

(b) the components of the project and the milestones proposed or fixed to achieve completion of the project within a reasonable period?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) The Petroleum Chemical and Petro-chemical Investment Region project in Orissa has not yet been approved. Government of Orissa is expected to submit a revised proposal to Government of India shortly.

(b) The Final project proposal is awaited. Components of the project and Milestones for completion will be arrived at thereafter.

#### **Review of subsidy disbursement method to fertilizers**

3696. DR. K. MALAISAMY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that good deal of subsidy is given for the use of chemicals and fertilizers;

(b) whether there are cases of misuse of this subsidy and whether there is a case of any major scam;

(c) whether the existing system yield for any misuse or the whole system warrants a review; and

(d) what is the system of transparency and accountability in the process of subsidy given or being given?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) to (d) It is a fact that a high amount of fertilizer subsidy is released by Government of India on sale of subsidized fertilizers in the country. There have been some cases of misuse of this subsidy especially by the SSP industry in the State of Bihar and Uttar Pradesh where cases have been lodged against the manufacturers by the CBI and the matter is under investigation.

The fertilizer subsidy is transferred to the farmers in the form of subsidized Maximum Retail Prices (MRPs) notified by the Government, which are much below the normative delivered cost of these fertilizers. The difference between normative delivered cost and the notified MRPs is released as fertilizer subsidy to manufacturers/importers of these subsidized fertilizers on receipt of fertilizers in the district. The receipt/sale of these fertilizers in the district is confirmed by the State Governments on the online web based "Fertilizer Monitoring System".

On the Fertilizer Monitoring System, the complete production/import of fertilizers in the country along with despatch, distribution and its receipt in the district is monitored on a real time basis. Further, the State Governments are empowered under the Essential Commodities Act to ensure equitable distribution of fertilizers within their States and its sale at MRPs.