

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

UNSTARRED QUESTION NO:5639
ANSWERED ON:10.05.2012
REDUCTION IN PRICES OF FERTILIZERS
Chavan Shri Harischandra Deoram;Lal Shri Kirodi

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

- (a) whether with a view to helping the farmers the Union Government proposes to reduce the prices of fertilizers;
- (b) if so, the details thereof;
- (c) whether the Union Government has received any representation from the State Governments or Public representation in this regard;
- (d) if so, the details thereof; and
- (e) the action taken by the Union Government thereon?

Answer

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

(a) & (b): Nutrient Based Subsidy (NBS) Policy is being implemented on Phosphatic and Potassic (P&K) fertilizers with effect from 1.4.2010, under which a fixed subsidy is provided on each grade of subsidized fertilizers, announced on annual basis. The Maximum Retail Prices (MRP) are fixed by the companies. The subsidy rates for the year 2012-13 have been fixed after taking into account all factors including expected international prices and current domestic prices of these fertilizers, current exchange rate, current inventory level etc. The prices in the year 2012-13 are likely to remain stable as compared to 2011-12. Urea is sold to the farmers at the notified MRP of Rs.5310/- per MT. There is no proposal to reduce the MRP of the Urea.

(c) to (e): A number of representations including those from the States and Public representatives have been received on the issue of prices of P&K fertilizers. Appropriate replies have been sent to all.