

**THE ESSENTIAL COMMODITIES (SPECIAL  
PROVISIONS AND RAJASTHAN AMENDMENT)  
BILL, 2020**

(To be introduced in the Rajasthan Legislative Assembly)

*A*

*Bill*

*further to amend and add special provisions in the Essential Commodities Act, 1955 and the Essential Commodities (Amendment) Act, 2020, in their application to the State of Rajasthan, with a view to protect consumers from hoarding and black-marketing of agricultural produce and to secure and protect the interests and livelihood of farmers and farm labourers as also all others engaged in agriculture and related activities.*

Be it enacted by the Rajasthan State Legislature in the Seventy-first Year of the Republic of India, as follows:-

**1. Short title, extent and commencement.-** (1) This Act may be called the Essential Commodities (Special Provisions and Rajasthan Amendment) Act, 2020.

(2) It shall extend to the whole of the State of Rajasthan.

(3) It shall come into force on such date, as the State Government may, by notification in the Official Gazette, appoint.

**2. Definitions.-** (1) In this Act, unless the context otherwise requires,-

(a) “prescribed” means prescribed by rules made under this Act; and

(b) “State Government” means the State Government of Rajasthan.

(2) Words and expressions used but not defined in this Act but defined in the Essential Commodities Act, 1955 (Central Act No. 10 of 1955), in its application to the State of Rajasthan, shall have the same meaning as assigned to them in that Act.

**3. Amendment of section 1, Central Act No. 22 of 2020.-** For the existing sub-section (2) of section 1 of the Essential Commodities (Amendment) Act, 2020 (Central Act No. 22 of 2020), the following shall be substituted, namely:-

“(2) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.”

**4. Amendment of section 3, Central Act No. 10 of 1955.-**

After the existing second proviso to sub-section (1A) of section 3 of the Essential Commodities Act, 1955, the following shall be added, namely:-

“Provided also that the State Government, shall also have the power to order for regulating or prohibiting the production, supply, distribution, imposing stock limits under extraordinary circumstances, which may include famine, price rise, natural calamity or any other situation.”

**5. Power of State Government to give directions.-** The State Government may, from time to time, issue such directions to the authorities as it may deem fit, for giving effect to the provisions of this Act and it shall be the duty of all the authorities to comply with such directions.

**6. Overriding effect.-** The provisions of this Act shall have overriding effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law other than this Act.

**7. Power to make rules.-** (1) The State Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) Every Rule made by the State Government under this Act shall be laid before the House of the State Legislature as soon as may be after it is made, while it is in the session. The Legislature may make any modification in any rule or annul any rule and the rule shall thereafter have the effect only in such modified form or be of no effect as the case may be so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

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## STATEMENT OF OBJECTS AND REASONS

The Parliament has passed the Essential Commodities (Amendment) Act, 2020 (Central Act No. 22 of 2020) On 27<sup>th</sup> September 2020 by inserting a new sub-section (1A) in section 3 of the Essential Commodities Act, 1955 (Central Act No. 10 of 1955). Section 3 of the Central Act No. 10 of 1955 empowers the Central Government to control production, supply and distribution of Essential Commodities. Newly inserted sub-section (1A) broadly provides that Central Government may regulate the supply of food stuff under extra ordinary circumstances and stock limit of agricultural produce subject certain conditions.

'Production, Supply and Distribution of Goods' is a state subject under entry 27 of List II-State List read with entry 33 of List III - Concurrent List given in the Seventh Schedule to the Constitution of India. Therefore the onus lies upon the State Government to protect consumers from hoarding and black-marketing of agricultural produce including vegetables, fruits, etc., and also to take action against those indulging in such activities but the newly inserted sub-section (1A) of section 3 of the Central Act, 1955 seeks to give unlimited power of stocking essential commodities and trading in them to the peril of the agricultural community and consumers but does not allow the State Government to act against and penalize hoarders and black-marketers.

The State Government is of the considered view that certain provisions should be made in the Essential Commodities Act, 1955, in its application to the State of Rajasthan, to empower the State Government to regulate the production, supply, distribution and stock limits under extraordinary circumstances.

Accordingly, the Essential Commodities Act, 1955, in its application to State of Rajasthan, is proposed to be amended suitably by the Essential Commodities (Special Provisions and Rajasthan Amendment) Bill, 2020.

The Bill seeks to achieve the aforesaid objectives.

Hence the Bill.

अशोक गहलोत,  
**Minister Incharge.**

**EXTRACTS TAKEN FROM THE ESSENTIAL  
COMMODITIES (AMENDMENT) ACT, 2020**

**(Central Act No. 22 of 2020)**

XX                      XX                      XX                      XX                      XX

**1. Short title and commencement.-** (1) xx      xx      xx

(2) It shall be deemed to have come into force on the 5th day of June, 2020.

XX                      XX                      XX                      XX                      XX

**EXTRACTS TAKEN FROM THE ESSENTIAL  
COMMODITIES ACT, 1955**

**(Central Act No. 10 of 1955)**

XX                      XX                      XX                      XX                      XX

**3. Powers to control production, supply, distribution, etc., of essential commodities.-** (1) xx      xx      xx      xx

(1A) Notwithstanding anything contained in subsection (1),-

(a) the supply of such foodstuffs, including cereals, pulses, potato, onions, edible oilseeds and oils, as the Central Government may, by notification in the Official Gazette, specify, may be regulated only under extraordinary circumstances which may include war, famine, extraordinary price rise and natural calamity of grave nature;

(b) any action on imposing stock limit shall be based on price rise and an order for regulating stock limit of any agricultural produce may be issued under this Act only if there is-

(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:

Provided that such order for regulating stock limit shall not apply 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:

Provided further that nothing contained in this sub-section shall apply to any order, relating to the Public Distribution System or the Targeted Public Distribution System, made by the Government under this Act or under any other law for the time being in force.

**Explanation.-** The expression "value chain participant", in relation to any agricultural product, means and includes a set of participants, from production of any agricultural produce in the field to final consumption, involving processing, packaging, storage, transport and distribution, where at each stage value is added to the product.

	(2) to (6)	xx	xx	xx	xx
XX	XX	XX	XX	XX	XX

**Bill No. 32 of 2020**

**THE ESSENTIAL COMMODITIES (SPECIAL  
PROVISIONS AND RAJASTHAN AMENDMENT)  
BILL, 2020**

**(To be introduced in the Rajasthan Legislative Assembly)**

**RAJASTHAN LEGISLATIVE ASSEMBLY**

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*A*

*Bill*

*further to amend and add special provisions in the Essential Commodities Act, 1955 and the Essential Commodities (Amendment) Act, 2020, in their application to the State of Rajasthan, with a view to protect consumers from hoarding and black-marketing of agricultural produce and to secure and protect the interests and livelihood of farmers and farm labourers as also all others engaged in agriculture and related activities.*

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**(To be introduced in the Rajasthan Legislative Assembly)**

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**Pramil kumar Mathur,  
Secretary.**

**(Ashok Gehlot, Minister-Incharge)**

**2020 का विधेयक सं. 32**

**आवश्यक वस्तु (विशेष उपबंध और राजस्थान संशोधन) विधेयक, 2020**



प्रमिल कुमार माथुर,  
सचिव।

(अशोक गहलोट, प्रभारी मंत्री)