

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

UNSTARRED QUESTION NO:362
ANSWERED ON:09.08.2012
SUBSIDY RATES FOR FERTILIZERS
Dhurve Jyoti;Naranbhai Shri Kachhadia

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

(a) whether the farmers are getting fertilizers at subsidized rates:

(b) if so, the details thereof:

(c) the funds allocated for the said subsidy during the last eight years; and

(d) the details of subsidy being provided to the fertilizer sector at present along with the details of benefit available to the farmers in each State through present fertilizer subsidy?

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): Yes, Madam. At present, Urea and 25 grades of Phosphatic and Potassic (P&K) fertilizers namely DAP, MOP, TSP, MAP, SSP, Ammonium Sulphate (Produced by M/s Gujarat State Fertilizers Corporation and M/s Fertilizer and Chemicals Travancore Ltd.) and 19 grades of NPKS complex fertilizers are provided to the farmers at subsidized rates.

Urea is provided to the farmers at statutory Maximum Retail Price (MRP) of Rs. 5310 per MT.

Nutrient Based Subsidy (NBS) Policy is being implemented on P&K fertilizers under which a fixed subsidy decided on annual basis is provided on each grade of subsidised P&K fertilizers based on its nutrient content. Accordingly P&K fertilizers are available to the farmers at subsidised prices, which is much lower than its delivered cost. Presently farmers are paying only 58% to 70% of the delivered cost of the P&K fertilizers. The MRP of P&K fertilizers are fixed by fertilizer companies.

(c): The funds allocated for payment of subsidy during the last eight years are as under:

Rs. in crores

Year	Subsidy on P&K fertilizers	Subsidy on Urea	Total
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2005-06	6596.19	12793.45	19389.64
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2006-07	10298.12	17721.43	28019.55
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2007-08	16933.80	26385.36	43319.16
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2008-09	65554.79	33939.92	99494.71
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2009-10	39452.06	24580.23	64032.29
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2010-11	41500.00	24336.68	65836.68
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2011-12	36107.94	37683.00	73790.94
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2012-13 (BE)	28576.12	37016.01	65592.13
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(d): The subsidy provided on each grade of P&K fertilizer is placed at Annexure. In case of Urea the MRP is fixed by the Government and subsidy provided is the difference of delivered cost and MRP.

The subsidised fertilizers are made available to all farmers of all the States depending upon the requirement of the state.