

(b) NIPER, Mohali has reported that the operation of the order of Hon'ble single Judge in Civil Writ Petition No. 6458 of 2012 has been stayed by a Double Bench headed by Chief Justice of Hon'ble Punjab and Haryana High Court in Later Patents Appeals No. 2094 of 2012 and 2106 of 2012. The matter is *sub-judice*.

(c) NIPER, Mohali has reported that requisite meetings of the BoG were held in 2012 as per the provisions of the NIPER Act, 1998 and the Statutes of the NIPER.

Results of fertilizers subsidy

2842. DR. JANARDHAN WAGHMARE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the subsidy given to fertilizer industry in the country in the last few years have not yielded any results in terms of increased production and the country continues to be dependent on imports;

(b) if so, whether consignments valued several crore of rupee were dispatched by industries and subsidy paid to them, but fertilizer not received at the State level;

(c) if so, the facts thereof; and

(d) the steps contemplated by Government to ensure availability of fertilizer to farmers at a reasonable price?

THE MINISTER OF STATE OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) The subsidy is given to fertilizer industry to compensate the cost of production of urea which is more than the MRP fixed by the Governments. The MRP of urea is fixed by the Government and urea is supplied to farmers at subsidized rate. As regards phosphatic and potassic fertilizers (P&K) fertilizers is concerned, Nutrient Based Subsidy(NBS) is being implemented *w.e.f.* 1.4.2010 under which a fixed amount of subsidy, decided on annual basis, is provided on each grade of subsidized P&K fertilizers depending upon their nutrient content. Maximum Retail Price (MRP) of P&K fertilizers are fixed by the fertilizer companies. As no investment has been made by the fertilizer industry during the last few years except few urea revamp projects, the urea production has increased in the country by around 2 Million MT. The country is fully dependent on imports in Potassic sector due to non availability of potash in the country and to the extent of 90% in Phosphatic sector in the form of either finished products or its

raw material. The country is therefore, dependent on import of fertilizers to meet the gap between the requirement and indigenous production in the country.

(b) and (c) 95% of the subsidy on indigenous urea is paid only when consignment is received in the District. In case of Phosphatic & Potassic (P&K) fertilizers, 85-90% on account payment (90% with Bank guarantee) is released when fertilizers is received in the District and the balance 15-10% is released on receipt of acknowledgement from the retailers (last point of sale to farmer) that he/she has received the fertilizers. This ensures transparency in the supply chain of fertilizers as also availability of fertilizers for the farmers.

(d) Urea is provide to farmers at a fixed subsidized Maximum Retail Price (MRP) of Rs. 5360 PMT. The difference between the delivered cost and MRP of urea is provided as subsidy. In respect of Phosphatic and Potassic (P&K) fertilizers, a fixed subsidy, decided on annual basis, is provided based on their nutrient content under Nutrient Based Subsidy (NBS) Scheme being implemented w.e.f. 1.4.2010. At present, 22 P&K fertilizers covered under NBS Scheme are provided at subsidized prices to farmers.

Cash subsidy for fertilizers to farmers

2843. SHRI NARESH GUJRAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the progress on the direct transfer of cash subsidies for fertilizers to farmers;
- (b) the details of the pilot project tracking fertilizers' sales up to the farmer level;
- (c) whether any amount has been transferred so far; and
- (d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) The Department of Fertilizers with the technical support of National Informatics Centre (NIC) is following the phased approach for direct transfer of subsidies for fertilizers in the following manner: