

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

UNSTARRED QUESTION NO:38
ANSWERED ON:22.11.2012
SUBSIDY TO FARMERS
Rana Shri Kadir

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

- (a) the steps being taken by the Government to provide subsidy to farmers on chemicals and fertilizers;
- (b) the quantum of chemicals and fertilizers available in the market during the current financial year; and
- (c) the amount by which chemicals and fertilizers are costlier in the current year in comparison to the last financial year?

Answer

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

(a): The mandate of Department of Fertilizer is to provide fertilizers to the farmers at affordable cost. The fertilizer is made available to the farmer at highly subsidized prices.

As regards the Department of Chemicals and Petrochemicals (DCPC), it doesn't provide subsidy to farmers on supply of chemicals.

(b): The quantum of fertilizers made available in the market during the current financial year is given below (from April 2012 to October 2012):

S.No. FG Total Availabilities in LMT

- 1. DAP 74.46
- 2. MOP 21.66
- 3. NPK 56.65
- 4. SSP 17.59
- 5. UREA 175.23

In case of DCPC, it is submitted that since the chemical sector is de licensed, no Industrial licence is required for the manufacture of chemicals in country, except for a few hazardous chemicals. Being a delicensed sector, the availability of the chemicals in the market is not monitored.

(c) :A statement giving the MRP of P&K fertilizers in the last year and current year is given in Annexure-I. Urea prices are controlled and were fixed at Rs.5310/- PMT in 2011-12. W.e.f. November 1st 2012, the MRP of all fertilizers, including urea, have been increased to Rs.50/- PMT(Rs.2.50 per bag of 50 Kg) to incentivize the retailers to acknowledge the receipt of fertilizers in the m-FMS. Accordingly the MRP of urea is now Rs.5360/- PMT.

In case of DCPC, it does not monitor the price of chemicals in the country, as market forces, based on demand & supply and commercial viability, determine the prices.