

HAND BOOK ON NOTIFICATIONS ISSUED UNDER FERTILIZERS POLICIES



सत्यमेव जयते

**DEPARTMENT OF FERTILIZERS
MINISTRY OF CHEMICALS AND FERTILIZERS
GOVERNMENT OF INDIA**

HAND BOOK ON NOTIFICATIONS
ISSUED UNDER FERTILIZERS
POLICIES

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D.O. No. 683 / M(C & F)



MESSAGE

I am glad to learn that the Department of Fertilizers is bringing out a Hand Book on policy notification titled "Hand Book on Policy Notifications issued under Fertilizer Policies" which is a compendium of important policy notifications issued by the Government from time to time for implementation of the policies.

Fertilizer is an essential component of modern agriculture. Department of Fertilizers mandate is to ensure adequate and timely availability of quality fertilizers at affordable prices to the farmers in all parts of the country. Government of India has been consistently pursuing policies conducive to increase availability and consumption of fertilizer in the country. To ensure timely and adequate availability and equitable distribution of fertilizers various policy measures such as New Urea Policy, New Investment and Freight policies, Nutrient Based Subsidy (NBS) policy and other policy initiatives like DBT (Direct Benefit Transfer) in subsidy payments have been emplaced. The Department of Fertilizers has also notified a policy on promotion of city compost made out from city waste which fully compliments the 'Swachh Bharat Mission' of the Government of India.

I hope the Handbook which is a compilation of policy notifications issued by this Department will be useful to all the researchers, planners and other stakeholders involved in fertilizer sectors.

(D. V. SADANANDA GOWDA)

21 October, 2019

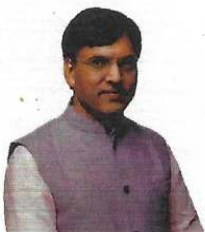


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पोत परिवहन (स्वतंत्र प्रभार),
रसायन एवं उर्वरक
भारत सरकार



Minister of State
Shipping (Independent Charge),
Chemicals and Fertilizers
Government of India



मनसुख मांडविया
MANSUKH MANDAVIYA

21th October, 2019

MESSAGE

The rapid increase in the Indian population and consequent rise in food consumption are posing a major challenge before the policy makers and planners. Shrinking cultivable land due to industrialization and urbanization is further complicating the issue. The only hope insight is to increase the food grains production with the available land through higher yields. Fertilizers play an important role in increasing agricultural productivity. Government of India has been consistently pursuing policies conducive to increase availability and consumption of fertilizers so as to increase per hectare yields from existing land.

Government of India has introduced policy decisions such as New Investment Policy, New Investment and Freight Policies, under the policy 70% of the cost burden is borne by the Government. In addition, other major policy initiatives like DBT (Direct benefit Transfer) in subsidy payments, neem coating of urea, Nutrient Based Subsidy (NBS) policy, policy on promotion of city compost etc are introduced to boost production and to make available the fertilizers to farmers at affordable prices through the country.

I hope the current edition of Handbook on policy notifications brought out by the Department of Fertilizers containing information on policy issues will be beneficial to policy planners, entrepreneurs, managers and others involved in fertilizer business.

(Mansukh Mandaviya)

छबिलेन्द्र राऊल
सचिव
Chhabilendra Roul
Secretary



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FOREWORD


Despite the remarkable growth of our economy and attaining self-reliance in food production, food security remains a core issue due to rapid growth of population. With the limited availability of land, soil fertility and agricultural productivity need to be enhanced to meet food security challenge. Fertilizers play an important role when it comes to increasing agricultural productivity. To ensure adequate and timely availability and equitable distribution of fertilizers, various policy measures such as New Urea Policy, New Investment and Freight policies and other policy initiatives like DBT (Direct Benefit Transfer) in subsidy payments have been introduced from time to time.

Agriculture accounts for about one seventh of the GDP, provides sustenance to nearly two third of our population. Successive five year plans have laid emphasis on self sufficiency and self reliance in food grain production and productivity. This is clear from the fact that from levels of 52 million MT in 1951-52, food grain production increased to 283.37 million MT in 2018-19. In meeting the domestic requirement of food grains and also generating exportable surplus, the significant role played by various fertilizers is well recognized.

Department of Fertilizers is happy to release the first issue of the 'Handbook' providing information on latest policy notifications issued by the Department of Fertilizer. I hope the policy planners, entrepreneurs, managers and others involved in fertilizer business will find this handbook very useful.

New Delhi,
16th October, 2019

(Chhabilendra Roul)


16/10/2019

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NOTIFICATIONS

Chapter 1

UREA SUBSIDY POLICIES

OVERVIEW

Until 31.3.2003, the subsidy to urea manufacturers was being regulated in terms of the provisions of the erstwhile Retention Price Scheme (RPS). Under RPS, the difference between retention price (cost of production as assessed by the Government plus 12% post tax return on networth) and the statutorily notified sale price was paid as subsidy to each urea unit. The expenditure Reforms Commission (ERC), headed by Shri K.P. Geethakrishnan, had also examined the issue of rationalizing fertilizer subsidies. In its report submitted on 20th September, 2000, the ERC recommended, inter-alia, dismantling of existing RPS and in its place the introduction of a Concession Scheme for urea units based on feedstock used and the vintage of plants. Accordingly, New Pricing Scheme (NPS) was launched in 2003. Various stages of NPS and the duration when they were applicable are as under:-

- i. New Pricing Scheme (NPS) - I for the period from 01.04.2003 to 31.03.2004.
- ii. NPS – II for the period from 01.04.2004 to 31.09.2006.
- iii. NPS – III for the period from 01.10.2006 to 01.04.2014.
- iv. Modified NPS – III for the period from 02.04.2014 to 31.05.2015.

Based on CCEA decision, vide notification dated 25th May, 2015, Department of Fertilizers notified New Urea Policy – 2015 (NUP-2015) with the objectives of maximizing indigenous urea production, promoting energy efficiency in urea production and rationalizing subsidy burden on the government. Initially, the duration of the policy was from 1st June, 2015 to 31st March, 2019. Vide notification dated 14th May, 2019, the duration of New Urea Policy-2015 has been extended from 1st April, 2019 till further orders except the provisions as amended already vide notification dated 28th March, 2018. Under NUP-2015, the compensation for other variable cost e.g. the cost of bag, water charges & electricity charges and fixed cost is determined in accordance with existing provisions of NPS-III and Modified NPS-III.

NUP-2015 covers 25 gas based existing urea units. 5 units namely MFL-Manali, MCFL-Mangalore, SPIC-Tuticorin, BVFCL-Namrup-II and BVFCL-Namrup-III are not covered under this scheme because these units are not connected to gas pipeline network in the country.

The three Naphtha based urea units viz., Madras Fertilizers Limited- Manali (CPSU), Southern Petrochemicals Industries Corporation (SPIC) - Tuticorin and Mangalore Chemicals & Fertilizers Limited (MCFL) are governed by Policy Notification

dated 17th June, 2015, which allows these units to operate urea production using Naphtha as feedstock till gas availability and connectivity to these three units either by gas pipeline or by any other means.

BVFCL-Namrup-II and BVFCL-Namrup-III are proposed to be closed and a new high efficiency unit is being installed and will be dealt separately under their restructuring proposal. Till then, these two units will function under the provisions of Modified NPS-III.

With the approval of the CCEA, Department of Fertilizers vide notification dated 28th March, 2018, has approved the following decisions with regard to Target Energy Norms given to all urea manufacturing units (except BVFCL):

- (I) For 11 urea manufacturing units viz., YFIL, NFL-Vijaipur-II, GIL, CFCL-Gadepan-I & II, IFFCO-Aonla-II, RCF-Thal, IFFCO-Kalol, IFFCO-Aonla-I, IFFCO-Phulpur-I & II, the target energy consumption norms as mentioned in Para 3.2 of NUP – 2015, will come into force w.e.f. 1st April, 2018.
- (ii) The existing norms under New Urea Policy-2015 for remaining 14 urea manufacturing units viz., NFL Vijaipur-I, KRIBHCO-Hazira, KFL-Shahjahanpur, NFCL- Kakinada-I, NFCL-Kakinada-II, GNFC-Bharuch, GSFC-Vadodara, NFL-Bathinda, NFL-Nangal, NFL-Panipat, SFC-Kota, KFCL–Kanpur, RCF Trombay-V, ZACL-Goa are hereby extended for further period of 2 years i.e. till 31st March, 2020 with the following penalties:
 - (a) Penalty equivalent to 2% energy of difference between NUP Energy norms and Target Energy norms of NUP-2015, for the first year i.e. 2018-19.
 - (b) Penalty equivalent to 5% energy of difference between NUP Energy norms and Target Energy norms of NUP-2015, for the second year i.e. 2019-20.
 - (c) Urea manufacturing units must achieve Target Energy Norms during the extended period of 2018-19 to 2019-20 failing which additional penalties may be imposed on defaulting units in consultation with the Department of Expenditure.
- (iii) The aforesaid target energy norms may be continued upto 31st March, 2025. Meanwhile, an expert body under NITI Aayog would be engaged to recommend the energy norms to be achieved from 01st April, 2025.
- (iv) The three Naphtha based urea units viz., MFL, MCFL, SPIC are also allowed the existing energy norms under Para (2) of policy notification dated 17th June, 2015 for another two years i.e. till 31st March, 2020 or till these units get the gas pipeline connectivity, whichever is earlier. There will be no mopping

up of energy efficiency for a fix period of 5 years from date of gas pipeline connectivity as per Para 3 (viii) and 5 (ii) of NPS-III policy dated 8th March, 2007.

NUP-2015 has resulted in additional production of 20 LMT during the year 2015-16, without adding any capacity. The production of urea during the year 2015-16 was 244.75 LMT, i.e., the highest ever urea production in the country. The total production of urea during 2016-17, 2017-18 and 2018-19 was 242.01 LMT, 240.23 LMT and 240 LMT respectively, which is significantly higher than 2014-15.

1.1 NOTIFICATION ON NEW PRICING SCHEME (NPS) – III for UREA

**No. 12012/3/2006-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi.
8th March, 2007

To,

The Executive Director,
Fertilizer Industry Coordination Committee,
8th Floor, Sewa Bhawan,
R. K. Puram,
New Delhi.

Subject: Policy for Stage-III of New Pricing Scheme for urea manufacturing units.

Sir,

I am directed to refer to this Department's letter No. 12019/5/98-FPP dated 30th January 2003 and No. 12019/19/2003-FPP, Dated 29-7-2003 vide which the salient features of Stage-I & II of New Pricing Scheme (NPS) introduced w.e.f 1.4.2003, were communicated. It was, inter alia, communicated that the modalities of Stage-III would be decided by the Department of Fertilizers (DOF) after review of the implementation of Stage-I and Stage-II. It has been decided to implement Stage-III of NPS with certain modifications as contained in the succeeding paragraphs.

(A) Duration.

