

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

UNSTARRED QUESTION NO:767

ANSWERED ON:10.12.2013

RISE IN PRICES OF FERTILIZERS

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

- (a) the prices of various fertilizers in the country at present, fertilizer and State/ UT-wise;
- (b) whether large scale anomalies have been found in the prices of essential fertilizers and steep rise in the prices of fertilizers has been witnessed;
- (c) if so, the details thereof and the reasons therefor and the steps taken to control/reduce/check the rise in prices of various fertilizers during each of the last three years and the current year, fertilizer and State/UT-wise;
- (d) the details of the steps taken/being taken by the Government to control the black marketing of fertilizers and to provide additional stock for distribution as per the demands of the farmers during the said period, State/ UT-wise;
- (e) whether the farmers in the country are unable to secure fertilizers on account of prohibitive cost which results in low agricultural yield; and
- (f) if so, the reaction of the Government thereto along with the other steps proposed to be taken by the Government to provide fertilizers to the farmers at reasonable price?

Answer

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

- (a): Urea is being provided to farmers at a statutory price of Rs.5360 per tonne fixed by Government. The highest prices of Phosphatic and Potassic (P&K) fertilizers reported by the fertilizer companies are given in the Annexure. State/UT-wise Prices of P&K fertilizers are not separately maintained.
- (b): No, Madam. The prices of P&K fertilizers, have generally come down during 2013-14 as compared to the previous year.
- (c): The country is fully dependent on import in respect of Potassic fertilizers, and to the extent of 90% in respect of Phosphatic fertilizers, 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. The fluctuation in exchange rate of rupee in recent times has also affected the domestic prices of P&K fertilizers.
- (d): State Governments are adequately empowered to take preventive/punitive actions for violation of any of the provisions of Fertilizer Control Order (FCO) 1985 under Essential Commodities Act 1955. Black-marketing activity is violation of FCO. The State Governments are advised/sensitized from time to time for gearing up enforcement agencies under their jurisdiction to take appropriate action against the offenders, if any. Sufficient/Adequate quantities of fertilizers are provided to each State on the basis of month-wise projection given by Department of Agriculture and Cooperation.
- (e) & (f): The farmers are getting Urea at a very subsidised price much below the delivered cost. Similarly, Government is also providing a fixed subsidy on each grade of subsidised P&K fertilizers based on their nutrient content under NBS Scheme. The trend of consumption of subsidised fertilizers in the country during the last few years shows that the use of fertilizers is steadily increasing.