

(b) Does not arise in view of reply to part (a) above.

(c) Yes, Sir.

(d) The Government has taken various steps in this direction under a multi-pronged strategy which includes creating an appropriate legislative framework; setting up institutions to deal with illicit funds; developing systems for implementation; imparting skills to the manpower for effective action; and joining the Global crusade against black money. Various legislative measures have also taken by the Finance Act, 2012 in this regard which include reporting of assets (including bank accounts) held outside the country; reopening of assessments upto 16 years for taxing undisclosed assets (including bank accounts) kept outside the country; strengthening of penal provisions in respect of search cases; expansion of the ambit of tax collection at source (TCS) to cover certain more vulnerable items/sectors; India has been renegotiating its Double Taxation Avoidance Agreements (DTAAs) with other countries to bring the Article on Exchange of Information to International standards, and has also been expanding its treaty network by signing new DTAAs with many other countries and by entering into Tax Information Exchange Agreements (TIEAs) with many tax jurisdictions in its effort to facilitate the exchange of information and to bring in tax transparency. It has also become a member of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters in 2012. These steps have equipped the Government better in tackling the menace of black money.

Refund of additional State tax collected from fertilizer units

189. SHRI MANSUKH L. MANDAVIYA:

SHRI BHARATSINH PRABHATSINH PARMAR:

SHRI PARSHOTTAM KHODABHAI RUPALA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government has conducted any study about financial implications on the matter of backlog arrears of additional State tax which is not paid to fertilizer units either by Central Government or State Governments resulting in huge financial loss to fertilizer units;

(b) as on date, the details of further action taken in this regard, as State Governments never refund the already collected State taxes; and

(c) whether the Central Government intends to provide one time financial grant to settle this issue and if so, by when Central Government intends to resolve this long pending issue?

THE MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The Government does not favour the proposal to recover past period losses of the Urea manufacturers from the prospective sales, as it would mean that any purchase of Urea by a Farmer after implementation of the scheme would attract *Additional Cost due to Non-recognised Input Taxation* (ACNT) for his purchase, plus an additional ACNT for the losses suffered by the manufacturer for the period October 01, 2006 to March 31, 2011. That would tantamount to making a farmer buying Urea now to partially pay for someone else who bought it earlier.

No further action is contemplated by Government of India in view of the position as stated above. It is for the State Governments concerned to examine the issue and take necessary action, as deemed fit.

(c) No sir. Allowing Central Grant for the purpose will effectively mean transferring Central Government funds to State Government, and might lead to more such instances of State Governments levying taxes and seeking Gol support to protect the end consumers.

Irregularities in Agriculture Debt Waiver Scheme, 2008

190. SHRI PRABHAT JHA:

SHRIMATI KUSUM RAI:

SHRI ARVIND KUMAR SINGH:

SHRI ALOK TIWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether large scale irregularities have been reported in Agricultural Debt Waiver Scheme, 2008;

(b) if so, the details thereof;

(c) whether debts of ineligible farmers having land more than 2 hectares have also been waived off;