

**Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs**

RAJYA SABHA

UNSTARRED QUESTION No.561

TO BE ANSWERED ON 05/02/2021

STORAGE OF FOODGRAINS BY PRIVATE COMPANIES

561. Shri Chh. Udayanraje Bhonsle: Ch. Sukhram Singh Yadav: Shri Vishambhar Prasad Nishad: Smt. Chhaya Verma

(OIH)

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

- (a) the permissible limit of storage of foodgrains by private companies as per the Essential Commodities (Amendment) Act, 2020;
- (b) whether Government is considering to put a stock control on this limit;
- (c) the legal options before Government in case certain companies buy out the foodgrains in the country on the basis of this Act and not releasing it at the time of necessity; and
- (d) the details thereof?

ANSWER

**THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI DANVE RAOSAHEB DADARAO)**

(a) & (b) : Any notification regarding the permissible limit for storage of foodgrains is issued only when stock limits are imposed on the foodgrains under the EC Act. The Essential Commodities (Amendment) Act, 2020 provides that any action on imposing stock limit shall be based on price rise i.e. (i) hundred per cent increase in the retail price of horticultural produce; or (ii) fifty per cent increase in the retail price of non-perishable agricultural foodstuffs; over the price prevailing immediately preceding twelve months, or average retail price of last five years, whichever is lower. The amendment provides that such order shall not be applicable to a processor or value chain participant of any agricultural produce, if the stock limit of such person does not exceed the overall ceiling of installed capacity of processing or the demand for export in case of an exporter.

(c) & (d) : State Governments as well as Central Government continue to exercise powers under the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 which provides for detention in such cases for the purpose of prevention of black-marketing and maintenance of supplies of essential commodities.
