

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) The criteria for distribution of fertilizers to all the States of the country during Kharif and Rabi seasons is to ensure that the availability of fertilizers is adequate to meet the requirement as assessed by Department of Agriculture and Cooperation (DAC), Government of India. With an aim to ensure adequate availability of fertilizers *vis-à-vis* the requirement throughout the country, Department of Fertilizer is taking various steps, some of which are:—

- (i) Each State in consultation with the fertilizer suppliers prepare monthly supply plan, district-wise, within overall availability at State level for ensuring adequate availability of fertilizers in all parts of the State;
- (ii) The movement of fertilizers is monitored throughout the country by an on-line web based monitoring system ([www.urvarak.co.in](http://www.urvarak.co.in)) called Fertilizer Monitoring System (FMS);
- (iii) As per the provisions contained in para 4 of FCO, 1985 — Every dealer, who makes or offers to make a retail sale of any fertilizer, shall prominently display in his place of business — a list of rates of such fertilizers fixed under Clause 3 of FCO and for the time being in force; and
- (iv) The regular weekly Video Conference is being conducted jointly by Department of Agriculture and Cooperation (DAC), Department of Fertilizers (DOF), Ministry of Railways and Department of Shipping with State Agriculture Officials and corrective actions are taken to dispatch fertilizer as indicated by the State Governments.

(c) and (d) Under clause 21 of the Fertilizer Control Order (FCO), 1985, it is mandatory to print the Maximum Retail Price (MRP) on the bags of all kinds of fertilizers, whether under statutory price control or out of the purview of the statutory price control. No person shall charge higher than the price printed on the bag. Any person violating this mandatory provision of FCO is held liable to be proceeded against for administrative/punitive measures under the provisions of FCO and Essential Commodities Act. The State Governments as enforcement agencies are adequately empowered to take appropriate action against the offender who indulges in any kind of malpractices including hoarding/black marketing etc. Department of Fertilizers has from, time to time, been sensitizing all the State Governments to gear up the enforcement agencies under their jurisdiction for appropriate action against the offenders, if any.

#### **Increase in retail prices of fertilizers**

806. SHRI N.K. SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether Government proposes to increase retail prices of urea and other fertilizers to reduce the subsidy burden during the current financial year;

- (b) if so, the details thereof and the reasons therefor;
- (c) whether Government has recently withdrawn the freight subsidy on fertilizers; and
- (d) if so, the details thereof and the steps being taken to check the increase in prices of fertilizers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) As far as MRP of urea is concerned, a proposal for formulation of pricing policy for existing urea units beyond Stage-III is under consideration of the Government. As regards other fertilizers *i.e.* P&K fertilizers, their MRP are fixed by the fertilizer companies under the Nutrient Based Subsidy (NBS) policy. Under the NBS policy, a fixed amount of subsidy decided on annual basis, is provided on the subsidized P&K fertilizers.

(c) No, Sir.

(d) The country is dependent on imports of P&K fertilizers either in the form of finished fertilizers or its raw materials, the delivered prices of P&K fertilizers are dependent on international prices of P&K fertilizers and its raw materials and exchange rate of Indian Rupees against US\$. Since the amount of subsidy is fixed, any increase/decrease in the prices of fertilizers and its raw materials in the international market have direct bearing on the MRPs of P&K fertilizers. The depreciation of Indian Rupees against US\$ has further added to increase in the prices of fertilizers. Though the MRPs of P&K fertilizers have increased, the farmers are still paying only 58% to 70% of the delivered cost of P&K fertilizers.

#### **Price violation by pharma companies**

807. SHRI AAYANUR MANJUNATHA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the details regarding mechanism for revising the prices of bulk drugs;
- (b) whether some pharmaceutical companies charge exorbitant prices of their drugs and formulations without any control/check;
- (c) if so, the steps taken to monitor the prices of drugs;
- (d) the number of cases detected by the drug regulator involving price violations during the last three years and the current year alongwith the action taken against the erring pharmaceutical companies; and
- (e) the measures taken to ensure availability of life saving drugs in sufficient quantity at the reasonable prices in the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) The prices of bulk drugs specified under