

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 1980 TO BE ANSWERED ON : 06.12.2024

Dealer Margin on Fertilizers

1980 SHRI BHAUSAHAB RAJARAM WAKCHAURE:

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) the date on which the Government had fixed the dealer margin on complex fertilizers, DAP and MOP at Rs. 20 to 22 per bag and the total dealer margin on urea at Rs. 15.88 per bag;
- (b) the loading and unloading expenditure on these fertilizers as on date, separately;
- (c) the steps taken/proposed to be taken to fix minimum margin of 6 per cent for retailers and 2 per cent for wholesalers on complex, fertilizers, DAP and MOP; and
- (d) the steps taken/proposed to be taken for ensuring a margin of Rs. 23 per bag for retailers and Rs. 7 per bag for wholesalers in urea?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) to (d): Government has issued guidelines dated 18.01.2024 for evaluation of reasonableness of Maximum Retail Price (MRP) of Phosphatic & Potassic (P&K) fertilizers under the Nutrient Based Subsidy (NBS) Scheme. Under these guidelines, dealer margin is permissible upto the extent of 2% of MRP in case of DAP & MOP and 4% for all other grades of P&K fertilizers under NBS. Under NBS policy, MRP is decontrolled and is fixed by fertilizer companies as per market dynamics at reasonable level.

In case of Urea, Government of India has revised the Dealer/Distribution Margin to the rate of Rs.354/MT of Urea w.e.f. 01st April 2018 for sale of Urea through Private Trade as well as Institutional Agencies.
