

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

UNSTARRED QUESTION NO:2877

ANSWERED ON:14.03.2013

INCREASE IN PRICES OF FERTILIZERS

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

- (a) whether there has been a considerable price hike in prices of urea and other fertilizers during the last one year;
- (b) if so, the details thereof along with the reasons therefor;
- (c) the extent to which it has had impact over the cost of agriculture production along with agricultural product-wise;
- (d) whether the Government proposes to increase the prices of urea in the country;
- (e) if so, the details thereof;
- (f) whether the farmers are not reportedly getting the sufficient quantity of fertilizers before the sowing season;
- (g) if so, the reasons therefor; and
- (h) the measures being taken by the Government to ensure the timely availability of fertilizers?

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) & (b) The MRP of urea has remained unchanged since 1st April 2010 except for a marginal increase of Rs.50 Per Tonne w.e.f. 1st November 2012. The Nutrient Based Subsidy (NBS) policy for Phosphatic & Potassic (P&K) fertilizers is being implemented w.e.f. 1.4.2010 under which a fixed amount of subsidy, decided on annual basis, is provided on each grade of subsidized P&K fertilizers depending upon their nutrient content. Maximum Retail Price (MRP) of P&K fertilizers are fixed by the fertilizer companies. The highest MRP of P&K fertilizers during the last year and the current year, quarter-wise is annexed. The country is fully dependent on imports in Potassic sector and to the extent of 90% in Phosphatic sector in the form of either finished products or its raw material. Subsidy being fixed and any fluctuation in international prices has effect on the domestic prices of P&K fertilizers. The price of P&K fertilizers have increased due to fluctuations in international prices and also due to depreciation of Indian Rupee, over which Government has no control.

(c) As the urea is sold to the farmers at fixed MRP, therefore there is no impact on agriculture production.

(d) No, Madam.

(e) In view of (d) above, question does not arise.

(f) No, Madam.

(g) & (h) In view of (f) above, question does not arise.