

12012/7/2012-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 31 July, 2017

To
All Chief Secretaries of States/Union Territories
All Agricultural Production Commissioners/Secretaries/Directors (Agri.)
All Fertilizer Companies (as per list attached)

Subject: Modification in the procedure for release of fertilizer subsidy by Department of Fertilizers with the introduction of Direct Benefit Transfer (DBTs) System for various fertilizers.

Sir/Madam,

I am directed to refer to this department's notification No D(FA)/CCEA/2011 dated 12th October, 2012, vide which an incentive of Rs 50/- per MT is provided to the retailers for installation of IT related equipment for acknowledging the receipt of fertilizers in the m-FMS w.e.f 1st November, 2012. The incentive is available for installation of PoS devices at the retailers' end.

2. In this regard, Department of Fertilizers has been issuing instructions from time to time with respect to installation of PoS devices at all retail points for the sale of fertilizers and issuance of sale receipts to farmers. Vide letter dated 27th January, 2017, this department had informed all lead fertilizers suppliers (LFS) that under the proposed revised subsidy payment, 100 % subsidy on various fertilizer grades will be released to the fertilizer companies only on the basis of actual sales as recorded in the PoS devices by retailers to the beneficiaries. Further vide letter dated 30th June, 2017, it has been decided to extend the timeline for deployment of PoS devices across the country upto 31st July, 2017. It is noticed that there is a lack of availability of PoS devices and it requires more time to install PoS devices. In view of above, it has been decided to extend the timeline for deployment of PoS devices across the country upto 31st August, 2017. Therefore, any sale transactions other than through PoS devices by retailers will not be eligible for subsidy from 1st September, 2017 onwards.

3. It is mentioned here that vide letter dated 17th March, 2017, the modified procedure for release of fertilizer subsidy with the introduction of DBT for various fertilizers has been notified wherein it has been clarified that 100 % payment of subsidy to the fertilizer manufacturing/importing companies is on the basis of actual sales through PoS devices by the retailer to the beneficiary. The farmers or buyer's identity is verified through Aadhar based biometric authentication/Voter ID

card/ Kisan Credit Card (KCC) and the buyer's details will be captured in the Point of Sale (PoS) devices installed at the retailer's end, having online connectivity with central server. All the Fertilizer sale transaction will be tracked online (Company wise, Plant Wise, Product Wise etc.), in the integrated Fertilizer Management System (iFMS). It is clear that under the revised payment system for DBT scheme, all sales transactions to beneficiaries shall mandatorily be made through Point of Sale (PoS) devices installed at retailer shops by the Lead Fertilizer Suppliers.

4. In the light of above, sale of fertilizers through PoS devices is hereby made mandatory with the condition to cancel the license if he/she refuses/fails to make sale transactions through PoS devices. In case of closure of the shop/business or expiry of the license, the retailer shall return the PoS device in working condition to the Lead Fertilizers Suppliers (LFS) of the state.

Yours sincerely,

(Prabhas Kumar)

Director (F)

Ph: 23386398

Copy to:

1. Secretary, Department of Agriculture, Cooperation & Farmers Welfare w.r.t DO No 1-2/2017-Fert. Law dated 8th May, 2017
2. Director General, Fertilizer Association of India, 10 Shaheed Jit Singh Marg, New Delhi-110067.
3. Director of Accounts, Fertilizer Accounts Wing, Department of Fertilizers, Udyog Bhawan, New Delhi.
4. Director (F&A), FICC, 8th Floor, Sewa Bhawan, New Delhi – 110066.
5. Director (CE), FICC, Sewa Bhawan, New Delhi – 110066.
6. Director (DBT), Department of Fertilizers.
7. Sr Technical Director (NIC), Department of Fertilizers. - *for uploading on DoF website.*
8. Fin-II Desk, Department of Fertilizers.
9. Dy. Director(OL) with a request to make available Hindi Version of the Notification.

Prabhas Kumar

Director (F)

Ph: 23386398