

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

UNSTARRED QUESTION NO:966

ANSWERED ON:29.11.2012

PRICING AND REGULATION OF NON UREA FERTILIZERS

Bajwa Shri Partap Singh

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

- (a) the policy of the Government on the pricing and regulation on non-urea fertilizers;
- (b) whether the Government has received any report on the amount of profit earned by non-urea fertilizer manufacturers;
- (c) if so, the details thereof; and
- (d) the steps being taken by the Government to regulate the pricing of non-urea fertilizers better?

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): Nutrient Based Subsidy (NBS) Policy is being implemented w.e.f. 1.4.2010 for Phosphatic and Potassic (P&K) fertilizers, which are non-Urea fertilizers. Under the policy, a fixed amount of subsidy decided on annual basis is provided on each grade of subsidized P&K fertilizer, depending upon its nutrient content. Maximum Retail Prices (MRP) of P&K fertilizers is fixed by the fertilizer companies.

(b): No, Madam.

(c): In view of (b) above, question does not arise.

(d): As per the NBS Policy, the fertilizer companies are allowed to fix MRP at reasonable rates. It is mandatory for the fertilizer companies to enter the MRP of fertilizers in the web enabled Fertilizer Monitoring System at the time of making dispatches. Accordingly, the MRPs fixed by the companies are available on real time basis. The Government keeps a watch on the prevailing prices and takes up the matter with the Industry for corrective action in suitable cases. However, there is at present no institutional mechanism to monitor the reasonableness of prices fixed by the companies.