

**Press Information Bureau
Government of India
Ministry of Chemicals and Fertilizers**

27-August-2010 13:12 IST

Supply of Quality Fertilizers

Government of India has declared fertilizer as an essential commodity under the Essential Commodities Act, 1955 and has notified Fertilizer Control Order, 1985 under the said Act. The quality of fertilizers is regulated under the Fertilizer Control Order, 1985. As per the provision of the Fertilizer Control Order 1985, fertilizers, which meet the standard of quality laid down in the offer can only be sold to the farmers. The State Governments are adequately empowered to take appropriate action against the sellers of non-standard fertilizers. The penal provision includes prosecution of offenders and sentence if convicted up to seven years imprisonment under the ECA, 1955 besides cancellation of authorization certificate and other administrative action. There are 71 fertilizer testing laboratories including four laboratories of the Government of India at Faridabad, Kalyani, Mumbai and Chennai with an annual analyzing capacity of 1.34 lakh samples. During the year 2006-07, 2007-08 and 2008-09, the percentage of samples of fertilizers declared non-standard at all India level were 6.0%, 6.2% and 5.5% respectively.

Fertilizers are provided to the farmers in the States at subsidized rates. Expenditure on fertilizer subsidy in the last five years is as follows:

(in crores)

Year	Indigenous P&K	Indigenous Urea	Imported P&K	Imported Urea	Total
2005-06	4499.20	10625.57	2096.99	2140.88	19389.64
2006-07	6648.17	12650.37	3649.95	5071.06	28019.55
2007-08	10333.80	16450.37	6600.00	9935.14	43319.31

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2008-09	32957.10	20968.74	32597.50	12971.38	99494.72
2009-10	16000.00	17580.25	23452.06	6999.63	64031.94

Under the Nutrient Based Subsidy Policy (NBS) subsidy for indigenous and imported P&K fertilizers has been announced on annual basis for 2010-11 based on the prevailing prices and price trends of fertilizers in the international market. Subsidy for indigenous urea is provided based on the New Price Scheme-III. The prices of imported fertilizers have not registered ny substantial change in the international market in the period April 2010 – July 2010. Further, marginal decrease in prices, if any, has been offset by the adverse Rs./US\$ exchange rate.

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There are reports of smuggling of fertilizers from India to neighbouring countries. However, these have not been confirmed by the state Governments. The State Governments have been advised by the Department of Fertilizers to keep a vigil and to check smuggling of fertilizers, if any, from India to neighbouring countries through land and sea routes.

Similarly Union Home Ministry has also alerted Border guarding forces viz. Border Security Force (BSF), Indo-Tibetan Border Police, Assam Rifles and Sashtra Seema Bal and Coast Guard to maintain strict vigilance on the borders to curb smuggling, if any, of fertilizers. Further, Ministry of Home Affairs has also addressed the Chief Secretaries of the Government of Arunachal Pradesh, Assam, Bihar, Gujarat, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Rajasthan, Tripura, Uttar Pradesh, Uttarakhand and West Bengal to sensitize the authorities concerned to curb the smuggling of fertilizers, if any, into the neighbouring countries.

The Government is promoting integrated Nutrient Management involving use of bio fertilizers and organic manures in conjunction with chemical fertilizers. Under National Project on Organic Farming 25% credit linked back-ended subsidy up to Rs. 40 lakh is provided to private entrepreneurs for establishment of bio fertilizers production units through National Bank for Agriculture and rural Development (NABARD) and National Cooperative Development Corporation (NCDC).

This information was given by the Minister of State for Chemicals & Fertilizers Shri Srikant Kumar Jena in a written reply in the Rajya Sabha today.

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