

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1754
ANSWERED ON:19.11.2010
REIMBURSEMENT OF ADDITIONAL VAT TO FERTILIZER PRODUCER
Jardosh Smt. Darshana Vikram

Will the Minister of FINANCE be pleased to state:

(a) whether proposals to reimburse Additional Value Added Tax (VAT) levied by State Governments to fertilizer producers have been submitted by the Ministry of Chemicals and Fertilizers; and

(b) if so, the details thereof and response of the Ministry thereto?

Answer

Minister of State in Ministry of Finance(SHRI NAMO NARAIN MEENA)

(a) & (b) A proposal to allow Urea manufacturing companies to recover the incidence of non-reimbursable State levies under subsidy regime, from entire sale of subsidized Urea within that State in the form of additional cost over and above the MRP has been circulated by Department of Fertilizers for Inter Ministerial consultations.