

No. 22011/04/2007/ MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi, the 25th August 2008

To:

- 1. Chief Secretaries/ All Agriculture Production Commissioners/
Secretaries (Agriculture)**
- 2. Directors, Directorate of Agriculture of the State Governments/ U.
Ts.**

**Subject: Revised Concession Scheme for Single Super Phosphate (SSP)
fertilizer for 2008-09 - regarding**

Madam/Sir,

In supersession of this Department letter of even number dated 30th April 2008 communicating the revised Concession Scheme for Single Super Phosphate (SSP) fertilizer for 2008-09 with effect from 1st May 2008, the following is the policy on Concession Scheme for SSP with effect from **1st May 2008**:

- 2) Government of India has decided to announce a uniform all-India MRP of SSP. Accordingly, the MRP of powdered SSP (PSSP) will be Rs. 3400/- per MT.
- 3) Manufacturers/ marketers of SSP are allowed to charge additional Rs. 400/- per MT for Granulated SSP (GSSP) over the MRP of Rs. 3400 per MT applicable for PSSP. For Boronated SSP (BSSP), manufacturers/ marketers are allowed to charge additional 10% of the MRP of SSP.
- 4) For manufacturing SSP, indigenous as well as imported rock phosphate is used. Accordingly, Government of India has decided to provide separate rate of concessions for SSP manufactured based on indigenous and imported rock phosphate. Base Concession rates for SSP manufactured using indigenous rock phosphate will be Rs. 3658 per MT and for SSP manufactured using imported rock phosphate will be Rs. 5630 per MT.
- 5) For SSP manufactured using both indigenous and imported rock phosphate by any manufacturer, the rates of concession will be settled in proportion to the production of SSP through use of indigenous and imported rock phosphate respectively.



6) Final concession rates will be worked on **monthly basis** on the basis of price of imported and indigenous rock phosphate, as applicable, and imported sulphur for the preceding month.


7) The monthly final rates (escalation / de-escalation) will be based on the average of the low and the high C&F prices for the preceding month published in the Fertilizer Market Bulletin (FMB) or actual weighted average of imported Sulphur and imported Rock Phosphate (imported by the DAP/ NPK manufacturers excluding any outlier) arrived during the same period, whichever is lower, for manufacturers using imported rock phosphate. Price of indigenous rock from Rajasthan State Mines & Mineral Ltd (RSMML) would be reckoned with for concession to indigenous SSP manufactures.

8) Manufacturers/ marketers of SSP irrespective of their annual production would be entitled to receive 'on account' payment of 85% (90% with bank guarantee) of claims on **sale** of SSP duly certified by their Statutory Auditor and subject to filing complete information as prescribed under FMS. Balance claim will be considered for payment after the **quantity** as well as **quality** of SSP sold in the State has been certified by the State Government concerned as per Proforma 'B'.

9) It is clarified that only such quantity of SSP would be eligible for concession which has been covered under the quality inspection by the State Government and has been certified as per the criteria contained in the FCO through proforma 'B' by the State Government. In case of any short supply or supply of sub-standard product, as identified by the State Government through Proforma 'B', necessary recoveries would be effected from subsequent claims of the manufacturers/ marketers.

10) In those cases where Concession has been availed by manufacturers/ marketers for quantities claimed to have been sold but later contested by the State concerned and found to be so, recovery of the concession would be made. In those cases, where concession claimed involves sub-standard and / or produced based on non-qualified raw material, recovery of the amount involved would be made along with a penal interest @ Prime Lending Rate (PLR based on SBI rate) plus 3% of the amount involved.

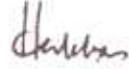
11) It has been decided to monitor details of raw materials, production, dispatch and sales of SSP under the Fertilizer Monitoring System (FMS) w.e.f 1st May 2008. Manufacturers/ Marketers are required to provide requisite data under the FMS as per the proforma prescribed for this purpose.



12) State Governments are requested to ensure that the manufacturers / marketers of SSP fertilizer are not allowed to sell SSP (PSSP, GSSP & BSSP) at rates more than the MRPs indicated above in paragraphs 2 & 3 above.

13) This is issued with the approval of the competent authority.

Yours faithfully,



(H. Abbas)

Deputy Secretary to the Government of India

Tel. No. 2338 3814

Copy to:

1. Secretary (Agriculture), Department of Agriculture & Co-operation, Krishi Bhawan, New Delhi.
2. Secretary, Department of Expenditure, North Block, New Delhi.
3. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi
4. ED, FICCI, R K Puram, New Delhi.
5. Director (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
6. Director of Accounts, Udyog Bhawan, New Delhi.
7. Director General, FAI, New Delhi
8. All the manufacturers/ marketers of DAP/NPK/MOP/SSP

Copy also to: NIC, Department of Fertilizers for uploading on the Department's website

Copy also to: PS to Minister (C& F and S)/ Sr. PPS to Secretary (F)/ AS&FA/ IFD /JS (P&P) /JS (A&M) / JS (F)/ Dir (M)/Dir (P&I)/DS (F), Controller of Accounts & Pay & Accounts Officers in the Dept. of Fertilizers/ US (MPR-Guard File).