

Manipulation of prices of farm produces

3892. SHRI RANJIB BISWAL: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether Government has issued instructions to the commodities futures regulator Forward Market Commission (FMC) to curb speculation and price manipulation in farm produces, particularly pulses and edible oils, keeping in view the high rise in the prices of pulses and edible oils in the country, if so, the details thereof;
- (b) the impact of such manipulation on prices of the said farm items; and
- (c) the corrective steps taken by Government in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI DANVE RAOSAHEB DADARAO): (a) to (c) The Forward Market Commission (FMC) has ceased to exist with effect from September 28, 2015 consequent to merger of FMC with Securities and Exchange Board of India (SEBI) in terms of the provisions of the Finance Act, 2015. SEBI is the regulator of commodity derivatives market with effect from September 28, 2015.

SEBI maintains constant vigil in the market and in case of any abnormality, takes appropriate action. In order to strengthen and maintain the integrity of the commodity derivatives market, SEBI has taken various measures and has prescribed specific norms in the areas of risk management, imposition of additional or/and special margins to contain high volatility in prices, position limits, daily price limits, governance of Exchanges, registration of brokers, arbitration mechanism, investor grievance redressal mechanism, etc. Exchanges have to comply with all such norms prescribed by SEBI within the specified timeframe, compliance of which is monitored by SEBI by way of periodic inspections. SEBI is also carrying out continuous monitoring and surveillance, under which, the commodity derivatives market is continuously kept under watch to ensure market integrity.

Payment to FCI to run procurement, storage and distribution network

3893. SHRI K.K. RAGESH: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Centre is fully paying the Food Corporation of India (FCI) the cost to run the massive foodgrain procurement, storage and distribution network;