2. The Policy for NPS Stage-III will be effective from 1.10.2006 to 31.3.2010. Stage-II Policy has been extended upto 30.9.2006. The policy for incentivizing additional production of urea during Stage-III of NPS will be applicable from the date of notification and till then the additional production of urea by units beyond 100% of their capacity will be governed by the existing policy of sharing of the net gain between the Government and the unit in the ratio of 65:35.

(B) Grouping of urea units

3. During Stage-III of NPS, the following measures will be taken to calculate concession rates of urea units:-
 - (i) Existing six group classification **will** continue as given in **Annexure. I-A.**
 - (ii) **Group averaging will be done after updation of all costs upto 31.3.2003.**
 - (iii) Capacity utilization levels of 93% for pre-92 Naphtha and FO/LSHS based plants and 98% for pre-92 gas, post-92 gas, post-92 Naphtha and mixed energy based plants will be considered for calculating the base concession rates of urea units as on 31.3.2003.
 - (iv) **Transportation cost of gas will be computed and paid separately.**

- (v) **The updated notional concession rates of all urea units as on 1.4.2003 so determined on the pattern followed during Stage-I of NPS will form the basis to calculate the concession rate payable to each urea unit during Stage-III of NPS commencing from 1.10.2006. No outlier benefit will be admissible to any unit in Stage-III of NPS.**
- (vi) **On the base concession rate so determined for each unit, only escalation and de- escalation on components of variable cost on actual basis subject to pre-set energy norms given in Stage – III.**
- (vii) A deduction of Rs 50/MT from the concession rates of pre-92 Naphtha and FO/LSHS based and Rs. 75/MT from the other units for the reduced capital related charges (CRC) will be made.
- (viii) The respective pre-set energy consumption norm of each urea unit during Stage-II of NPS or the actual energy consumption achieved during the year 2002-03, whichever is lower, will be recognized as the norm for Stage-III of NPS.
- (ix) **Saving on energy over the pre-set norms will be paid as per the basic rate of the weighted average of feed/fuel used during Stage-III of NPS.**

(C) Resumption of urea production by units under shutdown.

- 4. Resumption of production by urea units currently not in production, viz, RCF-Trombay-V, FACT-Cochin and Duncans Industries Limited (DIL)-Kanpur is allowed based on natural gas/LNG/CBM/Coal gas. Upon resumption, the base concession rate of these units will be the Stage-III concession rate of the group to which they belonged, or their own concession rate updated till 31.3.2003 for all costs and thereafter adjusted for the feedstock changeover, whichever is lower.

(D) Conversion of non-gas based units to NG/LNG.

- 5. (i) **All functional Naphtha and FO/LSHS based units should get converted within a period of 3 years (of these, Shriram Fertilizers & Chemicals Ltd (SFC) Kota is expected to convert by the end of the current financial year).** On the expiry of the aforementioned period, the Government will not subsidize the high cost urea produced by the non-gas based urea units and rate of concession of such units will be restricted to the lower of the prevalent import parity price (IPP) or their own rate. Units not able to tie up gas will have to explore alternative feedstock like Coal Bed Methane (CBM) and coal gas.
- (II) In order to provide incentives for conversion to gas, since there is no recognition of investment made by units for conversion, there will be no mopping up of energy efficiency for a fixed period of 5 years for Naphtha based as well as for FO/LSHS based units. Capital subsidy will be considered for FO/LSHS based units for which DOF will notify a separate scheme in consultation with Department of Expenditure (DOE) Ministry of Finance.
- (iii) For conversion of the non-gas based Urea Plants to Natural Gas (NG) / Liquefied Natural Gas (LNG), a Committee headed by Petroleum Secretary, comprising of Secretaries of Planning Commission, Department of Fertilizers and Department of

Expenditure has been constituted for facilitating the connectivity and supply of gas to non-gas based units converting to gas and to develop appropriate mechanism for fixing the price of gas in a transparent manner.

(E) Incentives for additional urea production.

6. The following measures are decided to be implemented to incentivise additional Urea production in the country:-

- (i) **No permission will be required from the Government for production beyond 100% of re-assessed urea capacity of the unit.**
- (ii) All production between 100% and 110% of the existing reassessed capacity, if so required by the government as per the approved production plan will be incentivized on the existing net gain sharing formula between the Government and the unit in the ratio of 65:35 respectively with the proviso that the total amount paid to the units, after including the component of variable cost will be capped at the unit's own concession rate.
- (iii) Units increasing production beyond 110% may be compensated at their concession rate, subject to the overall cap of IPP.
- (iv) While procuring additional urea beyond 100% of the reassessed capacity of urea units, a merit order system of procurement will be followed. In other words, the units which supply urea at the least cost would be given preference in procurement.
- (v) The cost of feedstock/fuel allowed will be in the ratio of gas/LNG/Naphtha etc. with reference to actual ratio of consumption of annual actual production of urea up to that portion of the incremental production of urea required by the Government for sale to agriculturalists. Energy/inputs for non-agricultural sale/exports and surplus ammonia shall be allocated on costlier feed/fuel basis.
- (vi) To the extent that the Government does not require any quantities of additional production for direct sale to agriculturalists, the concerned units would be free to dispose of the remaining quantities by way of exports, sale to complex manufacturers etc. without seeking prior permission of DOF.
- (vii) Government will not subsidize the additional production, if not required by it for agricultural consumption.

(F) Distribution and Movement Issues

7. The following measures have been decided to be implemented for movement of Urea to District level and below:

- (i) The Government will continue to retain the authority to direct movement of urea stock up to 50% of production depending upon the exigencies of the situation.
- (ii) States would be required to allocate the entire quantity of planned urea arrivals i.e., both regulated and de-regulated urea in a District-wise, month-wise and supplier wise format.
- (iii) Each unit will maintain a district level stock point in the districts where it is required to

supply urea. These district level stock points will be the primary Godowns.

- (iv) Subsidy to individual units will be reimbursed based on conformity to planned movement up to district level for both controlled and de-controlled urea. The monitoring of the movement and distribution of urea throughout the country will be done by an On-line computer-based monitoring system. The time limit of existing payment system i.e., 45 days will be adhered to. It will be ensured that no certification by State Governments is required for release of subsidy to urea Units. Subsidy will be paid only when the urea reaches the district.
- (v) The Department will operate a buffer stock through the State Institutional Agencies /Fertilizer Companies in States up to a limit of 5% of their seasonal requirement.
- (vi) The Department will work through the agricultural department of the states to realize the objective of adequate and timely availability of urea at the Block level.

8. The freight reimbursement to urea units under NPS-III will be done as follows:-

- (i) Primary Freight will be reimbursed on the basis of actual leads for rail movement;
- (ii) Reimbursement of railway freight will be as per the actual expenditure;
- (iii) For the road component of the primary freight, road leads will be as per actual distance to the primary godown and per tonne Km. rates will be escalated by the composite road transport index { weighted average of the Wholesale Price Indices (WPIs) of HSD oil, Motor Tyres, Truck Chassis and All Commodities};
- (iv) One time enhancement of 33% will be granted on the road component of primary freight to offset the impact of Supreme Court directed maximum truckload limit of 9 MT on road vehicles;
- (v) Tariff Commission will be requested to fix average leads and per tonne km base rates for road transportation in the case of secondary movement. These rates will be escalated by WPI (composite road transport index) every year;
- (vi) Pending finalization of leads and rates by the Tariff Commission, secondary freight which was frozen at 2002-03 rates during Stages I & II of NPS will be escalated by the increase/decrease in WPI (composite index) since 2002-03;
- (vii) The Freight computed and paid as per the policy shall not exceed the actual freight expenditure incurred by the units.
- (viii) The existing scheme for special freight subsidy will continue for supplies to the North Eastern States and Jammu & Kashmir.

(G) Policy in respect of high cost units (producing at higher than IPP):

- 9. In order to disincentivise high cost production of 8 Naphtha and FO/LSHS based units whose cost of production is higher than the prevalent IPP, to facilitate their early conversion to gas, these units are allowed to produce 100% of capacity should they adhere to an agreed timetable for conversion to gas and tie up of gas/LNG/CBM/Coal gas. If they do not, they will be given only 75% of the difference between the rate of concession and variable cost component (i.e., 75% of the balance fixed costs beyond 93% of capacity utilization) in the 1st

year (1.4.2007) and 50% of the fixed cost beyond 93% capacity utilization from 2nd year (1.4.2008) onwards.

(H) Policy for import of urea.

10. The existing system of import of urea through designated State Trading Enterprises (STEs) i.e. Minerals & Metals Trading Corporation (MMTC), State Trading Corporation (STC) and Indian Potash Limited (IPL) will continue.

(I) **Policy for Joint Ventures Abroad**

11. To encourage setting up of JV fertilizer plants abroad in countries where gas is available in abundance and is much cheaper, the JVs for production of urea will be set up abroad subject to the condition that the Government will enter into / encourage long term buy back arrangements with JVs abroad depending upon merits. Accordingly, suitable mechanisms be evolved for effectively securing long term fertilizer related supplies, including through investments and joint ventures abroad.

(J) Other Measures

12. **Cost of bags**

The cost of bags, which was frozen during Stage-I & II of NPS, will now be allowed based on moving weighted average cost of bags to compensate for the rise in prices over the last three years. For the year 2006-07, the weighted average of the cost of bags for each unit will be for the three years beginning 2002-03 and accordingly thereafter.

13. **Taxes on inputs**

For Stage-III, it is decided that sales tax on inputs and other taxes recognized under RPS will be paid on actual basis. Where Value Added Tax (VAT) has been introduced, such of the above taxes as are subsumed in it will be recognized to the extent they are non-vatable.

In case of any issue/dispute relating to interpretation of the policy, the decision of Department of Fertilizers shall be final. The above provisions will remain in force during the Stage-III of NPS or until further orders, whichever is earlier.

Yours faithfully,

Sd/-

(Deepak Singhal)

Joint Secretary to the Government of India

Tel No. 23381294

1.2 NOTIFICATION ON MODIFIED NPS-III FOR EXISTING UREA UNITS.

**No. 12012/3/2010-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers**

New Delhi, the 2nd April, 2014

**To
The Executive Director,
Fertilizer Industry Coordination Committee (FICC),
8th Floor, Sewa Bhawan,
New Delhi.**

Subject: Modified NPS-III for existing urea units.

Sir,

I am directed to convey the approval of Government of India for Modified NPS-III for existing urea units as under:

2. Duration of Modified NPS-III

The Modified NPS-III policy will be implemented for a period of one year from the date of issue of this notification. Thereafter, the policy will be reviewed taking into account prevailing energy scenario, production and supply scenario, international trend of urea prices etc., at that time.

