

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 328+
TO BE ANSWERED ON :18.7.2017

TAX ON FERTILIZERS

328+. SHRI LALLU SINGH:

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) whether there is any proposal to charge 28% tax on the fertilizers under the new GST regime in the country;
- (b) if so, the facts in this regard;
- (c) whether the fertilizer manufacturers have given any indication regarding rise in the prices of fertilizers due to increase in the taxes; and
- (d) if so, the details thereof and the percentage rise in the prices of fertilizers under the new taxation system?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT & HIGHWAYS,
SHIPPING AND CHEMICALS & FERTILIZERS

(SHRI MANSUKH L. MANDAVIYA)

(a) & (b): No, Madam. The GST Council on 30th June, 2017 decided to reduce the GST rate of fertilizers from 12% to 5%.

(c) & (d): After the implementation of GST w.e.f. 01st July, 2017, the all India weighted average MRP of urea will decrease by 71 paise per urea bag. In respect of P&K fertilizers also, the prices post GST is expected to reduce in majority of the states.
