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Title: Minister of State in the Ministry of Chemicals & Fertilizers and Minister of State in the Ministry of Parliamentary Affairs made a statement regarding Status of implementation of the recommendations contained in the 17th, 19th and 24th reports of Standing Committee on Chemicals and Fertilizers pertaining to the Department of Fertilizers, Ministry of Chemicals and Fertilizers pertaining to the Department of Fertilizers, Ministry of Chemicals and Fertilizers.

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THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE): I beg to lay the statement on the status of implementation of the recommendations contained in the seventeenth report of the Standing Committee on Chemicals & Fertilizers in terms 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:-

- (i) FCI (under closure)
- (ii) FACT
- (iii) MFL
- (iv) NFL
- (v) RCF
- (vi) BVFCL
- (vii) HFC (under closure)

* Laid on the Table and also placed in Library, See No.LT-8254/08.

- (viii) PDIL
- (ix) PPCL (under closure)
- (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 secretarial support to FICC constituted to administer the Retention Price Scheme for Nitrogenous Fertilizers and various incentive schemes to augment indigenous production of fertilizers.

6. In the 17th Report, the Standing Committee's analysis of implementation of recommendations by Government has revealed that out of the total 19 recommendations, the Department of Fertilizers have implemented 5 recommendations so far. The implementation process with regard to 5 recommendations is in progress. In this report, it has been further observed that in respect of nine recommendations relating to shortfall in utilization of plan outlay, project planning and implementation in PSUs, plan strategies in regard to the 11th Five Year Plan, modernization of Stage-III of NPS, disbursement of subsidy directly to farmers, de-bottlenecking/ revamp/ modernization of existing urea units, revival of sick, loss making and closed fertilizer PSUs, these recommendations have not been implemented so far.

7. The Action Taken Replies on the recommendations contained in the Seventeenth Report have been submitted to the Committee on 20.8.2007.
