

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

RAJYA SABHA
UNSTARRED QUESTION NO.2318
TO BE ANSWERED ON 5TH AUGUST, 2022

UNIFORMITY ON MANDI DUTY

2318 # SHRI BRIJLAL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether Government has advised to bring uniformity in the provision of the Mandi duty on foodgrains business;
- (b) if so, the details thereof and the reaction of the various States including the State of Uttar Pradesh thereon;
- (c) the measures taken by Government to evade the impact of lack of uniformity in the provisions of the market duty on food processing; and
- (d) the manner in which the farmers would be benefited by bringing uniformity in the provisions of the market tax?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)

(a) to (d): Department of Food and Public Distribution undertakes season-wise procurement of foodgrains from farmers on Minimum Support Price. The procurement is done through Food Corporation of India (FCI) and State procurement agencies. Admissible amount of Provisional Food Subsidy is released to States as per the Provisional Cost Sheet (PCS) for various Activities/incidentals including procurement, statutory charges including Mandi Fee/Market Fee, storage, transportation Milling, Interest, Mandi Labour, Gunny/HDPE Bags etc. The rates of activities/incidentals are allowed in PCS as per the extant Principles.

Mandi/Market fee is levied by the State Governments on procurement of foodgrains in Mandi. Presently, as different States are charging different rates, they have been requested on 29.06.2022 to rationalize the same. States have been requested to utilize funds collected by States through Mandi Fee/Market Fee by them for improving infrastructure and facilities to augment the quality of procurement centres which ultimately benefits the farmers also.