3. Concession rates of urea units

The calculation of concession rates of urea units shall continue as per NPS-III and its amendments subject to the following modifications:

3.1 Additional Fixed cost

- (a)** The maximum additional fixed cost (towards increase in the four components, viz., salaries & wages, contract labour, selling expenses and repair & maintenance) of Rs.350/MT to existing urea units or actual increase in above four components of fixed cost during the year 2012-13 compared to the year 2002-03, whichever is lower will be paid. This will be based on the certified cost data for above four components for the year 2012-13 to be provided by all urea Units.
- (b)** In respect of KFCL and BVFCL-II units, for which cost data of four components is not available either for the year 2002-03 or 2012-13, the actual increase in these four components as per the certified cost data for the latest year over and above Rs. 521/MT (weighted industry average during 2002-03) subject to maximum of Rs. 350/MT will be allowed.

3.2 Minimum Fixed Cost

The minimum fixed cost of Rs. 2300/MT or actual fixed cost prevailing during 2012-13, whichever is lower, after taking into account the compensation at 3.1 (a) and (b) above, will be paid. This will be based on certified fixed cost data for the year 2012-13, to be provided by all urea units.

3.3 Special compensation to Urea Plants which have Completed 30 Years and Converted to Gas

The special compensation of Rs. 150/MT will be paid to gas based urea plants which have converted to gas and are more than 30 years old. This is in addition to para 3.1 and 3.2 above.

3.4 It has been decided to phase out old and inefficient units in due course of time after addition of new capacity.**4. Continuing the production from high cost units**

The production of the high cost naphtha based urea units namely SPIC Tuticorin, MFL Manali and MCFL Mangalore will continue under modified NPS-III till the gas availability and connectivity is provided to these units or June, 2014 whichever is earlier, beyond which subsidy for naphtha based plants will not be paid. However, no new naphtha based plants will be permitted in Greenfield investments.

5. Reimbursement to naphtha & FO/LSHS based units

The existing system of recognizing costlier feed/fuel stock of naphtha/FO/LSHS will continue and existing system of incentivizing these units for energy savings on the basis of actual input mix including 100% Naphtha/FO/LSHS as in force will continue up to June 2014 or till such time they convert to gas whichever is earlier.

6. Continuing Pre set Energy norm of Naphtha units converting to gas

The data of investment for conversion from Naphtha as feedstock to gas and actual energy consumption achieved after conversion from each unit will be obtained and based on this data, the Department of Fertilizers, in consultation with Department of Expenditure, shall work out the period for which existing preset norms will be allowed, which shall not be more than five years from the date of conversion so that each unit may be in position to recover the investment with interest thereon from energy savings.

7. Continuance of amended provisions notified under NPS-III

The following amended provisions notified under NPS-III will continue:

- (a) **The provision as contained in Para (ii) of Notification No.12012/19/2007-FPP dated 10th July, 2009 regarding reduction in fixed cost of each urea unit due to group averaging principle under NPS-III to 10% of normated fixed cost computed under the base concession rates thereby removing the pricing anomaly arising out due to group averaging.**

- (b) The provision as contained in Para (iii) of Notification No.12012/19/2007-FPP dated 10th July, 2009 regarding the detailed parameters for buffer stocking schemes of urea.
- © The provisions as contained in Notification No.12014/1/2008-FPP dated 6th March, 2009 regarding resumption of urea production by RCF-Trombay unit.
- (d) The provisions of Notification No.12014/1/2008-FPP dated 6th March, 2009 regarding amendment of NPS-III- the policy for restart of existing urea units, the permission granted to DIL/KFCL-Kanpur to restart production on LNG in June 2013 will be covered under the above notification.
- (e) Notification No.12014/1/2008-FPP dated 6th March 2009 regarding policy for Conversion of FO/LSHS urea units to Natural Gas; Provisions under notifications dated 8th February, 2010 for Conversion of Fuel Oil/ Low Sulphur Heavy Stock (FO/LSHS) based Urea units at Bathinda, Nangal & Panipat of NFL to Natural Gas (NG); Provisions under notifications dated 14th December, 2009 for Conversion of Fuel Oil/ Low Sulphur Heavy Stock (FO/LSHS) based Urea unit at Gujarat Narmada Valley Fertilizer Corporation to Natural Gas (NG).

8. The capacity utilization of two units in post 92 Naphtha based groups namely IFFCO Phulpur-II and CFCL-II, is increased from 95% to 98% on par with gas based units. FICC may re-work the group average of fixed cost for these units.

9. **Production above reassessed capacity**

- (a) The production above reassessed capacity (RA) is presently governed by gain sharing with respect to IPP as under:
 - (i) Beyond 100% of RA and upto 110% of RA: Gain sharing between Government and unit in the ratio of 65:35 with respect to IPP subject to concession rate.
 - (ii) Beyond 110% of RA and upto cut off level: At concession rate subject to overall cap of IPP.
 - (iii) Beyond cut off level: At 85% IPP.
- (b) The production at cut off levels are fixed under Investment Policy (No. 12012/12/2007-FPP dated 04.09.2008) based on highest achieved Metric Tonnes Per Day (MTPD) during 2003-04 to 2006-07. No change is made in the method for incentivizing additional production. The cut off level as per the Investment Policy of 2008 will continue without any change.

10. **Distribution and Movement**

The distribution and movement of Urea shall be governed by the policy for freight and movement and amendments thereof from time to time. The movement of Urea will continue to be done in accordance with the monthly supply plan drawn by Department of Fertilizers. Movement & Distribution of entire 100% of urea both imported & indigenous will be regulated by movement division through the monthly supply plan.

11. Import of Urea

The provisions of import through three STEs as given in the existing policy of urea at para 10 of notification dated 8th March, 2007 may continue till the time the same is reviewed, if required.

12. Joint ventures abroad

The scheme for Joint ventures abroad covered under NPS-III policy would be covered by New Investment Policy 2012.

13. Taxes on inputs

The policy with regard to recognition of new taxes levied by State Governments from time to time and those not recognized under RPS has been notified vide Notification dated 8th March, 2007, will continue.

14. The NPS-III policy issued vide notification number 12012/3/2006-FPP dated 8th March, 2007 and as amended from time to time was extended by DoF on provisional basis till further orders vide notification number 12012/9/2009-FPP dated 17th March 2010. NPS-III Policy is deemed to be continued till the date of this notification.**15. In case of any issue/dispute relating to interpretation of the policy, the decision of Department of Fertilizers shall be final.**

Yours faithfully,

Sd-/
(Satish Chandra)
Joint Secretary
Ph: 23386800

1.3 NOTIFICATION ON NEW UREA POLICY-2015 FOR EXISTING GAS BASED MANUFACTURING UNITS.

No. 12012/1/2015-FPP
Government of India
Ministry of Chemicals & Fertilizers
(Department of Fertilizers)

Shastri Bhawan, New Delhi.
25th May, 2015.

To,
CMD/MDs

RCF/MFL/BVFCL/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/TCL
ZACL/INDO-GULF/SPIC/KSFL/MCFL/FCIL/HFCL/FACT/IPL/MATIX/KFCL

Subject: New Urea Policy-2015 for existing gas based urea manufacturing units.

I am directed to refer to this Department's letter No. 12012/3/2010-FPP dated 2nd April 2014, vide which the salient features of Modified New Pricing Scheme (NPS)-III was introduced w.e.f. 02.04.2014 for one year were communicated. It has been decided to implement New Urea Policy-2015 as contained in the succeeding paragraphs

1. **Duration**

The New Urea Policy-2015 will be effective from 1st June 2015 to 31.3.2019. The provisions of existing Modified NPS-III and New Investment Policy 2008 shall continue till 31st May 2015.

2. **Grouping of urea units**

2.1 The existing gas based urea units will be classified into the following three groups;

- i. **Group-I** includes the following urea units having pre-set energy norms between 5.0 G Cal/MT to 6.0 G Cal/ MT:
 - a. NFL - Vijaipur-I & II, Kribhco – Hazira, Indo-Gulf –Jagdishpur, IFFCO–Aonla -I & II, KSFL-Shahjahanpur, CFCL Gadepan-I & II, TCL-Babrula, NFCL-Kakinada-I & II and IFFCO-Phulpur-II (Thirteen units).
- ii. **Group-II** includes the following urea units having pre-set energy norms between 6.0 G Cal/MT to 7.0 G Cal/ MT:
 - a. IFFCO-Kalol, GSFC-Baroda, RCF-Thal and GNVFC-Bharuch (Four Units)
- iii. **Group-III** includes the following urea units having pre-set energy norms more than 7.0 G Cal/MT:

- a. NFL-Nangal, NFL-Panipat, NFL-Bhatinda, ZACL-Goa, SFC-Kota, RCF-Trombay-V, IFFCO-Phulpur-I and KFCL-Kanpur (Eight units).
- 2.2 MFL- Manali, MCFL-Mangalore, SPIC Tuticorin, BVFCL - Namrup-II and BVFCL - Namrup-III will not be covered under this scheme because these units are not connected to gas pipeline network in the country.
- 2.3 BVFCL - Namrup-II and BVFCL - Namrup-III are proposed to be closed and to install a new high efficiency unit and will be dealt separately under their restructuring proposal. Till then, these two units will function under the provisions of Modified NPS-III.
- 2.4 The twenty five units in para 2.1 above, will be eligible to get the concession rate on the basis of revised energy norms fixed for each group from 1st June, 2015 to 31st March, 2018.
3. **Revised Energy Norms for three years (2015-16 to 2017-18)**
 - 3.1 For the year 2015-16 (from 1st June 2015 onwards), 2016-17 and 2017-18, the revised energy norms would be the simple average of pre-set energy norms of NPS-III and average actual energy consumption achieved during the years 2011-12, 2012-13 and 2013-14 or the pre-set set energy norms of NPS-III, whichever is lower.
 - 3.2 **Energy Norms for the year 2018-19**
 - a) **For Group I**
Energy consumption norm for this group for financial year 2018-19 would be 5.5 G Cal/MT, except for TCL- Babrala. For TCL- Babrala, existing pre-set energy consumption norm of NPS-III i.e. 5.417 G Cal/MT will continue.
 - b) **For Group II**
Energy consumption norm for this group for financial year 2018-19 would be 6.2 G Cal/MT.
 - c) **For Group III**
Energy consumption norm for this group for the financial year 2018-19 would be 6.5 G Cal/MT.
 - 3.3 The present provisions for conversion of FO/LSHS urea units to Natural Gas issued by the Department of Fertilizers for urea units at Bathinda, Nangal & Panipat of NFL and Gujarat Narmada Valley Fertilizer Corporation- Bharuch will continue.

