

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

UNSTARRED QUESTION NO:2741
ANSWERED ON:23.07.2009
SETTING UP OF FERTILIZER PLANT AT NAMRUP
Mahato Shri Narahari

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

(a) be pleased to state the criteria being adopted by the Union Government for allocation of chemical fertilizers to various States ?

Answer

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

(a) Urea is the only fertilizer which is under partial movement and distribution control of the Government. Union Government ensures availability of urea 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 criteria for allocating urea from Central Public Sector Undertaking (CPSU)/Cooperative/Private indigenous manufacturing units are as follows :

- i) There are more than two or more sources of supply of fertilizers in the State to ensure the back up supplies in case of failure of one of the source; and
- ii) Department of Fertilizers also ensures that supplies from CPSU/Cooperative Sector /indigenous manufacturers/private unit/Ports are made to the nearest States for minimising the freight subsidy outgo and quickest possible delivery to the destinations.