

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

STARRED QUESTION NO:425

ANSWERED ON:25.04.2013

PRICES OF CHEMICAL FERTILIZERS

Roy Shri Arjun;Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether the prices of chemical fertilizers in the international market had come down particularly in the later part of the year 2012-13 compared to the last year;
- (b) if so, the average price of each chemical fertilizer in the international market during the year 2011-12 and 2012-13;
- (c) whether any mechanism exists to ensure that the benefits of the reduced prices in the international market are passed on to the fertilizer consumers of the country; and
- (d) if so, the extent of monetary relief likely to be received by the consumers in this regard?

Answer

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

(a) to (d): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 425 TO BE ANSWERED ON 25.4.2013 REGARDING PRICES OF CHEMICAL FERTILIZERS.

(a): Yes, Madam.

(b): The monthly average prices of major imported chemical fertilizers in the international market as per the most commonly used international journal, Fertilizer Market Bulletin (FMB) during 2011-12 and 2012-13 are given in the Annexure.

(c) & (d): Urea is provided to farmers at a Maximum Retail Price (MRP) fixed by Government, which has remained un-changed since April, 2010 except for a very marginal increase of Rs.50 per tonne in November 2012. As regards Phosphatic and Potassic (P&K) fertilizers, under Nutrient Based Subsidy (NBS) Policy, which is being implemented w.e.f. 1.4.2010, a fixed amount of subsidy decided on annual basis, is provided on each grade of subsidized P & K fertilizer depending upon its nutrient content. The MRPs of P&K fertilizers are decontrolled and allowed to be fixed by the companies depending upon market forces as well as the amount of subsidy given by the Government. The Government is considering appropriate mechanism to determine the reasonableness of MRPs so as to address the issue of undue profiteering by the companies due to fall in international prices of fertilizers.