

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION NO. 1309
TO BE ANSWERED ON THE 27TH JULY, 2021

IMPACT OF RISING PRICE OF PETROL/DIESEL ON AGRICULTURE SECTOR

1309. SHRI ANTO ANTONY.:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether the Government has noticed that the rising price of petrol and diesel has badly affected the agriculture sector in the country;
- (b) if so, the steps taken by the Government to help the farmers in the country;
- (c) whether the Government has the statistics regarding the price of major fertilizers and pesticides in the country;
- (d) if so, the details of the price of major fertilizers and pesticides used by the farmers in the country during the last five years, year-wise;
- (e) whether the Government has noticed that the price of major fertilizers and pesticides have gone up sharply; and
- (f) if so, the steps taken by the Government, if any, to arrest the price rise of fertilizers and pesticides?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि और किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): Cost of diesel incurred in producing a crop is already included while estimating cost of cultivation/production and hence, is included in fixing Minimum Support prices (MSPs). The estimates of cost of cultivation, which is an important input for forming the recommendation of MSP, are made available to Commission through the 'Comprehensive scheme for Studying the Cost of Cultivation of Principal Crops in India', operated by Directorate of economics and Statistics, Department of Agriculture and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Government of India. These estimates take into account real factors of production and include all actual expenses in cash and kind incurred in production of a crop by the farmer.

The Ministry of New and Renewable Energy (MNRE) is implementing Pradhan Mantri Kisan Urja Suraksha evam Uthaan Mahabhiyaan (PM-KUSUM Scheme), which, inter alia, provides for installation of 20 lakh standalone solar water pumps for replacement of existing diesel Agriculture pumps /irrigation systems in off-grid areas, where grid supply is not available. MNRE is also implementing a Central Sector Scheme, the New National Biogas and Organic Manure Programme (NNBOMP) for setting up small biogas plants, based on cattle dung and other mixed wastes for water pumping and meeting small farm power needs. In both the Schemes, central financial assistance is provided, as per the Scheme guidelines.

(c) & (d): There is no mechanism to regulate the pricing of pesticides in the Insecticides Act, 1968 and Insecticides Rules, 1971. Pricing of pesticides is market driven and to make available pesticides at reasonable prices, the Registration Committee grants registration certificate for generic pesticides expeditiously. Availability of more options to farmers ensures healthy competition in the market thereby having the effect of stabilizing the prices. Pesticides companies like any other companies are regulated under the provisions of the Companies Act, 2013

The price of urea during last five years is constant. In 2012, the price of urea was fixed at Rs. 5360/- per Metric Tonne which was subsequently notified per 45 kg bag at Rs. 242/- . The details of the Average MRP in Rs./MT of P&K fertilizer fixed by the fertilizer companies under Nutrient Based Subsidy regime is enclosed as Annexure I.

(e) & (f): There has been increase in the international prices of raw materials of P&K fertilizers from last few months. Considering the consequences of increase in the international prices of raw materials for fertilizers and finished fertilizers on the farming community, the Govt. of India has notified new NBS rates for P&K fertilizers on 20.05.2021 wherein, the subsidy on P&K fertilizers has been increased to make available DAP and other P&K fertilizers at affordable prices to farmers.

The subsidy of DAP fertilizer has been increased from Rs. 500 per bag to Ra. 1200/- per bag which is an increase of around 140%. Thus despite the rise in the international prices of DAP, Centre Government decided to bear all the burden of the price hike and continue selling DAP to farmers at the older price of Rs. 1200 per bag.

Sl. No	Grades of Fertilizers	Average MRP in Rs/MT of P&K fertilizers fixed by the fertilizer companies under the Nutrient Based Subsidy regime				2020-21
		2016-17	2017-18	2018-19	2019-20	
1	DAP : 18-46-0-0	23213.26	22099.07	26943.79	26383.06	25082.44
2	MAP : 11-52-0-0	NA	NA	NA	NA	NA
3	TSP : 0-46-0-0	NA	NA	NA	NA	NA
4	MOP : 0-0-60-0	12734.57	11868.36	16188.17	19033.95	17910.74
5	16-20-0-13	17192.06	16599.17	19479.17	19338.54	18725
6	20-20-0-13	18241.08	17511.11	19696.06	20984.01	20592.32
7	10-26-26-0	21838.58	21628.95	24895.05	25352.74	24491.77
8	12-32-16-0	22055.94	21765.60	25272.41	25348.37	24469.58
9	14-28-14-0	NA	NA	NA	NA	NA
10	14-35-14-0	23501.78	22791.36	27302.78	27100	25609.38
11	15-15-15-0	0	18121.93	20092.98	21436.67	20908.33
12	AS: 20.3-0-0-23	13245.83	13140.18	12824.38	13117.63	13349.8
13	20-20-0-0	17747.23	16426.46	18291.67	19675	19000
14	28-28-0-0	23404.84	22620.00	27341.67	27295.83	25707.99
15	17-17-17-0	20997.44	19857.90	22841.67	25000	25000
16	19-19-19-0	22271.86	21658.94	24700	26643.81	26237.5
17	SSP(0-16-0-11)*	7331.33	NA	7754.63	8030.97	8250.27
18	16-16-16-0	17921.97	17799.35	19745.45	22881.25	21732.87
19	15-15-15-09	17741.57	17782.53	18400	20671.11	20769.29
20	24-24-0-0	20899.48	20476.30	25019.44	25552.78	25149.31
21	24-24-0-8	20614.61	19685.45	24408.33	25133.33	25915.28
22	14-28-0-0	NA	NA	NA	NA	23437.5
MRP is exclusive of Taxes Blank space/NA means data not available						
