

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA): (a) Urea is provided to farmers at a statutory price of ₹ 5360/MT (excluding taxes etc.). This price is much below the actual delivered cost. The Phosphatic and Potassic (P&K) fertilizers are also provided to farmers at subsidized prices. The Maximum Retail Price printed on each bag of these subsidized fertilizers is exclusive of the subsidy and any farmer, who purchases these fertilizers, gets the benefit of the subsidy.

(b) and (c) At present, there is no linkage between subsidy payment and capacity utilization of the fertilizer units. The subsidy is being paid to fertilizer units based on the quantity of fertilizers sold for agricultural purpose.

(d) Subsidy on fertilizers are provided to all the farmers irrespective of their landholding and economic status.

Direct Benefit Transfer in fertilizer sector

207. SHRI K. R. ARJUNAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government would undertake a pilot project in 16 districts across the country to introduce Direct Benefit Transfer in fertilizer sector, if so, the details thereof, and

(b) whether unlike the DBT in LPG and other schemes, it cannot be introduced easily in fertilizer sector, if so, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA): (a) Yes Sir, the pilot project has been undertaken in 16 districts to introduce DBT in fertilizer sector. Details are given in the Statement (*See* below).

(b) The DBT being implemented in fertilizer subsidy payment is slightly different from the normal DBT being implemented in LPG subsidy. Under the DBT in fertilizer sector, the subsidy will be released to the fertilizer companies instead of the beneficiaries, after the sale is made by the retailers to the beneficiaries. At present direct transfer of subsidy to beneficiaries like in LPG cannot be introduced in fertilizer sector as the beneficiaries and their entitlement is not clearly defined. Multiple subsidized products, urea and 21 grades of Phosphatic and Potassic fertilizers have different subsidy rates and subsidy rate in respect of urea vary from company to company due to different production processes, energy efficiencies of plants, vintage etc. Amount of subsidy in some fertilizers particularly Urea is more than double the MRP. It will be a huge financial burden on the farmers to pay the MRP and subsidy

upfront and receive the subsidy amount subsequently.

Statement

Names of districts where DBT Pilot Project is under implementation

Sl. No.	District	State
1.	Una	Himachal Pradesh
2.	Kishanganj	Bihar
3.	Hoshangabad	Madhya Pradesh
4.	Karnal	Haryana
5.	Kurukshetra	
6.	Kannur	Kerala
7.	Nasik	Maharashtra
8.	Raigarh	
9.	Tumkur	Karnataka
10.	Rangareddy	Telengana
11.	Krishna	Andhra Pradesh
12.	West Godavari	
13.	Maldah	West Bengal
14.	South 24 Paraganas	
15.	Narmada	Gujarat
16.	Pali	Rajasthan

Closure of Pharma PSUs

208 SHRI D. RAJA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state: whether it is a fact that Government has decided to close down the Indian Drugs and Pharmaceuticals Ltd. (IDPL) and Rajasthan Drugs and Pharmaceuticals Ltd. (RDPL), if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA): Yes Sir. The Government has decided to close Indian Drugs and Pharmaceuticals Limited (IDPL) and Rajasthan Drugs and Pharmaceuticals Limited (RDPL). A Committee of three Ministers considered future course of action on pharma PSUs and noted that all Pharmaceutical PSUs, except Karnataka Antibiotics and Pharmaceutical Limited (KAPL), were sick or