

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

STARRED QUESTION NO:338  
ANSWERED ON:02.12.2010  
FORTIFIED FERTILIZERS  
Rao Shri Nama Nageswara

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

- (a) whether the Government has approved a policy for encouraging production and availability of fortified fertilizers;
- (b) if so, the details thereof;
- (c) the details of the incentives which are likely to be provided to attract public and private investment in this sector;
- (d) whether the Government also proposes to make available fortified fertilizers to farmers at subsidized rates; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF 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 PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 338 TO BE ANSWERED ON 2.12.2010 REGARDING FORTIFIED FERTILIZES ASKED BY SHRI NAMA NAGESWARA RAO.

In the context of the Nation's food security, the declining response of agricultural productivity to increased fertilizer usage in the Country and to ensure the balanced application of fertilizers, Government of India has introduced Nutrient Based Subsidy Policy in continuation of the erstwhile Concession Scheme for decontrolled P & K fertilizers with effect from 1.4.2010 (with effect from 1.5.2010 for Single Super Phosphate (SSP)). As per this policy, Phosphatic & Potassic fertilizers i.e. Di Ammonium Phosphate (DAP), Muriate of Potash (MOP), 13 grades of NPK complexes, Mono Ammonium Phosphate (MAP), Triple Super Phosphate (TSP), Ammonium Sulphate (AS) and Single Super Phosphate (SSP) are provided to the farmers at the subsidized rates. Accordingly, the farmers have to pay only 25-40% approximately of the actual cost of these fertilizers. The Government is providing subsidy on Sulphur contained in the NPKS complex fertilizers with effect from 1.4.2008 and SSP w.e.f. 1.5.2010. Further, any variant of the fertilizers mentioned above with secondary and micronutrients, as provided for under the Fertilizer (Control) Order, 1985, is also eligible for subsidy. The secondary and micro-nutrients in such fertilizers attracts a separate per tonne subsidy to encourage their application along with primary nutrients. Accordingly, the Government has provided per MT additional subsidy for fortified fertilizers including Boronated SSP with secondary and micro-nutrients as per FCO as follows:

Sl. No.	Nutrients for fortification	Additional subsidy per as per FCO	MT of fortified fertilizers (Rs.)
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1. Boron `Bn` 300
2. Zinc `Zn` 500

The manufacturers of Urea have been allowed to charge 5% and 10% over and above the statutorily fixed MRP on Neem-coated and zincated urea respectively. The Phosphatic & Potassic fertilizers are decontrolled. Accordingly, keeping in view the various parameters of the Nutrient Based Subsidy Policy, inter-alia, for fortified fertilizers, the entrepreneurs in the fertilizer sectors take their decision to produce and import the fortified fertilizers and sell in the deregulated market.