

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

UNSTARRED QUESTION NO:1826

ANSWERED ON:07.03.2013

POLICIES FOR DIFFERENT FERTILIZERS

Angadi Shri Suresh Chanabasappa;Haque Shri Sk. Saidul;Hazari Shri Maheshwar ;Pangi Shri Jayaram;Ram Shri Purnmasi;Upadhyay Seema;Vardhan Shri Harsh;Verma Smt. Usha

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

- (a) whether the Government plans to cut fertilizer subsidy for the forthcoming financial year 2013-14;
- (b) if so, the details thereof and the reasons therefor, fertilizer-wise;
- (c) the amount of subsidy being provided on the fertilizers at present and the extent of cut proposed to be effected thereon;
- (d) whether the views of the concerned Ministries such as Agriculture and Finance have been obtained;
- (e) if so, the details thereof and if not the reasons therefor;
- (f) whether the Government has made assessment of the impact of such subsidy cut on the lives of the farmers in the country and the additional cost of fertilizers they would have to bear;and (
- g) if so, the details thereof?

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) to (g) Under the present Nutrient Based Subsidy (NBS) Scheme, a fixed amount of subsidy, based on the nutrient content is announced annually for all P&K fertilizers, covered under it. An Inter-Ministerial Committee (IMC) comprising of representative of Department of Fertilizers, Department of Agriculture & Cooperation, Department of Expenditure, Planning Commission and Department of Agricultural Research and Education makes recommendations about the NBS rates after taking into consideration all relevant factors including prevailing international prices, inventory levels of P&K fertilizers and their prices in the country and the exchange rate. The impact of reduction in the international prices and the rates of subsidy on the Maximum Retail Prices (MRP) of P&K fertilizers will be taken into account by the Government before taking a final decision for the rate of subsidy for year 2013-14. A final decision will be taken after taking into account the views of all concerned Ministries including Ministry of Agriculture and Ministry of Finance.

Urea however continues to be made available at a fixed MRP and this has no impact on the farmer.