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Title: The Minister of state in the Ministry of Chemicals and Fertilizers and Minister of state in the Ministry of Mines laid a statement regarding Status of implementation of the recommendations in the 26th Report of the Standing Committee on Chemicals and Fertilizers.

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF MINES (SHRI B.K. HANDIQUE): I want to lay the statement on the status of implementation of the recommendations contained in the Twenty Sixth report of the Standing Committee on Chemicals & Fertilizers in pursuance of direction 73-A of the hon. Speaker, Lok Sabha, issued *vide* Lok Sabha Bulletin Pt. II dated September 01, 2004.

2 The Department of Fertilizers (DoF) comes under the Ministry of Chemicals and Fertilizers. The main objective of the Department is to ensure adequate and timely availability of fertilizers for maximizing agricultural production in the country and for this purpose to promote and assist industries in the fertilizer sector and to plan and arrange import and distribution of fertilizers.

3 The main activities of DoF include planning promotion and development of the fertilizer industry, programming and monitoring of production, pricing, import and supply" of fertilizers and management of financial resources by way of subsidy/concession for indigenous and imported fertilizers. The Department also disburses payments to manufacturers/importers of decontrolled fertilizers under the concession scheme made available to the farmers at the indicative Maximum Retail Price (MRP).

4. In addition, the activities of DoF also include the administrative control of the following public sector undertakings and cooperatives in the fertilizers sector:-

* Laid on the Table and also placed in Library See No. LT 9345/08.

- (i) FCI (under closure)
- (ii) FACT
- (iii) MFL
- (iv) NFL
- (v) RCF
- (vi) BVFCL
- (vii) HFC (under closure)
- (viii) PDIL
- (ix) PPCL (under liquidation)
- (x) FCI, Aravali Gypsum
Minerals India Ltd.
- (xi) KRIBHCO

5 The office of the Executive Director, Fertilizers Industry Coordination

Committee (FICC) also works under the Department of Fertilizer. This office provides the secretariat support to FICC which is administering and operating the New Pricing Scheme (NPS) for urea.

6 In the 26th Report, the Standing Committee on Chemicals & Fertilizers (2007-08) on Demands for Grants (2008-09), it has been stated that the Report in question has been presented to Lok Sabha on 16th April, 2008 and laid in Rajya Sabha on 23rd April, 2008. In regard to the implementation of the recommendations the committee has stated that out of the total 20 recommendations contained in the 22nd Report of the Standing Committee, 6 recommendations have been implemented by the Department of Fertilizers so far and the implementation process in regard to 9 recommendations is in progress. The recommendations at SI. Nos. 6, 11, 16, 17 and 18 contained in the 22nd Report relating to disbursement of subsidy, finalization of Fertilizer policy, de-

bottlenecking/ revamp/ modernization of existing urea units, availability of natural gas to fertilizer units and revival of sick and loss making and closed fertilizer PSUs have not been implemented so far.

.7 The Department of Fertilizers have furnished replies to 18 recommendations contained in the 26th Report of the Committee which mainly relate to achieving Five Year Plan targets, disbursal of direct subsidy to farmers, Fertilizer policies for investment, revival/restructuring of closed/loss making units, "Sankat Haran Bima Yojana" for farmers, availability and distribution of fertilizers and its monitoring, increase in subsidy amount, performance of PSUs. On most of the recommendation's the Department of Fertilizers have already initiated action and progress made has been stated in the replies.
