

From Oct, subsidised fertilisers to be sold under brand 'Bharat'

Govt Aims To Cut Subsidy Outgo On Logistics, Ensure Timely Availability

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New Delhi:

From October, all subsidised fertilisers such as urea and di-ammonium phosphate (DAP) will be sold across the country under a single brand name — 'Bharat' — as the government rolls out its 'One Nation, One Fertiliser' scheme.

Officials said the government will rework the movement plan — from plants to markets — of subsidised fertilisers to avoid long-distance transportation, under the PM Bharat Janurvarak Pariyojna (PMBJP), to cut down its subsidy outgo on logistics and ensure timely availability of fertilisers for farmers.

The 'PMBJP' logo and the 'Bharat' brand name will be "prominently displayed" on the new fertiliser bags. The bags will display on the top — the actual price, the amount of subsidy per bag borne by the government and the maximum retail price. They will also have the names of the manufacturers and other details, in smaller letter size compared to the logo and the brand name. This will inform people about government's financial burden on each bag of fertiliser. Chemical and fertiliser minister Mansukh Mandaviya told reporters on Saturday, "The main objective of the scheme is to ensure the availability of subsidised fertilisers to farmers when they need it. We also have set the target to reduce the average lead (distance covered for transportation from plant to fertiliser outlets) from the current 700-750 km to 500 km in near future." The government expenditure on subsidy for transportation of fertiliser is in the range of Rs 6,000 crore to Rs 9,000 crore. Officials said by minimising the criss-cross movement of fertilisers — such as the movement of NPK of one brand from Maharashtra and Gujarat to West Bengal — the government will significantly reduce its subsidy outgo. "Why should a company manufacturing fertilisers with the same chemical composition in one part of the country sell the product in another end when this demand can be met by a manufacturer who has a plant there? Remember, the government is paying the entire subsidy amount to the companies for each bag sold by them to farmers," said an official.

Amid concerns of fertiliser companies losing their brands once the 'Bharat' initiative is rolled out, the government claimed that the decision to launch the scheme was "firmed up after several rounds of meetings" with the producers. Sources in the fertiliser industry said they have no option but to accept since their business is completely dependent on the government.

An official said, "They have made the brand name and recorded high sales because of the government, which bears the entire subsidy and pays to the companies. . ."