

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

UNSTARRED QUESTION NO:1660
ANSWERED ON:16.07.2009
RISE IN PRICES OF FERTILIZERS
Rao Shri Kavuri Samba Siva

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

- (a) the demand, production and import of fertiizers during the last three years, year-wise;
- (b) the effect of rising fertilizer prices on agriculture and the steps taken to protect the demestic fertilizer industry from the impact of Dia-Ammonium Phosphate (DAP) cartel ;
- (c) whether the Government proposes to provide a package to DAP dealers to offset the effect of higher costs of DAP imports; and
- (d) if so, the details thereof ?

Answer

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

(a) : The demand (requirement), Production and Imports of Urea, Di-Ammonium Phosphate (DAP) and Muriate of Potash (MOP) during the last three years is as under :- (LMT)

Year	Particulars	Urea	DAP	MOP
2006-07	Requirement	249.46	81.29	33.23
	Production	203.07	48.50	-
	Import	47.18	28.41	34.48
2007-08	Requirement	271.70	89.21	36.13
	Production	198.48	42.15	-
	Import	69.27	29.78	44.31
2008-09	Requirement	281.33	94.82	37.85
	Production	198.99	29.88	-
	Import	56.66	66.31	43.46

(b) to (d): There has been no increase in Maximum Retail Price (MRP) of fertilizers since, February, 2002. Difference between the cost of production/ import price of DAP and the MRP is absorbed by the Union Government in the form of subsidy. As such, so far as price payable by the farmers is concerned, there is no impact of rising prices of fertilizers in the international market either on farmers or dealers as they are paying only the MRP component of cost.