

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

UNSTARRED QUESTION NO:620

ANSWERED ON:24.02.2011

SHORTAGE OF FERTILIZERS

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

- (a) the production, demand and supply of fertilizers in the country during each of the last three years and the current year, fertilizer-wise and State-wise;
- (b) whether the farmers suffer on account of shortage and delay in the supply of fertilizers in some parts of the country;
- (c) if so, the details thereof alongwith the reasons therefor; and
- (d) the steps being taken by the Government to meet the demand and supply of fertilizers and to check the blackmarketing and smuggling of fertilizers in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a): The State-wise demand (Requirement), supply (Availability) of major fertilizers namely Urea, DAP and MOP during the last three years i.e. 2007-08, 2008-09, 2009-10 and also during the current year 2010-11 (upto 31.1.2011) is at Annexure - 'A' to 'D' Department of Fertilisers (DOF) started monitoring of complex fertilizers with effect from Kharif, 2008. State-wise production of urea, DAP & Complexes for last three years i.e. 2007-08: 2008-09, 2009-10 and also during the current year 2010-11 (upto 31.1.2011) is at Annexure-'E', 'F & 'G'.

(b) to (c): Union Government monitors availability of fertilizers at State level and State Governments are responsible for further distribution within the State. State-wise requirement, availability and sales of Urea, DAP, MOP and complex fertilizers during the year 2010-11 (April'10 - January'11) is at Annexure - 'D1'. As can be seen, the availability of all fertilizers has been comfortable.

(d) The steps taken to meet the demand & supply of fertilizers and to check blackmarketing and smuggling of fertilizers are as under:

i) The movement of all major subsidized fertilizers is being monitored throughout the country by an on-line web based monitoring system (www.urvarak.co.in) also called Fertiliser Monitoring System (FMS);

ii) The state governments have been advised

(i) to instruct the State Institutional agencies to coordinate with manufacturers and importers of fertilizers for streamlining the supplies
(ii) to review the railway rake points in their states and take up the issues with the Railways for improvements, if any, required to ensure availability of fertilizers in every nook and corner of the State;

iii) The Government has introduced Nutrient Based Subsidy (NBS) Policy in respect of Phosphatic & Potassic fertilizers w.e.f. 1.4.2010. Under the NBS, State Governments have to play more proactive role to co-ordinate with the manufacturers/importers to tie up supplies of fertilizers as per the requirement of states;

iv) Department of Fertilizers and Department of Agriculture & Cooperation are jointly reviewing fertilizer availability with State Agriculture department through Video Conferencing every week. The corrective actions, if required, are taken immediately to avoid any hardships to farmers;

(v) The Department of Fertilizers contacts on phone the officials of major fertilizer consuming states on daily basis to find out any shortages of fertilizers in any part of the state and the corrective actions are taken immediately;

vi) The gap between requirement and indigenous availability of Urea is met through imports;

vii) In so far as decontrolled Phosphatic and Potassic fertilizers are concerned, subsidy is released on sale of fertilizers;

viii) Under NBS, Fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed net retail price will be punishable under the EC Act;

ix) The State Governments, as the enforcement agencies, are adequately empowered under Fertilizer Control Order, 1985 to take

appropriate action against any offender who indulges in any kind of malpractices including black marketing. State Government can also initiate action under para 3 of the Fertilizer (Movement Control) Order, 1973 -against smuggling/ illegal export of fertilizers.

x) There are reports of smuggling of fertilizers from India to neighbouring countries. However, these have not been confirmed by the State Governments. The Chief Secretaries in the States and Border Guarding Authorities like Border Security Force (BSF), Coast Guards and Custom authorities etc. have been alerted by Department of Fertilizers, Ministry of Home Affairs and Ministry of Finance to keep strict vigil on such activities which may lead to illegal exports/smuggling of fertilizers and initiate stringent action against the persons involved in such malpractices under the provision of FCO, 1985.