

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

UNSTARRED QUESTION NO:1257  
ANSWERED ON:13.08.2013  
REDUCTION IN PRICES OF FERTILIZERS  
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**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) the steps taken to compensate the losses being suffered by the farmers of the country due to increasing prices of fertilizers;
- (b) whether the Government proposes to reduce the prices of fertilizers which are out of the reach of the farmers in various parts of the country;
- (c) if so, the time by which the prices are likely to be reduced, State/UT and fertilizer-wise;
- (d) whether the less use of fertilizers by the farmers is resulting in the loss of per acre yield in the process; and
- (e) if so, the details thereof?

**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. For 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, the fertilizer companies have been allowed to fix MRPs of P&K fertilizers at reasonable level.

The country is fully dependent on import in Potassic sector and to the extent of 90% in Phosphatic sector in the form of either finished products or its raw materials. Subsidy being fixed, any fluctuation in international prices has effect on the domestic prices of P&K fertilizers.

There has been increase in the prices of P&K fertilizers during the last 3 years mainly due to increase in international prices of fertilizers and also on account of depreciation of Indian rupee vis a vis USD. During 2013-14, the international prices of P&K fertilizers have come down and the fertilizer companies have been asked to reduce the prices of these fertilizers. While announcing subsidy rates for 2013-14, the Government has also notified minimum reduction in the prices of these fertilizers.

(d) & (e): As per the data on estimated area of cultivation, production and yield of food grain and pulses during the years 2009-10 to 2011-12 given below, the per hectare yield has been increasing:

I. Food grain

Year	Total estimated area ('000 hectares)	Production ('000 tonnes)	Yield (Kg/hectare)
2009-10	121333.6	218107.4	1798
2010-11	126671.4	244491.8	1930
2011-12	124754.9	259323.2	2079

II. Pulses

Year	Total estimated area ('000 hectares)	Production ('000 tonnes)	Yield (Kg/hectare)
2009-10	23282.4	14661.8	630
2010-11	26401.7	18240.9	691
2011-12	24462.2	17088.9	699