

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

UNSTARRED QUESTION NO:5827
ANSWERED ON:02.05.2013
PAYMENT TO CHEMICAL FERTILIZER DEALERS
Ram Shri Purnmasi

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

- (a) whether the Government do not make payment to the chemical fertilizer dealers for transporting chemicals from stockist and rake points to far-flung areas of the country as a result of which the cost of fertilizer increases;
- (b) if so, whether the Government proposes to provide them transport charges or increase their rate of commission for them;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

Answer

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

(a) to (d) The Government has notified on 17th July 2008, a policy for uniform freight subsidy for urea, wherein primary and secondary freight is paid to the company for transportation of urea from plant/port to the retailers at block level.

As far as P&K fertilizers are concerned, after implementation of Nutrient Based Subsidy in 2010, the Government provides primary freight subsidy to the manufacturers/importers for transportation of fertilizer from plant/ports to rake unloading point. The secondary freight subsidy from rake unloading point to farmgate is subsumed in MRPs of P&K fertilizers which are determined by the companies on basis of market forces.