MHA writes to States to ensure availability of essential goods, by invoking provisions of the Essential Commodities (EC) Act 1955, under Lockdown to fight COVID-19

New Delhi, April 8, 2020

As part of maintaining smooth supply of essential items in the country, Union Home Secretary, Shri Ajay Kumar Bhalla has written to all State Chief Secretaries to take urgent steps to ensure availability of essential goods, by invoking provisions of the Essential Commodities (EC) Act 1955. These measures include fixing of stock limits, capping of prices, enhancing production, inspection of accounts of dealers and other such actions.

There have been reports of loss of production due to various factors, especially reduction in labour supply. In this situation, there is a possibility of inventory building/hoarding and black marketing, profiteering, and speculative trading, resulting in price rise of essential goods. The States have been asked to take urgent steps to ensure availability of these commodities at fair prices for public at large.

Earlier, the Ministry of Home Affairs (MHA), with its orders under the Disaster Management Act, has allowed manufacture/production, transport and other related supply-chain activities in respect of essential goods like foodstuff, medicines and medical equipment.

Further, Ministry of Consumer Affairs, Food & Public Distribution, Government of India, is authorizing States/Union Territories to notify orders under the EC Act, 1955 by relaxing the requirement of prior concurrence of the Central Government up to June 30, 2020.

Offences under EC Act are criminal offences and may result in imprisonment of 7 years or fine or both. State/Union Territory Governments may also consider detention of offenders under the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.

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VG/SNC/VM