

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government/ National Pharmaceutical Pricing Authority regularly monitors the movement of prices of medicines of mass consumption marketed in trade channel and takes corrective measures where the public interest is found to be adversely affected.

Amendments to ECA

211. SHRI VUAY J. DARDA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Essential Commodities Act (ECA) of 1955 has any relevance in 2004, as what was "Essential" in 1955 may not necessarily be essential in 2004;

(b) whether Government are thinking of scrapping the ECA and whether, in the wake of Common Minimum Programme of UPA Government, this will be possible;

(c) whether any study has been made to evolve modalities in the present scenario to effectively meet the objectives envisaged at the time ECA was enacted; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRITASLIMUDDIN): (a) The list of essential commodities has been reviewed from time to time in the light of changes in the economic situations and particularly with regard to their production and supply. The number of essential commodities which stood at 70 in 1989, has been brought down to 15 at present through such periodic reviews. To facilitate free trade and commerce in respect of the essential commodities, efforts are always made to delete as many commodities as possible from the purview of the Essential Commodities Act, 1955.

(b) No, Sir. Does not arise.

(c) and (d) The need to relax various controls on agricultural products including controls on inter-State movement of such products was

discussed in the Conference of Chief Ministers held on 21.5.2001 under the chairmanship of the Hon'ble Prime Minister and thereafter in the Standing Committee of some Union Ministers and Chief Ministers which was set up pursuant to the recommendations made in the Conference. The Standing Committee suggested that the Essential Commodities Act, 1955 may continue as an umbrella legislation for the Centre and the States, to be used when needed, but a progressive dismantling of controls and restrictions was also required. Accordingly various controls *viz.* licensing requirement, stock limits and movement restrictions etc. have been removed in respect of the specified foodstuffs in the context of liberalization of Indian economy and comfortable food situation in the country.

Subsequently, the Standing Committee of Secretaries constituted under the chairmanship of Cabinet Secretary to assist the Cabinet Committee on Economic Affairs (CCEA) and Cabinet Committee on Economic Reforms (CCER) considered a proposal to "Putting Essential Committee Act, 1955 into suspended animation to be revived by Gol notification only when and for the purposes and duration for which it is necessary" and "Remove all restrictions on inter-State movements of produce; emergency power may be retained for drought/natural calamities". In accordance with the advice tendered by Ministry of Law the Committee observed that the Act can not be put into suspended animation, but decided in its meeting held on 29th August, 2002 that regular reviews may be made to identify more commodities to be deleted from the list of essential commodities under the Act alongwith need to continue with the remaining controls and restrictions on their movement, stocking etc. As a result, three more commodities *viz.* (a) "Exercise Books", (b) "Insecticides, fungicides, weedicides and the like" and (c) "Onion", have been deleted from the list of essential commodities.

Infrastructure for FCI in W.B.

212. SHRI TARINI KANTA ROY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Chief Minister of West Bengal has requested Government to create necessary infrastructure, including storing place for F.C.I.; and

(b) if so, the action taken, so far, thereon?