- 3.4 The units which have converted to gas from Naphtha viz., ZACL and KFCL will continue to get saving on energy consumption over the pre-set norms of NPS-III to recover their investment for conversion from Naphtha to Natural Gas. The data from each such unit will be obtained and based on this data, the Department of Fertilizers, in consultation with Department of Expenditure, shall work out the period for which existing pre-set energy norms will be allowed, which shall not be more than five years from the date of conversion so that each unit may be in a position to recover the investment with interest thereon from energy savings.
4. The compensation for other variable cost e.g. the cost of bag, water charges & electricity charges and fixed cost will be determined in accordance with existing provisions of NPS-III and Modified NPS-III.
 5. For production beyond the Re- Assessment Capacity (RAC), the units will be entitled for their respective variable cost and a uniform per MT incentive equal to the lowest of the per MT fixed costs of all the indigenous urea units subject to import parity price plus weighted average of other incidental charges which the government incurs on the imported urea.
 6. All other existing policy guidelines related to escalation/de-escalation of concession rate, Neem coated urea, distribution and movement, import of urea and taxes on inputs for urea production and freight reimbursement, issued by this department from time to time will continue.
 7. In case, any modification of the policy is required in relation to the operational issues, which does not alter the basic framework of the policy i.e. pooling of gas and energy efficiency target and is financially beneficial to the Government, the Department of Fertilizers is authorized to take a decision in the matter in consultation with Department of Expenditure.

Yours faithfully,


(Sham Lal Goyal) 28/05/2013

Joint Secretary to the Government of India

011-23388481

Copy to:
The Executive Director,
Fertilizer Industry Coordination Committee,
8th Floor, Sewa Bhawan, R. K. Puram, New Delhi.

1.4 NOTIFICATION ON AMENDMENT TO NEW UREA POLICY- 2015.

No. 12012/1/2015-FPP
Government of India
Ministry of Chemical & Fertilizers
Department of Fertilisers

Shastri Bhavan, New Delhi
Dated the 7th April, 2017.

To

CMD/MDs
RCF/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/TCL/ZACL/INDO-
GULF/KSFL/KFCL

Subject: Amendment to New Urea Policy-2015.

Sir,

I am directed to refer to this Department's letter of even number dated 25th May, 2015 notifying New Urea Policy (NUP)-2015 for existing gas based urea manufacturing units and to state that it has been decided to make the following amendment to Para '5' of New Urea Policy (NUP)-2015 only in respect of the production beyond Re-assessed Capacity (RAC) for the year 2016-17:

"For production beyond Re-Assessed Capacity (RAC) during 2016-17, the units will be entitled for their respective variable cost and a uniform per MT incentive equal to the lowest of the per MT fixed costs of all the indigenous urea units subject to sum of import parity price, other incidental charges which the government incurs on the import of urea and weighted average Central Government levies per MT of urea paid by the urea manufacturing units."

2. Further, it has been decided to include para '8' in NUP-2015 as under:-

"8. In the event of any fluctuation in Import Parity Price that would have adverse impact on the production beyond RAC by urea units, Department of Fertilizers is authorized to take an appropriate decision in consultation with Department of Expenditure."

Yours faithfully,



(Dharam Pal)

Joint Secretary to the Government of India
011-23386800

Copy to:
The Executive Director,
Fertilizer Industry Coordination Committee,
08th Floor, R.K. Puram,
New Delhi.

1.5 REVISED ENERGY NORM UNDER NEW UREA POLICY-2015 FOR EXISTING 25 GAS BASED UREA MANUFACTURING UNITS

No. 12012/1/2015-FPP
Government of India
Ministry of Chemicals & Fertilizers
(Department of Fertilizers)

Shastri Bhawan,
New Delhi, the 15th October, 2015.

To

The Executive Director
Fertilizer Industry Coordination Committee
8th Floor, Sewa Bhawan
R.K. Puram, New Delhi.

Subject: Revised energy norm under New Urea Policy-2015 for existing 25 gas based urea manufacturing units – reg

Sir,

I am directed to refer to this Department's policy notification of even number dated 25th May, 2015 communicating the salient features and modalities for implementation of New Urea Policy-2015 (NUP-2015) w.e.f. 1st June, 2015 and to notify the revised energy norms for the period 1st June 2015 to 31st March, 2018 and for the year 2018-19. As per para 3.1 of the aforesaid notification, the revised energy norms would be in force from 1st June, 2015 onwards.

Yours faithfully,


(Rakesh Kumar)
Deputy Secretary (Admn.)
011-2338 4889

Copy to:

1. CMD/MDs
RCF/ NFL/ KRIBHCO/ IFFCO/ GSFC/ GNVF/ SFC/ NFCL/ CFCL/ TCL/INDO-GULF / KSFCL/ KFCL/ZACL.
2. Director General, Fertilizer Association of India, 10 Shaheed Jit Singh Marg, New Delhi.

Annexure**Energy Norms for Urea Units under New Urea Policy-2015**

S. No.	Name of Urea units	Reassessed Capacity (MT/year)	Energy Norm (G. Cal/MT)		
			NPS-III Pre-set Energy Norms	For the period 01 st June, 2015 to 31 st March, 2018	For the year 2018-19
Group-I					
1	NFL - Vijaipur-I	864600	5.952	5.904	5.500
2	Kribhco - Hazira	1729200	5.952	5.952	5.500
3	Indo-Gulf Jagdishpur	864600	5.534	5.501	5.500
4	IFFCO - Aonla-I	864600	5.690	5.656	5.500
5	NFL-Vijaipur-II	864600	5.712	5.569	5.500
6	IFFCO-Aonla-II	864600	5.522	5.505	5.500
7	KSFL-Shahjahanpur	864600	5.712	5.643	5.500
8	CFCL Gadepan-I	864600	5.621	5.587	5.500
9	TCL-Babrula	864600	5.417	5.333	5.417
10	NFCL-Kakinada-I	597300	5.712	5.693	5.500
11	NFCL-Kakinada-II	597300	5.712	5.672	5.500
12	CFCL-Gadepan-II	864600	5.678	5.533	5.500
13	IFFCO-Phulpur-II	864600	5.883	5.744	5.500
Group-II					
1	GNVFC, Bharuch*	636900	6.301	6.301	6.200
2	IFFCO-Kalol	544500	6.607	6.231	6.200
3	GSFC-Baroda	370590	6.935	6.741	6.200
4	RCF-Thal	1706760	6.938	6.598	6.200
Group-III					
1	IFFCO-Phulpur-I	551100	7.584	7.145	6.500
2	SFC-Kota	379500	7.847	7.585	6.500
3	RCF-Trombay-V	330000	9.569	8.538	6.500
4	ZACL-Goa**	399300	7.308	7.308	6.500
5	KFCL-Kanpur**	722700	7.847	7.847	6.500
6	NFL-Nangal *	478500	7.095	7.095	6.500
7	NFL-Panipat*	511500	7.614	7.614	6.500
8	NFL-Bhatinda*	511500	7.479	7.479	6.500

* NPS-III pre-set energy norms for units converted from FO/LSHS (NFL- Panipat, Bhatinda, Nangal and GNVFC – Bharuch) represent revised energy norms on conversion as per approved DFR and will continue for five years from the date of conversion subject to para 3.3 of New Urea Policy-2015 notified vide notification no. 12012/1/2015-FPP dated 25th May, 2015.

**The units converted from Naphtha will continue with same energy norms for five years from the date of conversion subject to para 3.4 of New Urea Policy-2015 notified vide notification no. 12012/1/2015-FPP dated 25th May, 2015.

1.6 NOTIFICATION ON REVISION OF ENERGY NORMS UNDER NEW UREA POLICY (NUP) - 2015

No 12012/1/2015-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shatrim Bhawan, New Delhi,
Dated the 28th March, 2018

To

CMD/MDs

RCF/MFL/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/YFIL/ZACL/GIL
/SPIC/KFL/MCFL/KFCL

All Urea Manufacturing Units.

Subject: Revision of Energy Norms under New Urea Policy (NUP) – 2015.

Sir,

I am directed to refer to this Department's letter No 12012/1/2015-FPP dated 25th May, 2015 regarding implementation of New Urea Policy (NUP) – 2015 and letter No 12018/4/2014-FPP dated 17th June, 2015 regarding continuation of production of Urea by MFL, MCFL & SPIC using Naphtha as feedstock till connectivity of gas pipeline is obtained and to convey the approval on the following decisions with regard to Target Energy Norms given to all urea manufacturing units (except BVFCL):

- (i) For 11 urea manufacturing units viz., YFIL, NFL-Vijaipur-II, GIL, CFCL-Gadepan-I & II, IFFCO-Aonla-II, RCF-Thal, IFFCO-Kalol, IFFCO-Aonla-I, IFFCO-Phulpur-I & II, the target energy consumption norms as mentioned in Para 3.2 of NUP – 2015, will come into force w.e.f. 1st April, 2018.
- (ii) The existing norms under New Urea Policy-2015 for remaining 14 urea manufacturing units viz., NFL Vijaipur-I, KRIBHCO-Hazira, KFL-Shahjahanpur, NFCL- Kakinada-I, NFCL-Kakinada-II,GNFC-Bharuch, GSFC-Vadodara, NFL-Bathinda, NFL-Nangal, NFL-Panipat, SFC-Kota, KFCL–Kanpur, RCF Trombay-V, ZACL-Goa are hereby extended for further period of 2 years i.e. till 31st March, 2020 with the following penalties:
 - (a) Penalty equivalent to 2% energy of difference between NUP Energy norms and Target Energy norms of NUP-2015, for the first year i.e. 2018-19.

- (b) Penalty equivalent to 5% energy of difference between NUP Energy norms and Target Energy norms of NUP-2015, for the second year i.e. 2019-20-
- © Urea manufacturing units must achieve Target Energy Norms during the extended period of 2018-19 to 2019-20 failing which additional penalties may be imposed on defaulting units in consultation with the Department of Expenditure.
- (iii) The aforesaid target energy norms may be continued upto 31st March, 2025. Meanwhile, an expert body under NITI Aayog would be engaged to recommend the energy norms to be achieved from 01st April, 2025.
- (iv) The three Naphtha based urea units viz., MFL, MCFL, SPIC are also allowed the existing energy norms under Para (2) of policy notification dated 17th June, 2015 for another two years i.e. till 31st March, 2020 or till these units get the gas pipeline connectivity, whichever is earlier. There will be no mopping up of energy efficiency for a fix period of 5 years from date of gas pipeline connectivity as per Para 3 (viii) and 5 (ii) of NPS-III policy dated 8th March, 2007.

Yours' faithfully,

-Sd-

(Dharam Pal)

Additional Secretary to Government of India

Tele: 23386800

Copy to:

The Executive Director

Fertilizer Industry Coordination Committee

8th Floor, Sewa Bhawan, R.K.Puram, New Delhi

1.7 NOTIFICATION ON NEW UREA POLICY-2015 FOR EXISTING GAS BASED UREA MANUFACTURING UNITS.

**No. 12012/1/2015-FPP
Government of India
Ministry of Chemicals & Fertilizers
(Department of Fertilizers)**

Shastri Bhawan, New Delhi
Dated 14th May, 2019

To

CMD/MDs
All Urea manufacturing units

Subject: New Urea Policy-2015 for existing gas based urea manufacturing units.

Sir,

I am directed to refer to this Department's notification of even number dated 25th May, 2015 on the subject mentioned above and to state that the Competent Authority has accorded approval to extend the duration of New Urea Policy-2015 from 1st April, 2019 till further orders, except for the provisions which stand already amended vide notification of even number dated 28th March, 2018.

