

Bill Summary

The Essential Commodities (Maharashtra Amendment) Bill, 2021

- The Essential Commodities (Maharashtra Amendment) Bill, 2021 was introduced in the Maharashtra Assembly on July 6, 2021. The Bill amends the Essential Commodities Act, 1955, in its application to the state of Maharashtra.
- **Production, supply and distribution of essential commodities:** The central Act allows the central government to regulate the supply of certain food items (as may be notified), including cereals, pulses, and onion, only under extraordinary circumstances. These circumstances include (i) war, (ii) famine, (iii) extraordinary price rise, and (iv) natural calamity of grave nature. Further, stock limits may be imposed by the central government only if there is: (i) a 100% increase in the retail price in case of horticultural produce, or (ii) a 50% increase in the retail price in case of non-perishable agricultural food items. The increase will be calculated over the price prevailing a year ago or the average retail price of the last five years, whichever is lower.
- The Bill adds that the state government may: (i) regulate or prohibit the production, supply, and distribution, and (ii) impose stock limits under extraordinary circumstances, which may include famine, price rise, and natural calamity.

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