

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

UNSTARRED QUESTION NO:4988

ANSWERED ON:25.04.2013

INCREASE IN PRICE OF UREA

Reddy Shri Modugula Venugopala ;Shanavas Shri M. I.

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

- (a) the prices of urea in the international market during each of the last three years and the current year;
- (b) whether the Government proposes to increase the retail prices of urea and other fertilizers to reduce the subsidy burden in the current fiscal;
- (c) if so, the details thereof and the reasons therefor along with the likely maximum retail price at which urea is to be made available to the farmers;
- (d) whether the Government has recently withdrawn the freight subsidy on fertilizers; and
- (e) if so, the details thereof and the steps being taken to check the increase in prices of fertilizers?

**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) : The weighted average C&F price of urea in the international market during last three years is given below:

2010-11    US\$327.38    PMT

2011-12    US\$481.74    PMT

2012-13    US\$417.40    PMT

(b) & (c) : There is no proposal to increase the MRP of urea. As regards P&K fertilizers Government is implementing NBS policy w.e.f 2010, under which a fixed amount of subsidy decided on annual basis, is provided on each grade of subsidized P&K fertilizers depending upon its nutrient contents. The MRP of P&K fertilizers are fixed by Fertilizer Companies based on demand supply dynamics.

(d) : There is no change in freight subsidy scheme for urea and for P&K fertilizers primary freight is being paid by the Government and secondary freight is subsumed in MRP of the fertilizers.

(e) : The MRP of urea is statutorily controlled and there is no change in MRP of Urea since April 2010 except some minor increase of Rs.50/MT w.e.f. 1st November 2012. The MRPs of P&K fertilizers are decided by the manufacturers/importers at reasonable level taking in to account subsidy being paid by the government and prevailing international market prices under Nutrient Based Subsidy policy.