

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

STARRED QUESTION NO:42
ANSWERED ON:25.02.2010
PRICES OF CHEMICAL OF FERTILIZERS
Dashmuni Deepa ;Singh Shri Ijyaraj

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

- (a) whether the Government proposes to set up a differential price mechanism in fertilizers for the benefit of the small and marginal farmers;
- (b) if so, the details thereof and if not, the reasons thereof;
- (c) whether any mechanism exists to review the prices of the subsidized fertilizers on a continuous basis;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to provide relief to the small and marginal farmers in the country in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (e) A statement is laid on the Table of the House.

Statement referred to in reply to para (a) to (e) of Lok Sabha Starred Question No. 42 to be answered on 25-02-2010 regarding prices of chemical fertilizers.

To ensure adequate availability of fertilizers to farmers, including small and marginal farmers, at affordable prices, fertilizers subsidy is transferred to the farmers in the form of Maximum Retail Prices (MRPs) fixed by the Government which are much lower than the delivered cost of the subsidized fertilizers at farm gate level.

The prices of chemical fertilizers in the country are same for all farmers including the small and marginal farmers. The prices of the subsidized fertilizers have been kept constant since February 2002 rather has been reduced for complex fertilizers with effect from 18th June 2008, for the benefits of farmers. The difference between the notified selling price of the fertilizers and the normative delivered cost of subsidized fertilizers at farm gate level is paid to manufacturers/importers as subsidy by the Government. However, there is no proposal to set up a differential price mechanism in fertilizer for the benefits of the small and marginal farmers.