

**Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs**

**LOK SABHA
UNSTARRED QUESTION NO.2229
TO BE ANSWERED ON 29.11.2016**

TAXES ON ESSENTIAL ITEMS

2229. SHRI AJAY MISRA TENI:
(OIH)

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government has asked State Governments to exempt local taxes on essential food items, pulses and edible oils and exclude these from APMC to provide these items at reasonable prices to consumers and if so, the details thereof;
- (b) whether the Government has expected the State Governments to exclude pulses, edible oils and other essential commodities from Agriculture Produce Marketing Committee (APMC) Act by interfering in the food items market and reviewing Agricultural Produce Marketing Committee Act and if so, the details thereof;
- (c) whether the availability of essential commodities would be ensured at fair prices to consumers along with profit to farmers with facility of selling these produce anywhere and if so, the details thereof?

ANSWER

**उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री सी आर चौधरी)**

**THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)**

(a) & (b) : In order to reduce the price gap between producers and consumers through reduction in intermediation of supply chain, create alternative marketing channels and promote investment on development of marketing infrastructure with private sector participation, States have been asked to deregulate marketing of fruits and vegetables outside the Agricultural Produce Market Committee (APMC) yards.

So far, 14 States have deregulated fruits and vegetables from APMC Acts, though in different models. Statement containing the State-wise details is at **Annexure**.

(c) : Yes Madam. Since, the measure is intended to reduce supply chain and create competition in marketing of fruits and vegetables, therefore, it has inherent potential to make available these food items to consumers' at reasonable prices along with to enhance farmers' profit with their open choice of selling to anybody, anywhere, wherever get the better prices.

STATEMENT REFERRED IN REPLY TO PARTS (a) & (b) OF LOK SABHA UNSTARRED QUESTION NO.2229 FOR 29.11.2016 REGARDING TAXES ON ESSENTIAL ITEMS.

Statement containing Status of de-notification of fruits and vegetables

1. **Madhya Pradesh** –State by amendment of the Principal Act, agriculture produce notified in Part VII & VIII of the Schedule (fruits and vegetables) , except banana, which is purchased or sold outside the notified market yard, has put outside the ambit of market regulations.
2. **Nagaland** – State has exempted collection of market fee on all horticultural commodities.
3. **Karnataka** – State has provided that no market fee is leviable on flowers, fruits and vegetables. Instead, the Market Committee may collect user charges in respect of above articles.
4. **Assam**- State has cancelled fruits and vegetables from the relevant Schedule of the Act.
5. **Himachal Pradesh** - State has exempted mandi fee on all fruits and vegetables except Apple. Instead, service charge imposed.
6. **Haryana** – State has reduced market fees on all fruits and vegetables to 0%.
7. **Delhi** – U.T. has ceased the regulation of fruits and vegetables outside redefined market yard/ sub-yard area of APMC, MNI, Azadpur, APMC, Keshopur and APMC Shahdara.
8. **Meghalaya** – State has amended schedule to the Act and omitted fruits and vegetables (except Potato) from its Schedule.
9. **West Bengal** – State has exempted the market fee on fruits & vegetables.
10. **Odisha** – State has excluded the agricultural produce, namely, fruits and vegetables in relation to the market areas of all Regulated Market Committees (RMCs) in the State.
11. **Rajasthan** - State has exempted the market fee on fruits & vegetables. Instead, State has imposed user charge on fruits and vegetables.
12. **Chhattisgarh** – State has exempted the market fee on fruits & vegetables.
13. **Gujarat** – State has exempted the market fee on fruits & vegetables. Instead, State has imposed user charge on fruits and vegetables.
14. **Maharashtra** - State through promulgation of an ordinance provided that marketing of Fruits and Vegetables and condiments, spices and others (ginger, garlic, coriander and chillies) by any person outside the market, shall not require any license or permission. Marketing of above agricultural produces shall not be regulated by Market Committee.