

Centre asks states to remove taxes on essential food items

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Government has asked the states to remove all local taxes on essential food items, like pulses and edible oils, among other steps to ensure supplies at affordable prices. (Reuters)

Government has asked the states to remove all local taxes on essential food items, like pulses and edible oils, among other steps to ensure supplies at affordable prices. “In order to ensure adequate availability of pulses, edible oils and other essential food items at reasonable prices, the Center has urged the States to remove all local taxes on essential food items,” Ministry of Consumer Affairs, Food and Public Distribution said in a statement. According to statement, in a letter written to Chief Secretaries of the states, Consumer Affairs Secretary Hem Pande asked the states to take up the market intervention on a real time basis and to review APMC Acts on priority to delist pulses and other essential food items so that farmers can sell their produce at any place of their choice, minimising stages of supply chain from farm gate to ultimate consumers.

The ministry said it will ensure reasonable prices for consumers and also fetch better prices for farmers. The Consumer Affairs Secretary has invited states' attention towards the action plan adopted for this purpose in the States Food Ministers meeting held in May this year. States have also been requested to consider a pricing policy for pulses and such other essential food items under Section 3(2) (c) of the Essential Commodities Act and to make it enforceable for all the stake holders to cap the prices of essential commodities. The Secretary has also asked the states to implement the Price Stabilisation Fund Scheme for market intervention to enhance availability and check prices of essential.

For successful functioning of the scheme, adequate and timely lifting of pulses from buffer stock is a pre-requisite besides strengthening storage facilities for pulses, vegetables edible oils seeds, Onions, he has said. States have also been requested to keep a close watch on hoarding and black marketing of essential commodities in view of coming festival season. Besides regular raids, strict action should be taken against the habitual violators and speculators under the EC Act and PBMMSEC Act which provides for preventive detention up to six months.

It said states may also consider creation of a dedicated Force under the Essential Commodities Act, on the lines of Tamil Nadu Civil Supplies Crime Investigation Department, for effective operations against hoarders, blackmarketeers, profiteers and unscrupulous traders or speculators of essential commodities.

States have been asked to create a robust Information Management System of prices, production, availability, unscrupulous trading, hoarding, black marketing and to strengthen the Price Monitoring Cells to have the ground zero information available on daily basis and sharing it with all the enforcement agencies of Union and state Governments.

A monthly report on enforcement actions under the EC Act & Prevention of Black Marketing & Maintenance of Supplies of Essential Commodities Act is mandatory to ensure regular review of the same at highest level and to make public the Action Taken Report of States regularly on the website of Department of Consumer affairs, it added.

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