

hoarding black-marketing etc. of PDS commodities under Prevention of Black-Marketing and Maintenance of Supplies of Essential Commodities Act, 1980;

- (d) the cases detected/registered and their disposal;
- (e) in view of above, whether PDS has fulfilled people's aspirations; and
- (f) the steps taken to streamline PDS?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) to (d) There are 5.01 lakh TPDS outlets *i.e.* fair price shops in the country. During the last three years (2006, 2007 and 2008), State/UT Governments have reported arrests/prosecution of 15,553 persons under the provisions of Essential Commodities Act, 1955. Further detention orders in 442 cases were passed by the State Governments/UT Administrations during this period under provisions of the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.

(e) Implementation of Targeted Public Distribution System in the country since June, 1997 has ensured food security to the poor sections of the society *i.e.* BPL families. They have been provided with foodgrains and other essential commodities at highly subsidized prices.

- (f) Government has taken a series of measures to streamline TPDS by:
 - (i) improving functioning of TPDS through continuous review of lists of BPL and AAY families, door step delivery of foodgrains to fair price shops, timely availability of foodgrains at fair price shops and training of staff as well as vigilance committee members;
 - (ii) ensuring greater transparency in functioning of TPDS through display of lists of BPL and AAY families at fair price shops, display of allocated quantities on web sites, adoption and implementation of revised Citizens' Charter, monthly certification of delivery of foodgrains to fair price shops and their distribution to ration card holders and taking up publicity-cum-awareness campaign;
 - (iii) improved monitoring and vigilance at various levels and strict penal action against those involved in malpractices, including action against staff responsible for issuing ineligible ration cards and persons found in possession of such ration cards;
 - (iv) introduction of new technologies such as Computerization of TPDS operations at various levels, smart-card-based delivery of essential commodities, use of global positioning system on vehicles transporting TPDS commodities, bar coding of ration cards, etc. and
 - (v) getting periodical evaluation of the functioning of TPDS.

National Food Security Act

172. SHRI MOHD. ALI KHAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether Government plans to pass a National Food Security Act to give 25 kilogram of

rice or wheat to about 260 million people below poverty line or those who earn less than \$1 per day at just Rs. 3 per kilogram;

(b) if so, the details thereof; and

(c) by when such Act would be implemented in each State especially in Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) to (c) As per the President's Address to Parliament on 4th June, 2009, the Government proposes to enact National Food Security Act to provide for assured food security for all citizens and to make entitled, by law, every family below the poverty line in rural and urban areas to 25 kgs. of rice or wheat per month @ Rs. 3 per kg.

In order to frame the proposed law, Government has initiated necessary action. Different aspects of the proposed law are being examined in consultation with State Governments, various Central Ministries, experts and other stake holders.

Ban on future trading in sugar

173. SHRI MOHD. ALI KHAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government has taken a decision to ban future trading in sugar;

(b) if so, the details thereof; and

(c) how it would be beneficial to the consumers?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) and (b) Forward Markets Commission (FMC) which is the regulator for commodity futures trading under the provisions of Forward Contract (Regulation) Act, 1952 suspended futures trading in sugar on 26.5.2009 as a measure of abundant caution and directed the Exchanges that no new sugar contracts would be launched and suspended the permissions granted for yet-to-be launched contracts, till 31.12.2009. As regards the running contracts, the Exchanges were directed that no new position would be allowed to be taken and only squaring off of the existing positions would be allowed.

(c) Considering the concerns of the Government about the higher price expectations in sugar in the wake of the drastic fall in sugar production during 2008-09 by over 40% from the previous years and depleting stocks, FMC has taken the decision on futures trading as an abundant caution so that the perceived inflationary expectations are contained. The prices of the commodities are governed by the supply and demand factors. The futures market is a platform for price discovery and price risk hedging. Hence, futures trading in commodities play two important roles of price discovery and price risk management for various stakeholders. To the extent that the expectations of inflation are contained, the decision to suspension may benefit consumers.