

- (a) whether any mechanism exists to fix the price of subsidized fertilizers in the country;
- (b) if so, the details thereof;
- (c) whether keeping in view the problems faced by small and marginal farmers in the country, Government proposes to review its policy for distribution of subsidized fertilizers; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) MRP of Urea is statutorily fixed by the Government, which is Rs. 4830 PMT upto 31.3.2010. With effect from 1.4.2010, it is increased by 10% to Rs. 5310 PMT. The MRP of Urea has been constant since 2002. For P&K fertilizers, the MRP is indicated upto 31.3.2010. The Government has introduced Nutrient Based Subsidy policy w.e.f 1.4.2010 wherein the retail price of the subsidized fertilizers has been left open.

(c) and (d) The subsidized fertilizers are made available to all farmers at subsidized retail prices in requisite quantities, including the small and marginal farmers. The small and marginal farmers do not have any perceptible difficulty in procuring subsidized fertilizers under current distribution policy. The same is proposed to be broadly continued.

Hike in input cost of agriculture due to hike in price of urea

1707. SHRI T.K. RANGARAJAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether there is any proposal/decision to raise the prices of urea;
- (b) if so, the percentage of hike proposed;
- (c) whether the hike will further enhance the input costs of agriculture;
- (d) whether it would also cause further shrinkage in the profit levels in agriculture; and
- (e) the response of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) Yes, Sir. The Government has decided to increase the MRP of Urea by 10% from the current MRP of Rs. 4830/- per MT to Rs. 5310/- per MT w.e.f. 1.4.2010.

(c) to (e) The value of fertilizers is one of the items, which is included in the operational cost of cultivation of crops. With increase in either input quantity or rate or both, the operational input cost of cultivation increases. The impact due to marginal increase in MRP of Urea after a gap of 8 years would be negligible.

Further, the Commission for Agricultural Costs and Prices while recommending Minimum Support Prices for various agricultural commodities within the purview of MSP regime takes account of rising input cost for these crops individually. The minimum support prices is formulated in a manner that at least covers the input cost on account of human labour, machine labour, bullock labour, seeds, fertilizers, irrigation charges so that farmers are assured of getting adequate returns on their investment.

Land and machinery of HFCL and FCIL

1708. SHRI MOHAMMED AMIN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the estimated scrap value of machineries and equipments of each of the closed units of HFCL and FCIL;
- (b) the quantity of land along with character of usage of land possessed by each of the closed units for factory and township purpose separately and valuation of the same based on the present market rate; and
- (c) the steps proposed to be taken by Government for gainful utilisation of the said land and machinery now remaining idle since last many years?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) The details of estimated scrap value of machinery and equipments of the closed units of the HFCL and FCIL, done by M/s. Project & Development India Limited (PDIL) are as under:

Units of HFCL/FCIL	Scrap value of un-useable items (Rs. in crore)
Durgapur (HFCL)	39.84
Ramagundam (FCIL)	83.32
Gorakhpur (FCIL)	50.53
Talcher (FCIL)	84.74

The valuation of other plants like Barauni and Haldia units of HFCL have not been carried out. Valuation of Sindri unit of FCIL is under reconsideration of M/s. PDIL.

- (b) The detail of quantity of land along with character of usage of land possessed by closed units of HFCL and FCIL is as under:

HFCL:

Figures: land in acres			
Land Area	Durgapur	Barauni	Haldia
Factory	539.42	405.89	167.67
Township & others	245.21	279.54	86.17
TOTAL	784.63	685.43	253.84