

[English]

**Fertiliser Subsidy to Manufacturers  
and Farmers**

1395. SHRI SOBHANADREESWARA RAO VADDE: Will the PRIME MINISTER be pleased to state the proportion of fertilizer subsidy given to the manufacturers and farmers under retention price formula during last two years?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. CHINTA MOHAN): Under the Retention Price-cum-Subsidy Scheme, the fertilizer subsidy is given direct to the manufacturers and not to the farmers. Fertilizer subsidy given to the indigenous manufacturers under the scheme during the last two years i.e. 1989-90 and 1990-91 is Rs. 3771.00 crores and Rs. 3729.73 crores, respectively.

[Translation]

**Abolition of Octroi**

1396. SHRI RAMKRISHNA  
KUSMARIA:  
SHRI PRABHU DAYAL  
KATHERIA:  
SHRI SANTOSH MUKAR  
GANGWAR:  
SHRI BALRAJ PASSI:

Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the Government are considering to abolish octroi;

(b) if so, the details thereof;

(c) the names of the states where octroi has been abolished so far;

(d) whether Government propose to

compensate these States by providing grants to them;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI M. ARUNACHALAM):- (a) and (b). The levy of tax on entry of goods into a local area for consumption, use or sale therein falls at Entry 52 of State List of the 7th Schedule of the Constitution of India. In view of this, it is for the States to look into the question of abolition of octroi as the subject falls in the State List. However, the question of octroi was considered by a Committee constituted by this Ministry in pursuance to a Resolution passed in one of the meetings of the Central Council for Local Government and Urban Development. The Committee in its report recommended for partial abolition of octroi. A copy of the report has been circulated to all the concerned State Governments/U.T. Administrations for taking necessary action.

(c) Based on the information received from the State Governments, a list of States/UTs where Octroi is not being levied is given in the Statement attached.

(d) The levy of Octroi falls within the State List. So the question of financial assistance by Govt. of India as compensation to the State where the Octroi has been abolished do not arise

(e) and (f). In view of reply to (d) above, the question does not arise.

**STATEMENT**

*The List of State Governments/UTs,  
Where Octroi is not Levied*

1. Andhra Pradesh