

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

UNSTARRED QUESTION NO:2484
ANSWERED ON:10.03.2011
SUBSIDY ON FERTILIZERS
Maadam Shri Vikrambhai Arjanbhai

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

- (a) whether the Government has adopted a new policy for fertilizer subsidy;
- (b) if so, the details thereof;
- (c) whether the said policy is likely to bring about a reduction in the amount of fertilizer subsidy; and
- (d) if so, the details thereof?

Answer

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

(a) & (b) Presently, the Government is implementing New Pricing Scheme (NPS, Stage-III) for Urea and has introduced Nutrient Based Subsidy (NBS) Policy replacing 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. The detail of the NBS policy is as per Annexure-I.

(c) & (d) Subsidy outgo is a function of quantity of fertilizers consumed in the Country and the international prices recognized under NBS. The Government is announcing NBS in such a manner that the MRPs do not increase and does not adversely affect the farmers.