Yours faithfully,

-Sd-

(Dharam Pal)

Additional Secretary to the Government of India
Tele: 011-23386800

Copy to:

The Executive Director,
Fertilizer Industry Coordination Committee,
8th Floor, Sewa Bhawan, R.K. Puram, New Delhi

Copy also to:

PPS to Secretary (Fertilizers)/ PPS to Additional Secretary (Fertilizers)/ PPS to AS&FA/PPS to JS(PS)/PPS to JS(GS)

1.8 NOTIFICATION ON CONTINUATION OF PRODUCTION OF UREA FROM MFL, MCFL AND SPIC USING NAPHTHA AS FEEDSTOCK TILL GAS CONNECTIVITY AND AVAILABILITY OF GAS TO THESE UREA MANUFACTURING UNITS

No.12018/4/2014-FPP
Government of India
Ministry of Chemicals & Fertilizers
(Department of Fertilizers)

Shastri Bhawan, New Delhi
Dated the 17th June, 2015.

To

The Executive Director
Fertilizer Industry Coordination Committee (FICC)
8th Floor, Sewa Bhawan
New Delhi.

Subject: Continuation of production of urea from Madras Fertilizers Limited (MFL) – Manali, Mangalore Chemical and Fertilizers Limited (MCFL) - Mangalore and Southern Petrochemical Industries Corporation Ltd. (SPIC) –Tuticorin using Naphtha as feedstock till gas connectivity and availability of gas to these urea manufacturing units - reg.

Sir,

In continuation of this Department's letter of even number dated 7th January, 2015, I am directed to state that the competent authority has now accorded approval to continue the operation of these three aforesaid plants using Naphtha as feedstock subject to the following conditions:

1. MFL-Manali, MCFL-Mangalore and SPIC-Tuticorin are allowed to operate on Naphtha on existing provisions for a period till these plants get assured supply of gas either by gas pipeline or any other means.
2. The units will be eligible for subsidy on the basis of the revised energy norms from the date of this notification (17th June, 2015), which would be the simple average of pre-set energy norms of NPS-III and lowest yearly specific energy consumption achieved during the years 2011-12, 2012-13 and 2013-14 or the pre-set energy norms of NPS-III, whichever is lower.
3. The concession rate for these plants will be determined notionally on the basis of weighted average of the delivered cost of RLNG to the recently converted plants after deducting state taxes (VAT, Entry tax) on RLNG or the cost of production of

urea from Naphtha/FO after deducting state taxes levied on Naphtha/FO consumed for urea production (VAT, Entry tax) on Naphtha/FO, whichever is lower.

4. The compensation for other variable cost e.g. the cost of bag, water charges and electricity charges and fixed cost will be determined in accordance with existing provisions of NPS-III and Modified NPS-III.

5. DoF shall review the progress of infrastructure for supply of gas and readiness of these three Naphtha based urea units to receive gas, on quarterly basis.

6. The urea production by MCFL and SPIC is hereby regularized from 17th April, 2015 and 24th April, 2015 respectively and the units will be eligible for subsidy on urea production for this period on existing provisions as on 16th April, 2015 till the issue of this notification (17th June, 2015).

7. The specific energy consumption norms for these 3 units from financial year 2018-19 will be 6.5 G.Cal /MT of urea.

Yours faithfully,


(Vijay Ranjan Singh)
Director (Fertilizers)
Tel: 011-23386398

Copy to:

1. Director (Movement).
2. CMD-MFL.
3. MD-MCFL.
3. CEO-SPIC.

Chapter 2

NEW INVESTMENT POLICY- 2012

OVERVIEW

The Government had announced New Investment Policy (NIP)-2012 on 2nd January, 2013 and its amendment on 7th October, 2014 to facilitate fresh investment in urea sector and to make India self-sufficient in the urea sector. Under NIP- 2012 read with its amendment, Matix Fertilizers & Chemicals Limited (Matix) has set up a Coal Bed Methane(CBM) based Greenfield Ammonia-Urea complex at Panagarh, West Bengal. Chambal Fertilizers & Chemicals Limited (CFCL) has also set up a Brownfield project at Gadepan, Rajasthan. In addition to these, 5 closed units namely Ramagundam, Talcher, Gorakhpur and Sindri of Fertilizer Corporation of India Limited (FCIL) and Barauni unit of Hindustan Fertilizer Corporation Limited (HFCL) are also being revived under NIP-2012 read with its amendment dated 7th October, 2014

2.1 NOTIFICATION ON NEW INVESTMENT POLICY- 2012

No. 12012/39/2011-FPP
Government of India
Ministry of Chemical & Fertilizers
Department of Fertilisers

Shastri Bhawan, New Delhi
Dated: 2nd January 2013.

To

All Chief Secretaries of State Governments

CMD/MDs

RCF/MFL/BVFCL/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/TCL ZAL/INDO-GULF/SPIC/KSFCL/MCFL/FCIL/HFCL/FACT/IPL/MATIX/KFCL

All Urea Manufacturing units

Subject: **New Investment Policy - 2012**

Sir

I am directed to convey the approval of Government of India for New Investment Policy–2012 (NIP-2012) in order to facilitate fresh investments in urea sector. The salient features of the NIP-2012 are as under:-

- 1 It provides a structure of a floor price and a ceiling price for the amount payable to Urea units, which will be calculated based on the delivered gas price (inclusive of charges & taxes) to respective urea units. The floor and ceiling price of each urea unit shall be operative with respect to the computed Import Parity Price (**IPP**) (**Annexure-1**). The IPP defined for urea under the investment policy of 2008 is the average C&F price without any applicable custom duties and handling and bagging charges at the port. If the computed IPP (payable) is between the floor and the ceiling price for that gas cost, it is the IPP (payable) which will be used. If the IPP (payable) is above or below the ceiling or the floor respectively, it is the ceiling or floor price that will be acceptable as the case may be.
- 2 The criteria according to which plants will qualify under different categories namely Revamp, Expansion, Revival and Greenfield shall be as below:
 - 2.1 **Revamp projects:** Any improvement or incremental increase in capacity of existing plants by way of capital investment in the existing train of ammonia-urea production will be treated as revamp of existing units.

- 2.2 **Expansion or Brownfield projects**: Setting up of a new ammonia-urea plant (a separate new ammonia-urea train) in the premises of the existing fertilizer plants, utilizing some of the common utilities will qualify for being treated as an expansion project. The investment should exceed a minimum limit of Rs.3000 crore.
- 2.3 **Revival of closed urea units**: The three closed urea units of Hindustan Fertilizer Corporation Ltd. (HFCL) at Barauni, Durgapur and Haldia, and five closed urea units of Fertilizer Corporation of India Ltd. (FCIL) at Sindri, Talcher, Ramagundam, Gorakhpur and Korba being proposed for revival shall fall under 'Revival of closed urea units'.
- 2.4 **Greenfield Projects**: Any urea unit which shall be set-up at the project site where no previous similar manufacturing facilities existed i.e. acquisition of land followed by construction of an ammonia-urea plant with storage facilities, transportation facilities, water and sewage treatment etc. shall be treated as a Greenfield project.

3 **Greenfield/Revival of Closed HFCL & FCIL Projects**

- (i) At a delivered gas price of up to USD 6.5 per mmbtu for Greenfield/Revival Urea units
 - (a) the Floor price is fixed at **USD 305** per MT of Urea
 - (b) the Ceiling price is fixed at **USD 335** per MT of Urea
- (ii) For each 0.1 USD per mmbtu revision in delivered gas price, it will correspondingly change the
 - (a) Floor and Ceiling price by USD 2 per MT up to a delivered gas price of USD 14 per mmbtu.
 - (b) Floor by USD 2 per MT for delivered gas price exceeding USD 14 per mmbtu.
- (iii) The urea from Greenfield/Revival of closed urea units of HFCL and FCIL units will be recognized at a uniform rate of 95% of IPP (C&F) subject to floating floor and ceiling prices mentioned at 3 (i) and 3 (ii) above.

4 **Substantial Expansion or Brownfield Projects**

- (i) At a delivered gas price of upto USD 6.5 per mmbtu for Expansion/Brownfield Urea units
 - (a) the Floor price is fixed at **USD 285** per MT of Urea
 - (b) the Ceiling price is fixed at **USD 310** per MT of Urea
- (ii) For each 0.1 USD per mmbtu revision in delivered gas price, it will correspondingly change the
 - (a) Floor and Ceiling price by USD 2 per MT up to a delivered gas price of USD 14 per mmbtu.

- (b) Floor by USD 2 per MT for delivered gas price exceeding USD 14 per mmbtu
- (iii) The urea from Expansion / Brownfield Urea units will be recognized at a uniform rate of 90% of IPP (C&F) subject to floating floor and ceiling prices mentioned at 4 (i) and 4 (ii) above.

5 **Revamp Projects**

- (i) At a delivered gas price of upto USD 7.5 per mmbtu for new Revamp Urea units
 - (a) the Floor price is fixed at **USD 245** per MT of Urea
 - (b) the Ceiling price is fixed at **USD 255** per MT of Urea
- (ii) For each 0.1 USD per mmbtu revision in delivered gas price, it will correspondingly change the
 - (a) Floor and Ceiling price by USD 2.2 per MT up to a delivered gas price of USD 14 per mmbtu.
 - (b) Floor by USD 2.2 per MT for delivered gas price exceeding USD 14 per mmbtu.
- (iii) The urea from Revamp Urea units will be recognised at a uniform rate of 85% of IPP (C&F) subject to floating floor and ceiling prices mentioned at 5 (i) and 6 (i) above. These will be applicable for all output above the “cut-off” point.
- (iii- a) Cut-Off Quantity - The urea produced from existing units beyond their reassessed capacity under NPS or the maximum achieved capacity by a unit for 330 days in last four years (2003-07), whichever is higher (cut off quantity), is recognised as the production under revamp of the existing unit. However, the urea produced under revamp quantity will only be eligible for the above dispensation once the total production of the unit crosses 105 per cent of the cut off quantity or 110 per cent of the reassessed capacity, whichever is higher.
- (iv) No Administered Pricing Mechanism (APM) gas shall be considered for allocation for production beyond cut-off quantity.
- (v) **The Urea units, which have undertaken revamp and are already availing the provisions of the Investment Policy of 2008, will remain under the Investment Policy of 2008.** In the event of doubling of gas price from USD 4.88 per MMBTU (base price including applicable taxes) for a unit under the Investment Policy of 2008, appropriate revision will be worked out under that Policy, in consultation with the Department of Expenditure.
- (vi) Any further revamp undertaken by an already revamped unit, will be considered to be eligible under the same Revamp policy as that applicable to the

original revamp. In case a unit under the policy of 2008 undertakes further revamp and the additional quantity is more than 10% of the present production (maximum production in any continuous one year period of the last three years, which should not be less than the quantity produced in similar period of previous years after implementation of NIP-2008 policy), the Urea unit may opt for the dispensation as mentioned at 5 (i, ii and iii). Once new investment policy gets applied on the unit for the extra production beyond 10% of existing production as discussed above, the entire revamp production from the unit (existing & new combined) will be recognised as per NIP-2012. The option will have to be exercised by the unit within three months of start of new increased production.

