

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

UNSTARRED QUESTION NO:1166
ANSWERED ON:13.08.2013
CHEMICAL FERTILIZERS ON MRP
Kaswan Shri Ram Singh

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

- (a) whether the Government is providing chemical fertilizers to farmers at a fixed Maximum Retail Price (MRP) under the subsidy scheme;
- (b) if so, the reasons therefor;
- (c) whether chemical fertilizers are not being made available to farmers at the prices fixed for them;
- (d) if so, the reaction of the Government thereto and the number of such complaints received by the Government from the State during each of the last three years and the current year, State /UT-wise; and
- (e) the steps taken by the Government to provide financial benefits to farmers?

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 (c): Urea is being provided to farmers at a statutory price of Rs.5360 per tonne fixed by Government. This is exclusive of CST, sales tax and Central Excise Duty. However, in respect of Phosphatic & Potassic (P&K) fertilizers, Government is implementing Nutrient Based Subsidy (NBS) Policy w.e.f. 1.4.2010, under which a fixed amount of subsidy, decided on annual basis, is provided on each grade of subsidised P&K fertilizer depending upon their nutrient content. Under the Policy though the fertilizer companies have been allowed to fix Maximum Retail Prices (MRPs) of P&K fertilizers at reasonable level, they are required to print MRP alongwith applicable subsidy per MT on the fertilizer bags. Any sale above the printed MRP will be punishable under the Essential Commodities Act.

(d) & (e): No such complaints have been received from the State Governments. However, the State Governments are empowered to take preventive/punitive actions for violation of any of the provisions of Fertilizer Control Order (FCO) 1885 under Essential Commodities Act 1955. Overcharging is violation of EC Act. Department of Fertilizers has also advised/sensitized the State Governments for gearing up enforcement agencies under their jurisdiction to take appropriate action against the offenders, if any.