

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:5061
ANSWERED ON:29.04.2008
REIMBURSEMENT OF STATE LEVIES TO EXPORTERS
Saradgi Shri Iqbal Ahmed

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government proposes to devise a mechanism in which State Governments could reimburse State level levies to exporters;
- (b) if so, whether State level input duties paid by exporters, octroi, mandi tax, sales tax on petroleum products, electricity tax, municipal cess, etc. are likely to be refunded; and
- (c) if so, the extent to which the Ministry of Commerce and Industry has agreed to refund State levies to exporters?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) to (c): Government is committed to the fact that goods and services are exported and not the levies and taxes. Hoda Committee constituted for suggesting an alternative to DEPB scheme and formulation of a new scheme for reimbursement of State level indirect taxes/levies etc., submitted its report in 2007. No final decision has so far been taken in the matter.