

## JMM, BJP demand rollback of VAT on food grains

The Jharkhand Mukti Morcha (JMM) and the Bharatiya Janata Party (BJP) have demanded the rollback of four per cent Value Added Tax (VAT) imposed on food grains in Jharkhand, which has led to the rise in prices of rice and wheat.

A JMM delegation, led by former deputy chief minister Sudhir Mahto, Monday met Governor Syed Sibte Razi and handed over a memorandum seeking withdrawal of VAT on food grains.

'We have requested the governor to immediately withdraw VAT imposed on food grains. The imposition of VAT would compound problem of poor people of the state,' Mahto told reporters after the meeting.

The four per cent VAT was imposed on food grains from April 1 in principle and implemented from June 1, leading to prices of the food grains increasing between Rs.2 and Rs.10 per kg. Traders say that Jharkhand is the first state in India where VAT has been imposed on food grains.

Jharkhand traders had kept their shops closed June 5 to protest the decision and given the government a week's time to rollback the tax otherwise they would intensify their agitation after June 13.

The BJP has also criticised the decision and is supporting the traders.

'The VAT will have an adverse impact on both traders and poor people. Under President's rule, people of the state are subjected to many kind of problems. How can VAT be imposed on food grains in a state where nearly 60 per cent people are Below Poverty Line (BPL),' BJP's state unit chief Raghubar Das told IANS, adding the party has decided to launch agitation on the issue.

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