

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

UNSTARRED QUESTION NO:1163  
ANSWERED ON:03.03.2011  
IMPLEMENTATION OF NBBS  
Ramkishun Shri

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

- (a) the status of the implementation of the Nutrient Based Subsidy Scheme in each State of the country; and
- (b) the steps taken by the Government to ensure that the benefits of such subsidy reaches the farmers ?

**Answer**

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

(a) & (b): Government of India is implementing Nutrient Based Subsidy (NBS) Policy in continuation of the erstwhile Concession Scheme for decontrolled Phosphatic & Potassic (P&K) fertilizers w.e.f. 1.4.2010 (w.e.f. 1.5.2010 for SSP) during 2010-11. This policy has been allowed to continue during 2011-12. The NBS policy is applicable for all the States in the country. The basic objective of the policy is to provide fertilizers to the farmers at affordable prices to ensure balanced use of fertilizers for food security in the country. Government is presently providing subsidy on 22 grades of Phosphatic & Potassic fertilizers namely, Di Ammonium Phosphate (DAP), DAP Lite, Muriate of Potash (MOP), 15 grades of NPKS complex fertilizers, Mono Ammonium Phosphate, Triple Super Phosphate, Ammonium Sulphate (AS) and Single Super Phosphate (SSP). Subsidy rates for these fertilizers has been announced by the Government based on the per Kilo subsidy for each of the nutrients, namely Nitrogen, Phosphate, Potash and Sulphur ('N', 'P', 'K' & 'S' respectively). The Government also provides subsidy on fertilizers fortified with secondary and micronutrients of Boron and Zinc. Freight subsidy is also provided to the manufacturers/importers for transporting the fertilizers up to the retail level. The MRPs of the fertilizers have been kept open under the Nutrient Based Subsidy Policy, however, the Government has fixed subsidy in such a manner that it doesn't affect the MRPs of fertilizers adversely. At present, the MRPs of fertilizers are approximately 25%-40% of the total cost of fertilizers. Rest of the cost is borne by Government of India by way of subsidy. During 2010-11, the revised estimate for subsidy on subsidized fertilizers is Rs. 57840.73 crore out of which Rs. 33500 crore is for decontrolled P & K fertilizers. The manufacturers/importers are required to sell the fertilizers at the MRP printed on the bags. Government of India ensures that adequate quantity of fertilizers is made available to each part of the country. All the State Governments are required to ensure that the fertilizers, of the quality prescribed in the Fertilizer Control Order (FCO), are sold at the MRPs, which are printed on the fertilizer bags.