

- (a) whether there is any proposal of deregulation of prices of urea;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether deregulation of prices of urea would effect Naphtha based urea manufacturing units in the country;
- (d) if so, the details thereof; and
- (e) the steps taken by Government to help Naphtha based units in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) to (e) A pricing policy for existing urea units beyond New Pricing Scheme (NPS) Stage-III is under consideration of Government.

Decontrol of urea prices

2686. SHRI D. RAJA:
SHRI R.C. SINGH:

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

- (a) whether it is a fact that Government is moving towards decontrolling urea, the most commonly used fertilizer, in near future;
- (b) if so, the details thereof;
- (c) whether it is also a fact that prices of other fertilizers are sky-rocketing with every passing day, resulting in hardships for the farmers of the country;
- (d) if so, whether Government is actively considering the issue of decontrol of urea at present juncture, so that the farmers are saved from the multiple problems; and
- (e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a), (b), (d) and (e) A pricing policy for existing urea units beyond New Pricing Scheme (NPS) Stage-III is under consideration of Government.

(c) The MRP of Urea is controlled by Government and is currently fixed at Rs. 5310/-PMT. It is in the knowledge of the Government that the prices of Phosphatic and Potassic (P&K) fertilizers has increased during the year 2011-12. The subsidy on P&K fertilizers has not been withdrawn. Government of India has introduced Nutrient Based Subsidy (NBS) Policy *w.e.f.* 1.4.2010 replacing the erstwhile concession scheme for decontrolled P&K fertilizers. Prior to 1.4.2010, the MRPs of P&K fertilizers were fixed by the Government below the actual delivered costs and the difference between the normative delivered cost and the MRPs was reimbursed by the Government to the

manufacturers/importers in the form of subsidy. Under the NBS policy, the MRPs of the P&K has been left open to be fixed by the manufacturers/importers and the amount of subsidy is fixed in terms of the nutrients of Nitrogen 'N', Phosphate 'P' Potash 'K' and Sulphur 'S' on annual basis. Accordingly, any increase/decrease in the prices of P&K fertilizers and its raw materials in the international market has a direct bearing on the MRPs of P&K fertilizers. Recently, the international prices of P&K fertilizers and its raw materials have gone up substantially, Further the Rupee-US\$ exchange rate has significantly increased. As a result of these factors the MRPs of P&K fertilizers have almost doubled.

Funds collected under ACTN policy

2687. SHRI PARSHOTTAM KHODABHAI RUPALA:
SHRI BHARATSINH PRABHATSINH PARMAR:

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

(a) the amount of funds collected in Gujarat under additional cost due to Non- Recognized input taxation (ACTN) policy and the amount of funds redistributed to PSUs/Co-operative fertilizer units of Gujarat as on date, unit-wise; and

(b) whether the Ministry would consider to repay backlog amount before implementing ACTN policy, keeping in view the fact that the State Governments are never repaying this amount as they are till levied State Tax and despite losses, these fertilizer units have contributed significantly for agriculture development of the country and the funds would help to renovate old machinery?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) As on date Rs. 26.02 crores has been collected under ACTN policy. However, till date no redistribution has been done on this account. The procedure for redistribution of funds collected is under finalization in consultation with Ministry of Finance.

(b) The Government will consider the case only after getting the views of Government of Gujarat in the matter.

Quality of fertilizers

†2688. SHRI BHARATSINH PRABHATSINH PARMAR:
SHRI PARSHOTTAM KHODABHAI RUPALA:

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

(a) whether Government is aware that many times, farmers receive very poor quality fertilizers which is casting adverse effect on the agriculture production;

†Original notice of the question was received in Hindi.