

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

STARRED QUESTION NO:119  
ANSWERED ON:09.12.2003  
RISE IN THE PRICES OF FERTILIZERS  
DINESH CHANDRA YADAV;RAM JEEVAN SINGH

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

- (a) whether it is a fact that the international prices of Ammonia and Phosphoric acids which are vital input for both urea and phosphatic fertilizers have risen;
- (b) if so, the details thereof;
- (c) the likely impact on the Fertilizers units in the country and the anticipated rise in the prices of fertilizers as a consequence thereof; and
- (d) the manner in which Union Government propose to neutralise the rise in the prices of Fertilisers?

**Answer**

THE MINISTER OF CHEMICALS AND FERTILIZERS(SHRI SUKHDEV SINGH DHINDSA)

(a) to (d): A statement is laid on the Table of the House.  
Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. 119 to be answered on  
9.12.2003.

(a) & (b) Yes sir, the prices of ammonia and phosphoric acid have risen as compared to the prices prevailed during the year 2002-03. The average price of ammonia during 2002- 03 as per Fertilizer Marketing Bulletin weekly was \$148.33 per MT C&F compared to the current year's average price of \$ 214.29 per MT C&F up to 20.11.03. The price of phosphoric acid has also risen as the FAI consortium for 2003-04 negotiated the price of phosphoric acid at \$356 per MT C&F as against the price of \$341.50 per MT C&F for 2002-03.

À© &(d) There has not been any increase in the selling price to the farmers as a result of increased prices of imported ammonia and phosphoric acid. The Central Government announces/ indicates Maximum Retail Prices (MRPs) of these fertilizers (except SSP) that are applicable uniformly throughout the country. The Government has not increased MRP of any fertilizer during the year 2003-04. Besides, the phosphatic and potassic fertilizers namely DAP, MOP, various grades of complex fertilizers and SSP are covered under the Concession Scheme and Government is paying concession/ subsidy (equivalent to difference between normative delivered cost and the MRP). The concession/subsidy is announced on quarterly basis after updating the prices of imported raw materials/intermediates (including ammonia and phosphoric acid) and foreign exchange rate.