

Balanced use of fertilizers

†3913.SHRI RAGHUNANDAN SHARMA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the steps taken by Government to ensure balanced use of fertilizers, keeping in view less agricultural yield in the context of food security;
- (b) whether instructions have been issued to print per hectare fertilizers use and name of the crop on bags; and
- (c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) In order to promote balanced use of fertilizers, Nutrient Based Subsidy (NBS) Policy for decontrolled Phosphatic and Potassic (P&K) fertilizers has been implemented *w.e.f.* 1.4.2010. Under the NBS Policy, a fixed amount of subsidy is provided on P&K fertilizers depending upon its nutrient content. Subsidy is also provided on micro-nutrients in order to promote balanced fertilization. In addition to above, the Government is also promoting soil testing for balanced and judicious use of fertilizer for improving soil health and its productivity. Government also encourages the use of organic fertilizers for maintenance of soil health and its productivity.

(b) and (c) No, Sir.

Import of urea

†3914.SHRI NARESH AGRAWAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether it has been the policy of Government that Urea has to be imported through the State owned PSUs Mineral and Mines Trading Corporation (MMTC) and State Trading Corporation (STC);
- (b) whether Government has granted license of direct purchase of urea to a South Indian company Coromandel by bending rules for benefitting the company which resulted into a profit of around four thousand crore rupees to the company, and a loss of similar amount to the exchequer;

†Original notice of the question was received in Hindi.

(c) if so, whether Government would get this matter investigated by CBI; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) Import of Urea in the country is restricted and permitted through State Trading Enterprises (STEs) *i.e.* MMTC Limited, State Trading Corporation Limited (STC) and Indian Potash Limited (IPL). The Foreign Trade Policy (FTP) provides that Director General of Foreign Trade (DGFT) may grant an authorisation to any other person to import the goods covered under STE provisions. Import of urea for direct agriculture use is made on Government account through these STEs. The urea imported on Government account for direct agriculture use is sold to the farmers at statutory notified Maximum Retail Price (MRP) and the difference between cost incurred and MRP is borne by Government as subsidy on urea. Besides import of urea on Government account, the complex fertiliser manufacturers in the country are also importing urea for manufacturing of various grades of complex fertilizers in their plant through STEs.

(b) M/s. Coromandel International Limited (CIL) is also importing about 2.50 lakh to 3.00 lakh MTs urea per annum for manufacturing of complex fertilizers in their plant at Vishakhapatnam/Kakinada. The import of urea by any manufacturers of complex fertilizers either directly or through any of the STEs have no impact on Government exchequer as Government does not pay any subsidy for such imports. Government, on the request of CIL has allowed them to import urea directly for manufacturing of complex fertilizers in their plant at Vishakhapatnam/Kakinada as per the provisions of FTP.

(c) and (d) In view of the position explained in (a) & (b) above question does not arise as Government does not pay any subsidy on urea imported directly or through STEs for manufacturing of complex fertilisers.

Nutrient based subsidy

3915. SHRI AMBETH RAJAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government had constituted an Inter-Ministerial Committee under the Chairmanship of Secretary (Fertilizers) to examine various scenarios and make recommendation to Government under the Nutrient Based Subsidy (NBS) policy; and