

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) Yes, Sir. Government has constituted an Inter-Ministerial Committee (IMC) with Secretary (Fertilizers) as Chairperson and representatives of Department of Agriculture & Cooperation, Department of Expenditure, Planning Commission and Department of Agricultural Research and Education as members to recommend subsidy rates for various nutrients contained in the Phosphatic and Potassic (P&K) fertilizers covered under the Nutrients Based Subsidy Policy for a final decision by the Government every year.

The Committee also considers and recommends inclusion of new fertilizers under Nutrient Based Subsidy Scheme.

Benefit of duty reduction to consumers

3916. SHRI UPENDRA KUSHWAHA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether pharmaceutical companies did not pass the benefits of reduction in excise duty rates to consumers, despite instructions of Government and overcharge crores of rupees from them;

(b) if so, the details of instructions issued by Government in the matter;

(c) whether there is any proposal to initiate criminal proceedings against the manufacturers of pharmaceutical products who did not pass on the benefits of duty reduction to consumers; and

(d) the steps taken by the NPPA to review its price monitoring mechanism to make it effective in timely detecting such cases?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) to (d) Information is being collected and will be laid on the Table of the House.

Direct subsidy to farmers

3917. SHRI UPENDRA KUSHWAHA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether farmers are not getting the requisite benefit of subsidy on fertilizers;

(b) whether some fertilizer companies resort to tactics of Gold Plating *i.e.* indicating lower production capacity and on the basis of percentage production obtain huge subsidy;

(c) if so, whether there is any proposal to pass on subsidy directly to farmers according to their economic status; and

(d) if not, the safeguards taken to provide maximum benefit of subsidy to peasant, poor and marginal farmers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) No, Sir. The farmers are getting benefits of subsidy on fertilizers.

(b) The urea capacity of all the units in the industry had been reassessed and notified the reassessed urea capacity effective from April, 2000. Therefore, the Government has already mopped up gold plated capacities.

(c) and (d) The Government is considering the feasibility of giving subsidy directly to farmers. In this regard, a Task Force on direct subsidy in respect of Kerosene, LPG & Fertilizers has been set up under the chairmanship of Shri Nandan Nilekani, Chairman, Unique Identification Authority of India (UIDAI) to examine and recommend a implemental solution for transfer of subsidy directly to the intended beneficiaries. The Task Force, has given its Interim Report. In respect of fertilizers, the Task Force in its interm report has recommended a three stage approach with respect to payment of subsidy directly to farmers. Phase-I is to capture the information on availability of fertilizers at the farm gate level, wherein the availability at the retailer level will be captured. In Phase-II, which will be implemented after the Phase-I stabilizes, the subsidy is expected to be transferred at the last point sale and in Phase-III, the subsidy is expected to be transferred directly to the intended beneficiary based on AADHAR Numbers. The fertilizer subsidy is transferred to the farmer (including the marginal and small farmers) by way of a heavily subsidized MRP. As on date, a farmer pays only approximately 50% of the cost of fertilizer as MRP.

Privatization of sick/closed fertilizer units

†3918.SHRI ASHK ALI TAK: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

†Original notice of the question was received in Hindi.