

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

STARRED QUESTION NO:355
ANSWERED ON:18.02.2014
DIVERSION OF SUBSIDISED FERTILIZERS
Gowda Shri D.B. Chandre

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

- (a) Whether the fertilizer manufacturing companies are reportedly diverting/selling subsidized fertilizers to the industrial users at higher prices;
- (b) If so, the details thereof and the reaction of the Government thereto;
- (c) The details of the complaints received/incidents reported in this regard along with the action taken against the companies/individuals found responsible for such activities during each of the last three years and the current year, State/UT-wise and;
- (d) The remedial measures taken/being taken by the Government/State Governments to prevent such illegal diversion of fertilizers?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN 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) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO. 355 TO BE ANSWERED ON 18.02.2014 REGARDING DIVERSION OF SUBSIDISED FERTILIZERS.

Government has not received any report with regard to diverting/ selling subsidized fertilizers by Fertilizers Manufacturing Companies to the industrial users at higher prices.

There are reports of alleged diversion from some entities, other than fertilizers manufacturing companies. The 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. Diversion of subsidized fertilizer is a violation of FCO. State Government can initiate penal action including prosecution of offenders. The offender who is convicted can be sentenced upto seven years of imprisonment under Essential Commodity Act (ECA), besides cancellation of authorization letter.

Department of Fertilizers, through various correspondences, has advised/sensitized the State Governments for gearing up enforcement agencies under their jurisdiction, to take appropriate action against the offenders, if any. In response, various states have taken action against offenders, details of which are annexed at 'A'.

Further, Department of Fertilizers and Department of Agriculture & Cooperation through weekly video conference with representatives of State Governments have been sensitizing and advising the State Governments for keeping strict vigil on diversion of subsidised fertilizers. This matter, amongst others, was also highlighted during Zonal Conferences on Agriculture inputs for Kharif and Rabi 2013-14 seasons, in which representatives from all the states were present.