

No. 12012/20/2007-FPP
Government of India
Ministry of Chemicals & Fertilizers
(Department of Fertilizers)

Shastri Bhawan, New Delhi.
Dated the 2nd June 2008

To

The CMD/MDs.

RCF/MFL/BVFCL/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/
CFCL/TATA/ZIL/INDO-GULF/SPIC/KSFL/MFCL/FACT/FCI/HFCL.

Subject Policy for encouraging production and availability of fortified and coated fertilizers in the country – reg.

Sir,

I am directed to convey the approval of Government on the following provisions regarding production and availability of fortified and coated fertilizers in the country.

- (i) At present, the following fertilizers, hereinafter referred to as subsidized fertilizers, are covered under the subsidy regime administered by the Department of Fertilizers and their existing notified Maximum Retail Price(MRP)/indicative MRP are as below:

Sl. No.	Name of the Fertilizer	Current indicative MRP (Rs. per tonne)
1	Urea	4830
2	DAP	9350
3	MAP	9350
4	MOP	4455
5	10:26:26	8360
6	12:32:16	8480
7	14:28:14	8300
8	14:35:14	8660
9	15:15:15	6980
10	16:20:00	7100
11	17:17:17	8100
12	19:19:19	8300
13	20:20:00	7280
14	23:23:00	8000
15	28:28:00	9080
16	SSP	3400

The indigenous manufacturers/producers of the above-mentioned subsidized fertilizers are allowed to produce fortified/coated subsidized fertilizers up to a maximum of 20% of their total production of respective subsidized fertilizers.

- (ii) The manufacturers/producers are allowed to sell all the FCO approved fortified/coated subsidized fertilizers, except for Zincated Urea and Boronated SSP at a price up to 5% above the MRP of the subsidized fertilizer as indicated in the table above. For Zincated Urea and Boronated SSP, the manufacturers are allowed to charge up to 10% above MRP of Urea and SSP respectively.
 - (iii) Every manufacturer/producer, who intend to produce FCO approved fortified/coated fertilizers, should intimate at least one month prior to the date of start of production, to the Department of Fertilizers, the details of production plan of the fortified/coated fertilizers along with the details of its approval under FCO. An additional provision for submission of production, dispatch, receipt and sale data relating to fortified/coated fertilizer will be made in the Fertilizer Monitoring System (FMS) by the Department and the manufacturer/producer will have to update the above details in FMS on the onset of production and sale of the proposed fortified/coated fertilizers.
 - (iv) The fertilizer companies will also be required to submit a certificate from the statutory auditors regarding total production of fortified/coated subsidized fertilizer as against the total production of subsidized fertilizer to indicate the adherence to the ceiling of 20% as indicated in para (i) above.
2. The above orders will be effective w.e.f. 1st June, 2008.

Yours faithfully,


(Deepak Singhal)

Joint Secretary to the Government of India
Tel No. 23381294

1. Chief Secretaries of all State Governments and Union Territories
2. Secretaries of the Department of Expenditure, Department of Revenue, Department of Economic Affairs, Department of Agriculture & Cooperation, Department of commerce, Department of Industrial Policy & Promotion, Ministry of Petroleum & Natural Gas, Planning Commission.

3. Director General, Fertilizer Association of India, 10, Shaheed Jit Singh Marg, New Delhi – 110 067
4. All Officers/sections in the Department of Fertilizers and Office of FICC.

Copy also to:

Smt. Vini Mahajan, Joint Secretary, Prime Minister's Office, South Block, New Delhi