

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

STARRED QUESTION NO:379
ANSWERED ON:06.09.2012
FIXATION OF PRICES OF FERTILIZERS
Deshmukh Shri K. D.

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

- (a) whether the fertilizer manufacturing companies are complying with the norms fixed by the Government with regard to fixation of prices of fertilizers in the country;
- (b) if so, the details thereof; and
- (c) the action taken by the Government to ensure that prices of fertilizers are not fixed arbitrarily by the Fertilizers companies?

Answer

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

(a)to (c): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO. 379 TO BE ANSWERED ON 6.09.2012 REGARDING FIXATION OF PRICES OF FERTILIZERS:

(a) to (c): Government is implementing Nutrient Based Subsidy (NBS) Policy on Phosphatic and Potassic (P&K) fertilizers, under which a fixed amount of subsidy decided on annual basis, is provided on all subsidised P&K fertilizers depending on its nutrient content. As per the policy, Maximum Retail Price (MRP) is open and fertilizers companies are allowed to fix MRP at reasonable level. Accordingly, the fertilizer companies are fixing the MRP of P&K fertilizers.

The fertilizer companies are required to mandatorily enter the MRP of fertilizers on the web based Fertilizer Monitoring System (FMS) each time they make dispatch of fertilizers. The Department keeps a watch on the imported price of fertilizers and its MRP fixed by the fertilizer companies. Also, the Department keeps a watch on the MRP of those grades of fertilizers which are indigenously produced.