

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 2105 TO BE ANSWERED ON : 08.08.2023

Outlier methodology Concession Scheme between 2008-2010

2105. SHRI A. D. SINGH:

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

- (a) whether there was an outlier methodology concession scheme between 2008-2010 in the distribution of subsidy by Government in P&K Fertilizers;
- (b) if so, the details thereof;
- (c) whether the outlier company was given a separate treatment whereby it had to share its profits on the difference between the import price and industry average with Government;0
- (d) if so, in what ratio; and
- (e) the outlier companies with their import price, the industry price and the computed price for DAP, MOP, Ammonia and Sulphur during the said period, month-wise.

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SHRI BHAGWANTH KHUBA)

(a) to (d): Yes Sir. As per Department of Fertilizer Notification number 5-1/2007-Shipping II/MPR dated 11th July 2008 and number 22011/4/2009-MPR dated 7th July 2009, the input/ fertilizer prices for the Concession Scheme will be derived on the basis of an 'Outlier' methodology. Accordingly the weighted C&F price of various raw materials/ intermediates/ finished fertilizers (landed at Indian ports in the relevant month) for computation of monthly concession will be adopted by excluding the outlier(s). Prices, which are less than 5% or USD 30 per MT of the 'industry average', whichever is lower, will be excluded while computing the 'industry average'. The 'outlier' will be provided a special treatment whereby the difference between 'outlier' price and the 'industry average' will be shared in the ratio 65:35 between the 'outlier' and the Government respectively. The 'outlier' methodology will also be applicable to all long-term contracts including existing long-term contracts such as Ammonia Off-Take Agreement (AOTA) of IFFO with OMIFCO w.e.f. 1st April 2008.

(e): Information is being collected and will be laid on the Table of the House.