6 Non-operation of ceiling price and IPP if delivered gas price exceed USD 14 per mmbtu.

In the event the delivered gas price crosses USD 14 per mmbtu, the units (whether revamp, expansion, brownfield, greenfield or revival) shall be paid only the floor price based on the delivered gas price as mentioned at 3(ii)(b), 4(ii)(b) and 5(ii)(b). All other conditions like ceiling price and recognition of urea w.r.t IPP shall become non-operational.

7 Operational Principles- The following is adopted for operating the policy:

- 7.1 The increase/decrease of the floor and ceiling price will be calculated at the end of each quarter, on the basis of average gas price of previous three months. Accordingly, IPP shall also be calculated for each quarter for each plant.
- 7.2 The price of the delivered gas will be calculated based on delivered gas price as certified by MoPNG/Central PSU/State PSU.
- 7.3 The policy shall be applicable to urea units to be based on gas i.e. natural gas (domestic/RLNG) and CBM. In case of CBM, price of NG equivalent of CBM as given by Public agency will be considered. For revival of closed urea units based on coal gasification and Greenfield projects based on coal gasification, a dispensation that is the same as that of CBM will be extended after arriving at equivalent NG price.
- 7.4 While fixing the floor and ceiling price of Greenfield, Revival, Brownfield and Expansion urea units, It has been presumed that the delivered cost of CBM/Actual mix of gas to the urea unit shall not be less than USD 6.5/mmbtu.

8 Time period for the investment policy

- 8.1 It is proposed that only those units whose production starts within five years from the date of notification of the policy would be covered under the policy. The dispensation of guaranteed

buy-back under this policy will be available to the units for a period of eight years from the date of start of production. Thereafter, the units will be governed by the Urea policy prevalent at that time.

9 Mandating of Granulated Urea / Coated Urea

- 9.1 In order to improve the efficiency in the use of Urea, as a part of product management strategy, all new urea capacities in the country are mandated to produce Urea in granulated form or coated/fortified Urea. Taking into account the additional investment on account of a granulation plant and the incremental operating costs, an additional amount of USD 10 per MT, is allowed in the floor and ceiling prices for all plants – Greenfield/Revival/Brownfield–producing Granulated Urea.
- 9.2 As part of the present policy, an additional 5% / 10% additional MRP may be allowed in case of Neem coated / Zincated Urea.

10 Joint Venture Units

- 10.1 Decision regarding Urea off-take agreement for Joint Venture units set up abroad shall be taken on case-to-case basis, based on the prevalent IPP of Urea, price and availability of indigenous gas, cost of gas being offered to the JV and demand supply gap of Urea in the country. The guiding principle shall, however, be that the offered supply on C&F basis from the JV should be equal to or less than the floor price for domestic Greenfield units at a gas cost of USD 6.5 per mmbtu. Thus extending the floor price corresponding to a gas price of USD 6.5 per mmbtu to the JV's abroad will actually mean getting imported gas at a delivered price of USD 6.5 per mmbtu which will result in substantial saving to GOI. While fixing the floor and ceiling price for a JV abroad, subject to a maximum floor price corresponding to a delivered gas price of USD 6.5 per mmbtu for domestic units, a higher return may be considered keeping in view factors such as risks involved, likely time and cost overruns, etc. Approval of CCEA would be obtained in each case.

11 Dispensation for Units in North East

- 11.1 For units coming up in the North Eastern States, the special dispensation regarding pricing of gas that is being extended by the Central Government/ State Government will also be available to any new Investments in the region as well. Suitable adjustments will be made to the applicable floor and ceiling prices in case the delivered price (after allowing for the special dispensation) falls below USD 6.5 per mmbtu, subject to approval of Ministry of Finance.

12. As per the budget provisions announced for 2012-13, capital investment in fertiliser sector has been made eligible for Viability Gap Funding (VGF) under the Scheme for Support to PPP in infrastructure sector. However no VGF shall be allowed to Urea units in Public or Private sector. In case incentives under VGF are required to be extended to Fertilizer units being set up in remote areas/difficult terrains like north east or units which are based on coal gasification, where the capex involved is substantially higher, the same will be examined by DOF in consultation with DoE on case to case basis.
13. The broad stages for setting up a urea project are given at **Annexure-2**. Since the policy envisages payment of subsidy/ incentives to the urea units by the Government, all the urea units who plan to set-up urea units in the country should mandatorily provide information at beginning and completion of each stage of the project as given at **Annexure-2**. This is also required to assess the demand and production gap in the country as well as the cost of gas expected to be used in production of urea from new investments.
14. The policy will be effective from the date of notification.

Yours sincerely

Sd/-

(Satish Chandra)

Joint Secretary to the Government of India

Tele : 23386800

Copy to:

1. 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, Planning Commission, Ministry of Petroleum & Natural Gas .
2. Director General, The Fertilizers Association of India, 10-Shaheed Jit Singh Marg, New Delhi-110067
3. All Officers/Sections in the Department of Fertilizers and office of FICC, RK Puram, New Delhi
4. Director(NIC)

Copy also to:

Smt. Anu Garg, Joint Secretary, Prime Minister's Office, South Block, New Delhi.

Annexure-1

Import parity price: Import Parity Price for a month would be derived based on the prevailing prices in three months preceding the month under consideration as indicated below.

Import Parity Price (IPP): The import parity price (IPP) for a particular month will be the lower of the actual average CIF price of urea imported in India during preceding three months and the IPP reported in the fertilizer magazines for the same preceding three months, as detailed below:

$$\text{IPP}_x = \text{FOB Arabian Gulf} + \text{Freight}$$

Where,

IPP_x = Import Parity Price for month (x)

FOB Arabian Gulf = Average FOB reported price of urea for AG in the three magazines as listed below, during preceding three month (x - 1) to (x - 3).

Freight = Average freight for AG in the three magazines listed below, during preceding three month (x - 1) to (x - 3).

The exchange rate will be taken as the average of preceding three months for arriving at the price in INR. The three fertilizer magazines to be used for arriving at IPP prices will be as below:

- (a) Fertiliser Market Bulletin, UK;
- (b) Fertiliser Week by British Sulphur, UK; and
- (c) Fertecon Weekly Nitrogen Fax, UK.

Broad stages of a urea project

Following are the broad stages for setting up an Ammonia-Urea Project:-

- a) Pre-feasibility Report
- b) Techno Economic Feasibility Report & its approval from the company's Board of Director.
- c) Finalization of Project site.
- d) 1st Stage Environment Clearance from MoEF
- e) Technology Evaluation and Selection or EPC (LSTK) bid preparation & Evaluation.
- f) Detailed/Bankable Project/Feasibility Report preparation and approval from the company's Board of Director.
- g) Environment Impact Assessment Report preparation and final clearance from MoEF
- h) Raw Material and Utilities tie-up for the project
- i) Finalization of EPCM or EPC (LSTK) Contractor.
- j) Achieving Financial Closure
- k) Award of job to EPCM or EPC Contractor.
- l) Signing of Agreement between various agencies
- m) Mobilization Advance to EPCM or EPC Contractor.
- n) Physical Progress Achieved - 25%
- o) Physical Progress Achieved – 50%
- p) Physical Progress Achieved – 75%
- q) Commissioning of Project & Start of commercial production.

2.2 NOTIFICATION ON AMENDMENT TO NEW INVESTMENT POLICY-2012

No. 12012/39/2011-FPP
Government of India
Ministry of Chemical & Fertilizers
Department of Fertilisers

Shastri Bhawan, New Delhi
Dated the 7th October, 2014.

To

All Chief Secretaries of State Governments

CMD/MDs

RCF/MFL/BVFCL/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/TCL
ZAL/INDO-GULF/SPIC/KSFCL/MCFL/FCIL/HFCL/FACT/IPL/MATIX/KFCL

All Urea Manufacturing units

Subject: Amendment to New Investment Policy - 2012

Sir,

I am directed to refer to this department's letter of even number dated 2nd January, 2013 on the subject mentioned above and to state that it has been decided to make the following amendments in the New Investment Policy-2012 (NIP-2012):-

(i) Para 8.1 of NIP-2012 is replaced as follows:

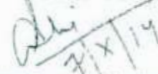
Only those units whose production starts within five years from the date of this amendment notification will be covered under the policy. Subsidy will be given only upon domestic sale as at present for a period of 8 years from the date of start of production. Thereafter, the units will be governed by the urea policy prevalent at that time.

(ii) To ensure seriousness/credibility of the project proponents under NIP-2012 and for timely execution of the projects, all the project proponents will be required to furnish Bank Guarantee (BG) of Rs. 300 crores for each project. The BG will be linked to milestones in the project cycle. Out of Rs. 300 crores, Rs. 100 crores of BG will be released after finalization of LSTK/ EPCA contractors and release of advance to the contractor's account. Rs. 100 crores of BG will be released on completion of requirements ordering and supply to the site or midpoint of the project cycle, whichever is earlier, and the balance of Rs. 100 crores of BG on

completion, of the project. PSUs are, however, exempted from furnishing the BG.

- (iii) A committee of Secretaries comprising Secretary (Fertilizers), Secretary (Department of Expenditure), Secretary (MoPN&G), Secretary (Planning Commission) and Secretary (Agriculture) with Secretary (Fertilizers) as Chairman is constituted to take decisions on various issues which will arise during the implementation of NIP-2012.

Yours sincerely



(Sushil Kumar Lohani)

Joint Secretary to the Government of India

Tele : 23381294

Copy to:

1. 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, Planning Commission, Ministry of Petroleum & Natural Gas .
2. Director General, The Fertilizers Association of India, 10-Shaheed Jit Singh Marg, New Delhi-110067
3. All Officers/Sections in the Department of Fertilizers and office of FICC, RK Puram, New Delhi
4. Director(NIC)

Copy also to :-

Smt. B.V.R. Subrahmanyam, Joint Secretary, Prime Minister's Office, South Block, New Delhi.

Chapter 3

POLICY FOR UNIFORM FREIGHT SUBSIDY ON ALL FERTILIZERS UNDER THE FERTILIZER SUBSIDY REGIME

OVERVIEW

Fertilizer subsidy is provided by the Government with the objective of ensuring timely availability of fertilizers to farmers at affordable prices. The aforesaid twin objectives stand fulfilled only if the fertilizers are easily available, especially during the peak demand period, in all parts of the country. Freight for urea has been always driven by considerations of serving the farming population at large including those in remote and hilly areas. Being essential commodity, efficient distribution of urea can add to the efficiency of the manufacturing unit. Uniform Freight Policy was announced by Department of Fertilizers with effect from 1st April, 2008 vide notification dated 17th July, 2008 to ensure freight re-imbursement in line with NPS-III.

