

1	2	3	4	5	6
51 to 200 gms.	Rs.20	Rs.25	Rs.30	Rs.50	Rs.60
201 to 500 gms.	Rs.20	Rs.40	Rs.45	Rs.70	Rs.80
Additional 500 gms. or part thereof	Rs.5	Rs.7.50	Rs.15	Rs.30	Rs.40

\*Inclusive of service tax and education cess

Proof of Delivery charges for Speed Post articles shall be rupees ten per Speed Post article in addition to Speed Post charge.

*Speed Post tariff w.e.f. 01.10.2012*

Weight	Local (within municipal limits)	Upto 200 Kms.	201 to 1000 Kms.	1001 to 2000 Kms.	Above 2000 Kms.
Upto 50 grams	Rs.15	Rs.35	Rs.35	Rs.35	Rs.35
51 grams to 200 grams	Rs.25	Rs.35	Rs.40	Rs.60	Rs.70
201 grams to 500 grams.	Rs.30	Rs.50	Rs.60	Rs.80	Rs.90
Additional 500 grams or part thereof	Rs.10	Rs.15	Rs.30	Rs.40	Rs.50

The above tariff will be exclusive of taxes. The taxes will have to be paid extra as notified by the Central Government from time to time.

Proof of Delivery charges for Speed Post articles shall be rupees ten per Speed Post article in addition to Speed Post charge.

#### **Subsidy on Urea and DAP**

†\*40. SHRI NARESH AGRAWAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the amount of subsidy in crores of rupees given by Government on Urea, DAP and other fertilizers every year;

†Original notice of the question was received in Hindi.

(b) whether it is a fact that despite so much subsidy, DAP and Urea have become costlier by ₹ 500 and ₹ 200 per bag, respectively;

(c) if so, the reasons therefor and whether Government is considering to provide cheap DAP and Urea to farmers; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) The details of subsidy paid on Urea and Phosphatic and Potassic (P&K) fertilizers for the last ten years is given in the Statement (*See below*).

(b) The MRP of Urea was increased from Rs.241.50 to Rs.265.50 per bag of 50 kg with effect from 1.4.2010 and further increased by Rs.2.50 per bag w.e.f. 1.11.2012. Therefore the price of Urea has not increased by Rs.200 per bag. The price of DAP has, however, increased more than Rs.500 per bag during past two years.

(c) and (d) The Department of Fertilizers is implementing Nutrient Based Subsidy (NBS) Policy for Phosphatic and Potassic (P&K) fertilizers w.e.f. 1.4.2010. Under the NBS Policy, a fixed amount of subsidy decided on annual basis is provided to the subsidized P&K fertilizers depending upon its nutrient content. The Maximum Retail Prices of P&K fertilizers are fixed by the fertilizer companies.

India is fully dependent on imports in Potash sector and to the extent of 90% in case of Phosphate sector in terms of either finished fertilizers or raw material. Since subsidy is fixed, any rise or fall in the international prices of P&K fertilizers and its inputs affects the MRP of these fertilizers in the country. Further variation in exchange rate also affects the delivered prices of these fertilizers.

During the year 2010-11, the international prices of P&K fertilizers and its raw materials increased marginally and the exchange rate also remained stable, therefore, the prices of P&K fertilizers in the country increased only marginally.

In spite of increase in subsidy during the year 2011-12, the MRP of P&K fertilizers increased during the year due to sharp increase in the prices of P&K fertilizers and their raw materials in international market. The depreciation of Indian Rupee further added to the increase in MRP of these fertilizers.

The price increase during 2012-13 is mainly due to depreciation of Indian Rupee and partly due to marginal increase international prices.

To summarise, the increase in the prices of P&K fertilizers is mainly due to increase in international prices of P&K fertilizers, which is not under the control of the Government and also on account of depreciation of India Rupee.

The MRP of Urea has remained unchanged since 1.4.2010 except a marginal increase of Rs.2.50 per bag w.e.f. 1.11.2012.

***Statement***

*Details of subsidy paid on Urea and P&K fertilizers*

(Rs. in Crores)

Period	P&K Fertilizers including DAP	Urea	Total subsidy
2001-02	4503.52	8191.5	12695.02
2002-03	3224.52	7791.16	11015.68
2003-04	3326.00	8521.82	11847.82
2004-05	5142.18	10985.52	16127.70
2005-06	6596.19	12793.45	19389.64
2006-07	10298.12	17721.43	28019.55
2007-08	16933.80	26385.36	43319.16
2008-09	65554.79	33939.92	99494.71
2009-10	39452.06	24580.23	64032.29
2010-11	41500.00	24336.68	65836.68
2011-12	36107.94	37683	73790.94
Actual Allocation BE 2012-13	28576.12	37016.01	65592.13