

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

UNSTARRED QUESTION NO:1786
ANSWERED ON:01.12.2011
SUBSIDY ON FERTILIZERS
Jawale Shri Haribhau Madhav

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

- (a) the impediments in providing subsidy in dual price through coupons as proposed; and
- (b) the manner in which the Government is securing the small and marginal farmers from high inflation of fertilizer prices?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION
AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a): There is no proposal for providing subsidy through coupons.

(b) Urea is the only fertilizer under statutory price control and the prices of fertilizers other than urea are free.

The manufactures and importers of these fertilizers decide the sale price to farmers depending on the market forces of demand and supply under Nutrient Based Subsidy policy which was implemented w.e.f. 1st April 2010. Under NBS, the Department of Fertilizers pays fixed subsidy for each Nutrient.