

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

UNSTARRED QUESTION NO:2841

ANSWERED ON:14.03.2013

SUBSIDY ON FERTILIZERS

Gandhi Smt. Maneka Sanjay;Nagar Shri Surendra Singh;Singh Shri Vijay Bahadur

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

- (a) whether the Government provides subsidy on fertilizers to the farmers;
- (b) if so, the details thereof;
- (c) the subsidy provided on fertilizers by the Government during each of the last three years and the current year;
- (d) whether the Government proposes to rationalise/increase the subsidy given on fertilizers to the farmers for the agricultural production;
- (e) if so, the details thereof; and
- (f) if not, the reason there for?

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) & (b) Yes, Madam. Urea is provided to farmers at a fixed subsidised Maximum Retail Price (MRP) of Rs 5360 PMT. The difference between the delivered cost and MRP of Urea is provided as subsidy. In respect of Phosphatic and Potassic (P&K) fertilizers, a fixed subsidy, decided on annual basis, is provided based on their nutrient content under Nutrient Based Subsidy (NBS) Scheme being implemented w.e.f. 1.4.2010. At present, 22 P&K fertilizers covered under NBS Scheme are provided at subsidised prices to farmers.

(c) The information is given in the Annexure.

(d) to (f) The subsidy rates under NBS Policy is decided after considering all relevant factors including prevailing international prices of fertilizers, domestic prices of these fertilizers, inventory levels and exchange rate vis a vis USD. The same procedure is also being followed for fixation of subsidy rates of P&K fertilizers for 2013-14.