

# THE HINDU BusinessLine

## Remove local taxes on food items, Centre tells States

Our Bureau

*Calls for a close watch on hoarding, black marketing of essential commodities*

New Delhi, July 24:

The Central government has urged the State governments to remove all local taxes on essential food items to ensure adequate availability of pulses, edible oils and other essential food items at a reasonable price.

The Ministry of Consumer Affairs, Food & Public Distribution said in a statement on Sunday that Hem Pande, Secretary, Department of Consumer Affairs, has written to the chief secretaries of the States for the same.

According to the statement, Pande has asked States to take up the market intervention on a real time basis.

The Secretary has also urged the States to review the Agricultural Produce Market Committee Acts on a priority basis to delist pulses and other essential food items to ensure farmers can sell the produce at any place of their choice, minimising stages of supply chain from farm gate to the ultimate consumer.

"It will ensure reasonable price for consumers and also fetch better prices for farmers. The Consumers Affairs Secretary has invited States' attention towards the action plan adopted for this purpose in the State food ministers' meeting held in May," the statement said.

The States have also been urged to consider a pricing policy for pulses and other such essential food items under the Essential Commodities Act to make it enforceable and cap their prices.

"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," the statement said.

"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 and onions," the statement added.

In his letter, Pande also requested the States to keep a close watch on hoarding and black marketing of essential commodities in view of the coming festival season.

States must create a robust information management system of prices, production and availability to check unscrupulous trading, hoarding and black marketing. States must strengthen Price Monitoring Cells to have the ground zero information available on a daily basis which could then be shared with enforcement agencies of the Central and State governments.

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