Based on the recommendations of Tariff Commission, the slab-wise rates in respect of primary road movement upto 500 Kms are notified annually. Vide notification dated 12th March, 2018, this department notified the slab-wise rates in respect of primary road movement for the financial year 2016-17.

The escalated/de-escalated Per Tonne Per kilometre (PTPK) for road transportation in the case of secondary movement of fertilizers are also notified by Department of Fertilizers annually. Vide notification dated 12th March, 2018, the escalated/de-escalated PTPK rates for the year 2016-17 in respect of secondary movement of fertilizers has also been notified by the department.

3.1 NOTIFICATION ON UNIFORM FREIGHT SUBSIDY ON ALL FERTILIZERS

No.12012/2/2008-FPP
Government of India
Ministry of Chemicals & Fertilizers
(Department of Fertilizers)

Shastri Bhawan, New Delhi.
Dated: 17th July, 2008.

To

CMD/MDs

RCF/MFL/BVFCL/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/

CFCL/TCL/ZIL/INDO-GULF/SPIC/KSFL/MCFL/FACT/FCIL/HFCL/IPL

SSP Manufacturers as per List annexed.

Subject: Policy for uniform freight subsidy on all fertilizers under the fertilizer subsidy regime.

.....

Sir,

I am directed to convey the approval of the Government for a separate uniform freight subsidy policy on all subsidised fertilizers covered under the New Pricing Scheme Stage-III (NPS-III) for indigenous urea and the Concession Scheme on P&K fertilizers being administered by the Department. The policy will also be applicable on imported Urea subject to contractual obligations, if any. The salient features of the policy are as below:

- a) The rail freight expenditure for transportation of fertilizers will be paid as per the actual expenditure based on actual lead.
- b) The road freight towards transportation of fertilizers from nearest railway rake point to block, or from manufacturing unit /port directly by road to block, consists of two elements— lead distance and per KM rate. This element of subsidy will be paid as below:
 - i) The lead distance for each block in the district will be based on the average district lead (average of leads from nearest rail rake point to block headquarters).
 - ii) The per KM road freight will be paid on the basis of average of existing per KM rate for each State in the country, being adopted by FICC for reimbursement of freight subsidy for indigenous urea, under NPS-III.
 - iii) It will be implemented retrospectively w.e.f. 1.4.08.
- c) The normative per KM rate will be annually escalated/de-escalated based on a composite road transport index (weighted average of the WPIs of HSD oil, Motor Tyres, Truck Chassis

and All Commodities) as already being done under NPS-III.

- d) The manufacturing units (especially the SSP units) not having railway siding facilities, will also be reimbursed the road transportation costs from their unit to the nearest rail rake point based on actual leads and the per tonne per KM rate, as computed in paras above.
 - e) The freight subsidy will be paid on actual movement of fertilizers up to the block level based on monthly district-wise/block movement plans. The subsidy will be released only after the fertilizer reaches the District/Block as per the monthly plan. Any additional supply beyond 10% of the monthly plan will be eligible for subsidy only after 120 days of its receipt in the district, provided it is accounted for in the subsequent month's plan.
 - f) The State Governments will be responsible for confirming the receipts of fertilizers as indicated in the movement plan in the FMS. They are required to either confirm or deny the receipts of fertilizers within 30 days, whereafter the final freight subsidy will be released to the manufacturers/importers. However, in case of any report of any non-receipt/shortfall, the difference in freight subsidy will be suitably recovered.
 - g) The policy is proposed to be implemented from 1st April, 2008. Where the concession price of a fertilizer includes a fixed freight subsidy, payments so made from 1st April, 2008 till the date of Notification will be adjusted against the freight subsidy to be paid under this policy. For SSP, the first stage is proposed to be implemented from 1st October, 2008.
 - h) The special freight re-imbursement scheme for J&K and North Eastern States stands withdrawn as the freight will be now based on actual leads.
2. The manufacturers/importers will make separate claims for freight subsidy on monthly basis in the prescribed proformas which will be separately circulated along with guidelines for the same. A freight module under FMS, for generation of freight claims are being separately worked out and will be put in place shortly. In the interim, it is proposed to pay the freight on the basis of average per tonne rates indicated below.
- | | | | |
|------|----------------------|---|---------------|
| i) | Indigenous Urea | - | Rs.616 per MT |
| ii) | Imported Urea | - | Rs.850 per MT |
| iii) | Indigenous DAP/MAP | - | Rs.770 per MT |
| iv) | Imported DAP/MAP/TSP | - | Rs.850 per MT |
| v) | MOP | - | Rs.623 per MT |
| vi) | Complex Fertilizers | - | Rs.616 per MT |
| vii) | SSP (w.e.f. 1.10.08) | - | Rs.616 per MT |
3. The base concession rates and final concession rates for P&K fertilizers will be devoid of freight element from 1st April, 2008 onwards and for SSP, from 1st October, 2008 onwards. The provisions of New Pricing Scheme Stage-III for freight subsidy on indigenous urea will stand amended w.e.f. 1st April, 2008.

4. The manufacturers/importers will have to ensure provision of details of movement and receipts of fertilizers in various districts/blocks in the country, on the Fertilizer Monitoring System (FMS), in order to be eligible for freight subsidy.
5. The above will be applicable till further orders.

Yours faithfully,

Sd/

(Deepak Singhal)

Joint Secretary to the Government of India

Tel No. 23381294

Copy to:

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, 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.**

3.2 NOTIFICATION ON POLICY FOR UNIFORM FREIGHT SUBSIDY ON ALL FERTILIZERS UNDER THE FERTILIZER SUBSIDY REGIME

No.12012/2/2008-FPP
Government of India
Ministry of Chemicals & Fertilizers
(Department of Fertilizers)

Shastri Bhawan, New Delhi.
Dated the 4th February, 2009.

To

CMD/MDs

RCF/MFL/BVFCL/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/TCL/ZIL/
INDO-GULF/SPIC/KSFL/MCFL/FACT/FCIL/HJEL/IPL

SSP Manufacturers as per List annexed

Subject: Policy for uniform freight subsidy on all fertilizers under the fertilizer subsidy regime.

Sir,

In continuation of this Department's letter of even number dated 17th July, 2008 on the above mentioned subject, the following is further clarified for necessary action:

i) In the above-mentioned letter, till the finalisation of Fertilizer Monitoring System (FMS) Module and generation of claims as per the New Uniform Policy for Freight Subsidy, it was indicated that the companies can raise bills on the basis of the adhoc lumpsum freight given in Para (2) of the letter referred to above. The above adhoc lumpsum freight included normative freight for transportation of fertilizers up to the block level and was to be finally adjusted from the actual claims generated by the companies for freight subsidy through the FMS Module based on the parameters notified under the New Uniform Policy for Freight Subsidy.

ii) The freight module on FMS is in final stages of development. The normative district leads for all the States except Himachal Pradesh and North Eastern States have already been loaded on the module. For the remaining States also, FMS Team is in coordination with Department of Fertilizers, State Governments and the companies for finalisation of normative district leads.

iii) It is expected that the freight module will be uploaded on the FMS by 10th February, 2009. However, since the per KM per tonne rate for each district in the country is yet to be finalised and recommended by the Tariff Commission, the companies will not be able to generate final claims for payment of freight subsidy due w.e.f. 1st April, 2008 onwards. However, to operationalise the freight module on FMS, which is in accordance with the uniform policy for freight subsidy notified by the Government, the following has been decided.

a) The companies can raise claims on FMS Module for payment of freight subsidy based on actual rail freight and ad hoc road freight.



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- b) The actual railway freight will be claimed by the companies based on the railway receipts uploaded in the freight module on the FMS.
- c) The ad hoc road freight will be claimed based on the adhoc normative leads finalised on the FMS Module and the ad hoc per KM rate indicated at (d) below.
- d) The ad hoc per tonne per KM rate for road transportation of fertilizers for all the districts in each State will be as below:

SN	State/UT	Rate (Rs/Tonne/KM)
1	Andhra Pradesh	2.11
2	Assam	1.44
3	Bihar	2.57
4	Chhattisgarh	2.52
5	Goa	2.80
6	Gujarat	1.28
7	Haryana	2.16
8	Himachal Pradesh	4.13
9	Jharkhand	2.41
10	Karnataka	1.81
11	Kerala	2.75
12	Madhya Pradesh	2.17
13	Maharashtra	2.05
14	Punjab	2.55
15	Rajasthan	1.91
16	Tamil Nadu	1.55
17	Uttarakhand	2.56
18	Uttar Pradesh	2.28
19	West Bengal	2.97
20	Andaman & Nicobar Islands	3.47
21	Delhi	3.89
22	Puducherry	1.90

- e) The North-Eastern States, Orissa and Jammu & Kashmir for which the per KM per tonne rate is not indicated above will be notified separately by the Department.
- f) The ad hoc lumpsum freight received by the companies for transportation of the fertilizers w.e.f. 1st April, 2008 onwards will be adjusted towards the claims generated as above for payment of freight subsidy.
- g) On finalisation of recommendations of Tariff Commission and approval of Government on the final per KM per tonne rate for road transportation to various districts of the country, the same will be notified. Further, the normative leads provided on the FMS Module will be finalised by the Government. The final road freight claims under the uniform policy for freight subsidy will be raised by the



-3-

companies based on above rates and leads, and the amounts received on the basis of ad hoc rates notified in para (iii)(d) above will be adjusted towards the final claims.

iv) It is clarified that Rs.275 per MT paid to manufacturers/importers as nominated dealer's margin on sale of DAP and complex fertilizers, Rs.200 per MT on sale of MOP and Rs.180 per MT on sale of indigenous/imported urea (Rs.200 for Cooperatives) is being paid separately as a part of subsidy under the Concession Scheme for P&K fertilizers and New Pricing Scheme for indigenous urea.

v) For SSP, the applicability of uniform policy for freight subsidy has been deferred till 31st March 2009, vide this Department's letter of even number dated 29th December, 2008.

Yours faithfully,



(Rajesh Agrawal)
Deputy Secretary(Fertilizers)
Tel: 23386398

Copy to:

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, Planning Commission.
3. Director General, Fertilizer Association of India, 10, Shaheed Jit Singh Marg, New Delhi-110067.
4. Dir(FA) – With the request to finalise the freight module on FMS at the earliest and get it uploaded before 10th February, 2009.
5. Dir(F&A), FICC – With the request to finalise the provisional KM rates for remaining States based on data collected for indigenous urea, within next 2-3 days.
6. Director(M) – With the request to vet the normative leads and operational rail-rake points on the FMS Module.
7. 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.

3.3 NOTIFICATION ON ROAD FREIGHT RATES FOR UREA MANUFACTURING/ IMPORTING UNITS UNDER THE UNIFORM FREIGHT SUBSIDY SCHEME

No.12012/9/2007-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 1st September 2011

To

Chief Executives of all Fertilizer Units
Chief Secretary of all States/UT

Subject:- Road freight rates for UREA manufacturing/importing units under the uniform freight subsidy scheme.

