File No.23011/1/2010-MPR(pt) Government of India Ministry of Chemicals & Fertilizers Department of Fertilizers

Room No. 407, B-Wing, nevertil in any make agood 2 multions A to member Shastri Bhavan, New Delhi The 8th July, 2011

To

 Chief Secretaries/All Agriculture Production Commissioners/Secretaries (Agriculture) of the State Governments/UTs.

Commissioners /Directors, Commissionerate/Directorate of Agriculture of the State Governments/UTs.

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for phosphatic and Potassic (P&K) Fertilizers w.e.f. 01.04.2011-NBS Policy w.e.f. 1st April 2011 for 2011-12 and Revised per MT Subsidy, regarding.

Madam/Sir,

I am directed to refer to this Department's letter of even number dated 5.5.2011 on the subject mentioned above.

2. Para 12 of the above said notification dated 5.5.2011 lays down as follows:

"Though the market price of subsidized P&K fertilizers will be open and will be announced by the fertilizer companies, they will be required to print Maximum Retail Price (MRP) alongwith applicable NBS per bag on each fertilizer bag clearly. Any sale above the printed MRP is punishable under the EC Act. The companies have the freedom to increase the MRP of DAP by Rs.600/-PMT in addition to the MRP prevailing at present (Rs.10750/- per MT). Proportionate increase in MRPs of NPKS complexes would also be admissible. Counter Vailing Duty/Excise Duty as applicable would also be recoverable by way of suitable increase in MRPs."

3. Government has reviewed the policy and revised the para 12 as mentioned above. The revised para 12 is as under:

"The market price of subsidized P&K fertilizers will be open and will be fixed by the fertilizer companies at reasonable level, however, they will be required to print Maximum Retail Price (MRP) alongwith applicable NBS per bag on each fertilizer bag clearly. Any sale above the printed MRP is punishable under the EC Act."

- 4. All other conditions mentioned in the Notification dated 5.5.2011 shall remain same.
- 5. This issues with the concurrence of the IFD vide diary No. 531/AS&FA dated 7.7.2011 and approval of the competent authority.

Yours Sincerely,

(Sham Lat Goyal) Joint Secretary to the Government of India

Tel. 23388481

Contd.: 2

Copy to:

- Secretary (Agriculture), Department of Agriculture & Cooperation, Krishi Bhavan, New Delhi.
- Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
- 3. Joint Secretary (INM), Department of Agriculture & Cooperation, Krishi Bhavan, New Delhi.
- 4. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
- 5. Director (Cabinet), Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
- 6. Executive Director, FICC, Department of Fertilizers, New Delhi.
- 7. Director of Accounts, Department of Fertilizers, Udyog Bhawan, New Delhi.
- 8. Director (Finance), Department of Fertilizers, New Delhi
- 9. Director General, FAI, New Delhi. 10 10 10 w enexiline (MSS) place to 9, 2015
- 10. All the manufacturers & importers of P&K Fertilizers and vest brus \$1-1108 to 1708
- 11. All SSP manufacturers/marketers

Copy also to: Office of the Finance Minister, North Block, New Delhi.

Copy also to: Shri L.K. Atheeq, Joint Secretary, Prime Minister's Office, South Block, New Delhi.

Copy also to: PS to Minister (C&F)/PS to MOS(C&F)/PPS to Secretary (Fertilizers)/AS&FA/ JS (F&P)/ JS (A&M)/ Economic Advisor/ Controller of Accounts/Director (M), P&AO/US(Concession Wing)/Sr. AD (Accounts) FA Wing/ AD (OL for translation in Hindi)/Guard File/Technical Director, NIC for uploading the same on the Department's website.

All other conditions mentioned in the Notification dated 5.5.2011 shall remain same

prevailing at present (Rs.10750A per MT). Proportionate

(Sham Lal Goyal)

Joint Secretary to the Government of India