

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

UNSTARRED QUESTION NO:3611
ANSWERED ON:10.09.2007
TURNOVER IN COMMODITY EXCHANGES
Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita

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

- (a) whether turnover in the commodity exchanges have fallen during the current fiscal;
- (b) if so, the details thereof and reasons therefor;
- (c) whether futures market trading has also shown downtrend in the recent months;
- (d) if so, the details thereof and reasons therefor; and
- (e) the corrective steps proposed to be taken to streamline the commodity and futures market?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI TASLIMUDDIN)

- (a) & (b): Yes Sir. The value of trading in the current financial year(April, 2007 to July, 2007) at Rs. 11.8 lakh crores is lower than the value of trade during the corresponding period last year, which was Rs. 12.6 lakh crores. The reasons for decline in trading volume is delisting of some agricultural commodities, namely, wheat, rice, urad and tur.
- (c) & (d): The value of trading in July 2007 (Rs. 2.82 lakh crores) is marginally lower than the value of trading in June, 2007 (2.83 lakh crores). The fall in the value of trading has been marginal and no specific reasons can be attributed to it.
- (e) : The Government has introduced the Forward Contracts (Regulation) Amendment Bill, 2006 in the Parliament on 21.3.2006 which inter alia seeks to restructure and strengthen the Forward Markets Commission (FMC) in order to enable it to regulate the commodity futures market more effectively. FMC in association with Exchanges has also initiated various programmes to generate awareness amongst stakeholders and disseminate futures price on real basis to farmers and other stakeholders.