

(c) whether Government's attention has been drawn to a Press Report appearing in *Statesman* dated the 13th June, 1980 on page 4 by Agriculture Minister, U.P.; and

(d) if so, the decision of Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI R. V. SWAMINATHAN): (a) No, Sir. A price of Rs. 125 per quintal for paddy, jowar, bajra and maize was suggested by the representatives of Uttar Pradesh Government during discussions with the A.P.C. held on 15th April, 1980.

(b) Yes, Sir.

(c) Yes, Sir.

(d) The Government will take a decision soon after discussions with the State Governments

Effect of Price Rise of Fertiliser

4896. SHRI D. P. JADEJA;
SHRI M. V. CHANDRA-SHEKHARA MURTHY;
SHRI P. M. SAYEED;
SHRI GHULAM RASOOL
KOCHACK:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the increase in petrol and its products had any effect on fertiliser prices;

(b) if so, by how much;

(c) whether any State has represented to the Centre that farmers will be hit hard due to this rise; and

(d) if so, the names of the State and the steps taken by Government to control the prices of fertilizer for the safeguard of the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI R. V. SWAMINATHAN): (a) and (b). Yes, Sir. As a result of increase in the

prices of petroleum products, the cost of indigenous and imported fertilisers has gone up. For example, as a result of the recent increase in the price of Naphtha alone, the cost of production of indigenous Urea using Naphtha as its feed stock has gone up by Rs. 285 per tonne on an average. However, the magnitude of the impact will differ from plant to plant depending on the rate of consumption of Naphtha or similar fossil fuel based feed stocks in individual plants.

(c) and (d). The Government of Uttar Pradesh have expressed apprehension that the recent increase might affect the consumption of fertilisers. However, in order to reduce the impact of increase in the prices of fertilisers, the Government have taken the following steps:—

(i) the subsidy on fertilisers at present available to Small and Marginal Farmers in areas affected by drought shall be continued during the current financial year.

(ii) Fertilisers will be supplied at fixed Pool price to the selling agencies upto Block Headquarters, instead of at rail heads. This would ensure easier and more even availability in the interior areas.

(iii) The Agricultural Prices Commission have been requested to consider suitable increase in support/procurement prices of crops beginning from Kharif, 1980 to compensate the farmers for the increased cost on fertilisers.

(iv) The Reserve Bank of India have been requested to ensure availability of adequate credit to farmers.

The maximum retail selling prices of most of the fertilisers are statutorily controlled and any sale at prices higher than those fixed by the Government constitutes an offence under the Essential Commodities Act. The State Governments have powers to take appropriate action.