

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

UNSTARRED QUESTION NO:3862
ANSWERED ON:02.12.2010
SHORTAGE OF FERTILIZERS
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Union Government has received any representation from the various State Governments regarding the shortage and inadequate supply of fertilizers in the country;
- (b) if so, the details thereof;
- (c) the action taken by the Union Government thereon; and
- (d) the steps taken by the Union Government to ensure adequate supply of fertilizers?

Answer

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

(a) to (d): Urea is the only fertilizer which is under partial movement and distribution control of the Government. Union Government ensures availability of urea as per assessed monthly requirement of States at State level. State Governments are responsible for its distribution within the State. All other fertilizers viz. DAP, MOP, SSP and NPK etc. are decontrolled/ de-canalized since 1992. The availability of Phosphatic and Potassic fertilizers is decided by the market forces of demand and supply.

The State-wise requirement (demand), availability and sales of major fertilizer like Urea, DAP, MOP & complex fertilizers (NPK) during the year 2010-11 (April'10 to October'2010) are at Annexure `A`. As can be seen, the availability of all the fertilizers is adequate in the country.

Steps taken to make available sufficient fertilizers:

- (i) Each state in consultation with the fertilizer suppliers is required to prepare monthly supply plan district wise within overall availability at state level for ensuring availability of fertilizers in all parts of the state;
- (ii) The movement of fertilizers is being monitored throughout the country by an on- line web based monitoring system (www.urvarak.co.in) also called as Fertiliser Monitoring System (FMS);
- (iii) As per provisions contained in para 4 of FCO, 1985 - Every dealer, who makes or offers to make a retail sale of any fertilizer, shall prominently display in his place of business - a list of price or rates of such fertilizers fixed under Clause 3 of FCO and for the time being in force;
- (iv) The state governments have been advised (i) to instruct the State Institutional agencies to coordinate with manufacturers and importers of fertilizers for streamlining the supplies (ii) to review the railway rake points in their states and take up the issues with the Railways for improvements, if any, required to ensure availability of fertilizers in every nook and corner of the State;
- (v) The Government has introduced a Nutrient Based Subsidy (NBS) Policy in respect of Phosphatic & Potassic fertilizers w.e.f. 1.4.2010. Under the NBS, State Governments have to play more proactive role to co-ordinate with the manufacturers/importers to tie up supplies of fertilizers as per the requirement of states;
- (vi) Under NBS, Fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed net retail price will be punishable under the EC Act.; and
- (vii) All possible steps are taken by the Department of Fertilisers to match the availability of fertilizers with the assessed requirement.