

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1615

ANSWERED ON:06.03.2006

AGRICULTURAL PRODUCE CESS ACT, 1940 AND PRODUCE CESS ACT, 1966

Rao Shri Devarakonda Vittal

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government had decided to repeal the Agricultural Produce Cess Act, 1940 and the Produce Cess Act, 1966 so as to remove the cess on export of agricultural products and make them more competitive in the global market;

(b) if so, the details thereof;

(c) whether the farm incomes have augmented with these decisions; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a) to (d): Increase in exports of agricultural products helps augment farm incomes. Imposition of cess on exports reduces the competitiveness of agricultural exports. Thus, the Government has decided to repeal The Agriculture Produce Cess Act, 1940 and The Produce Cess Act, 1966.