

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

UNSTARRED QUESTION NO:406
ANSWERED ON:06.08.2013
DEMAND AND SUPPLY OF FERTILIZERS
Ponnam Shri Prabhakar;Singh Shri Mahabali

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

- (a) whether there is any mechanism to assess the demand and supply of fertilizers for Kharif and Rabi seasons in each of the State;
- (b) If so, the details thereof, State/UT-wise;
- (c) the action plan chalked out by the Government for monitoring the prices of fertilizers at the block level;
- (d) whether the Government has directed the companies to publicise cut in fertilizer prices; and
- (e) if so, the details thereof, State/UT-wise?

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) & (b): The assessment of the demand of fertilizers before each season is finalized by Department of Agriculture and Cooperation in consultation with State Governments, through biannual Conferences in which representative of Department of Fertilizer, Railways, Fertilizer Association of India, Companies also participate. The details for the year 2012-13 and for the current Kharif'13 Season is at Annexure 'A'.

(c): For Urea, the MRP in all the States, since 2003 was Rs. 4830/- per MT, which was increased to Rs. 5310/- per MT w. e. f. 1st April, 2010. With effect from 01st November, 2012, the price of urea is fixed at Rs. 5360 per tonne (exclusive of the central excise duty, central sales tax, countervailing duty, the sales tax and other local taxes wherever levied)

For P & K fertilizers, it has been made mandatory for the fertilizers companies (manufacturers /importers) of P&K fertilizer to submit certified cost data along with their subsidy claims to examine and ensure that the MRPs fixed by the companies are reasonable. While announcing subsidy rates for 2013-14, Government has also notified the indicative MRPs of P&K fertilizers and the amount to be reduced by the fertilizer companies from then prevailing prices, so as to check and ensure that the prices are fixed reasonably.

The distribution of fertilizers to the farmers within the state at fair price is the responsibility of the concerned states. State Governments under the extant provisions of Fertilizer Control Order(FCO), 1985 are adequately empowered to take preventive/punitive actions against the offenders who indulge in Black-Marketing/Breach of Price/Tagging etc.

Through Web based information system i.e. Fertilizer Monitoring System(FMS), DOF is monitoring movement of fertilizer across the country and through mFMS it has been extended up to retailers level. Every company is required to feed MRP of fertilizers in FMS.

(d) & (e): The Department of Fertilizers has issued directions to the companies to publicize reduction in fertilizer prices vide copy enclosed at Annexure 'B'.