survey report from the commodity exchanges.