Sir,

I am directed to refer to Department of Fertilizers policy notification No.12012/3/2006-FPP, dated 8th March 2007 regarding policy for Stage-III of New Pricing Scheme for urea manufacturing units vide which it was decided that "Tariff Commission will be requested to fix Per Tonne Per Km (PTPK) base rates for road transportation in the case of secondary movement of fertilizers from unloading Rake Point to retail points". The Tariff Commission has conducted the study and submitted the report to Department of Fertilizers on Finalizing Per KM Per Tonne Rate for Transportation of Fertilizers by road. These rates will be escalated by WPI (composite road transport index) every year.

2. Department of Fertilizers subsequently notified a separate uniform freight subsidy policy vide letter No.12012/2/2008-FPP, dated 17th July 2008 and letters of even number dated 04.02.2009 and 17.03.2009 etc. for all subsidized fertilizers covered under the New Pricing Scheme Stage-III (NPS-III) for indigenous urea and the concession scheme on P&K fertilizers being administered by the Department of Fertilizers.

3. In view of the recommendations made by the Tariff Commission in their report, it has been decided that the district wise road transportation rates for UREA dispatches by all the units of your company will be based on the rates for the FY.2007-08 as indicated in the enclosed annexure. The distance for a particular district will be taken as per Fertilizer Monitoring System (FMS). The normative PTPK rate is to be annually escalated/de-escalated based on a composite road transport index as per NPS-III policy dated 8th March 2007. The revised transportation rates will be applicable from 1st April 2008.

4. The same rates will be applicable for both ECA and Non-ECA dispatches.

5. In case of Jammu and Kashmir the rates recommended by Tariff Commission for Jammu region (Rs 5.29 per km per metric tonne) will be treated for all the districts in Jammu as well as Srinagar in J&K. The adhoc PTPK transportation rates for Himachal Pradesh Rs. 4.13 and North-Eastern

Naval Singh

States (i.e. Rs. 2.22 PTPK for Arunachal Pradesh, Rs. 4.38 PTPK for Manipur, Rs. 6.39 PTPK for Meghalaya, Rs. 3.44 PTPK for Mizoram, Rs. 3.50 PTPK for Nagaland, Rs.7.07 PTPK for Sikkim and Rs. 4.27 for Tripura) will continue to be as notified earlier, as per latest circular, during the interim period. Final rates of these states will be notified after receipt of revised study by Tariff Commission.

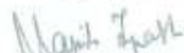
6. Freight subsidy claims on the basis of the above rates (as per the annexure to this letter) may be preferred for the above mentioned period in the prescribed proforma. Freight subsidy amount received by the units on the basis of road transportation ad hoc rates notified earlier will be adjusted towards final claim.

7. However, these rates are subject to revision on account of audit observations/revision on account of any correction in data/workings and computation noticed at a later stage.

8. Rates on direct Movement of urea from Plant/Point to district upto 500 Km will continue as notified earlier. Study in this regard has been assigned to Tariff Commission for adopting final PTPK rates of direct dispatch by road.

9. This issues with the concurrence of Internal Finance Division vide their ID No. 528/AS&FA/2011 dated 20-07-2011.

Yours sincerely



(Manish Tripathi)

Deputy Secretary to the Government of India

Tele: 23386398

1. Principal Director of Audit, Economic & Service Ministry, AGCR Building, IP Estates, New Delhi.
2. Controller of Accounts, Department of Fertilizers, Janpath Bhawan, New Delhi.
3. Director General, The Fertilizers Association of India, FAI House, 10-Shahidjit Singh Marg, New Delhi-110067.
4. Joint Secretary-cum-Central Registrar of Cooperative Societies.
5. Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
6. Shri Mahendra Kumar, Secretary (TC), Ministry of Commerce and Industry, Tariff Commission, 7th Floor, Lok Nayak Bhawan, New Delhi-110003.
7. Ministry of Finance/Department of Expenditure (PF-II), North Block, New Delhi.

Copy also to:-

JS(P&P)/JS(A&M)/ED-FICC & JS(F&P)
 Director(Mov)/Director(FA)[UB]/Director(PPF)/Director(Finance)/
 Deputy Secretary (I&A) (FICC).
 ✓ Director(NIC)/DOF – for website/DD(OL) – for hindi translation.

Annexure

Normative Transportation Rates – Delivery from Rake Point

State	Districts	Average Distance	Normative Rates 2007-08	Normative Rates 2008-09	Normative Rates 2009-10
1	2	3	4	5	6
Andhra Pradesh	Adilabad	156	1.82	1.96	1.95
	Anantapur	97	2.73	2.93	2.92
	Chittoor	82	3.07	3.30	3.28
	Cuddapah	69	3.76	4.04	4.02
	East Godavari	140	1.9	2.04	2.03
	Guntur	153	1.6	1.72	1.71
	Hyderabad	81	1.91	2.05	2.04
	Kadapa	91	3.28	3.53	3.51
	Karimnagar	111	2.2	2.36	2.35
	Khammam	253	1.58	1.70	1.69
	Krishna	116	1.93	2.07	2.07
	Nellore	102	2.23	2.40	2.39
	Mahbubnagar	118	2.06	2.21	2.20
	Medak	159	1.81	1.95	1.94
	Nalgonda	174	1.71	1.84	1.83
	Nellore	102	2.19	2.35	2.34
	Nizamabad	67	2.74	2.94	2.93
	Parakasam	130	1.95	2.10	2.09
	Rangareddy	72	2.26	2.43	2.42
	Srikakulam	65	2.83	3.04	3.03
	Visakhapatnam	91	2.31	2.48	2.47
	Vizianagaram	81	2.69	2.89	2.88
	Warangal	132	2.01	2.16	2.15
	West Godavari	134	1.92	2.06	2.05
Assam	Barpeta	11	4.79	5.15	5.13
	Bongaigaon	9	5.29	5.69	5.66
	Cachar	23	5.29	5.69	5.66
	Darrang	69	3.76	4.04	4.02
	Dhubri	115	2.38	2.56	2.55
	Dibrugarh	20	5.29	5.69	5.66
	Goalpara	109	2.38	2.56	2.55
	Golaghat	21	5.29	5.69	5.66
	Jorhat	10	5.29	5.69	5.66
	Kamrup	9	5.29	5.69	5.66
	Karimganj	26	3.76	4.04	4.02
	Lakhimpur	5	5.29	5.69	5.66
	Marigaon	51	3.76	4.04	4.02
	Nagaon	6	5.29	5.69	5.66
	Nalbari	68	3.76	4.04	4.02
	Sonitpur	5	5.29	5.69	5.66
	Tinsukia	6	5.29	5.69	5.66

Bihar	Araria	109	1.81	1.95	1.94
	Arwal	59	2.16	2.32	2.31
	Aurangabad	30	3.76	4.04	4.02
	Banka	55	2.36	2.54	2.53
	Begusarai	19	5.29	5.69	5.66
	Bhagalpur	20	4.68	5.03	5.01
	Bhojpur	17	5.29	5.69	5.66
	Buxar	27	2.83	3.04	3.03
	Darbhanga	41	3.73	4.01	3.99
	Deoria	26	3.76	4.04	4.02
	East Champaran	29	3.76	4.04	4.02
	Gaya	31	3.76	4.04	4.02
	Gopalganj	45	3.76	4.04	4.02
	Jamui	93	1.68	1.81	1.80
	Jehanabad	32	3.33	3.58	3.56
	Kaimur	42	2.91	3.13	3.11
	Katihar	32	3.76	4.04	4.02
	Khagaria	20	4.19	4.50	4.48
	Kishanganj	19	4.43	4.76	4.74
	Lakhisarai	58	2.17	2.33	2.32
	Madhepura	39	2.63	2.83	2.81
	Madhubani	56	3.65	3.92	3.91
	Munger	52	1.96	2.11	2.10
	Muzaffarpur	22	5.29	5.69	5.66
	Nalanda	25	4.3	4.62	4.60
	Nawada	25	3.81	4.09	4.08
	Patna	25	3.98	4.28	4.26
	Purnia	46	3.33	3.58	3.56
	Rohtas	20	5.02	5.40	5.37
	Saharsa	26	3.76	4.04	4.02
	Samastipur	26	3.76	4.04	4.02
	Saran	30	3.76	4.04	4.02
	Sheikhpura	36	2.79	3.00	2.99
	Sheohar	62	1.58	1.70	1.69
	Sitamarhi	75	2.79	3.00	2.99
	Siwan	18	4.93	5.30	5.28
	Supaul	56	2.32	2.49	2.48
	Vaishali	31	3.76	4.04	4.02
	West Champaran	30	3.76	4.04	4.02
Chattisgarh	Bastar	72	3.33	3.58	3.56
	Beejapur	206	2.38	2.56	2.55
	Bilaspur	44	3.59	3.86	3.84
	Dantewada	109	2.38	2.56	2.55
	Dhamtari	83	3.03	3.26	3.24
	Durg	40	3.76	4.04	4.02
	Jagdalpur	220	2.37	2.55	2.54
	Janjgir-Champa	57	2.83	3.04	3.03
	Jashpur	154	2.38	2.56	2.55
	Kabirdham	91	2.88	3.10	3.08
	Kanker	128	2.38	2.56	2.55

	Kawardha	105	2.38	2.56	2.55
	Korba	66	3.7	3.98	3.96
	Koriya	65	3.01	3.23	3.22
	Mahasamund	71	2.83	3.04	3.03
	Narayanpur	71	3.1	3.33	3.32
	Palamu	29	3.76	4.04	4.02
	Raigarh	51	2.83	3.04	3.03
	Raipur	47	3.76	4.04	4.02
	Rajnandgaon	38	3.76	4.04	4.02
	Surguja	58	2.4	2.58	2.57
Dadra & Nagar Haveli	D&N	43	2.52	2.71	2.70
Goa	North Goa	295	2.38	2.56	2.55
	South Goa	279	1.84	1.98	1.97
Gujarat	Ahmedabad	52	2.48	2.67	2.65
	Amreli	79	2.22	2.39	2.38
	Anand	30	3.76	4.04	4.02
	Banas Kantha	88	2.37	2.55	2.54
	Baroda	106	1.94	2.08	2.08
	Bharuch	54	3.52	3.78	3.77
	Bhavnagar	70	2.41	2.59	2.58
	Dahod	61	2.69	2.89	2.88
	Dangs	106	2.38	2.56	2.55
	Gandhinagar	51	3.25	3.49	3.48
	Jamnagar	71	2.61	2.81	2.79
	Junagadh	80	2.35	2.53	2.51
	Kheda	39	3.76	4.04	4.02
	Kutch	229	1.58	1.70	1.69
	Mahesana	37	3.19	3.43	3.41
	Narmada	78	2.9	3.12	3.10
	Navsari	50	3.17	3.41	3.39
	Panch Mahals	36	3.16	3.40	3.38
	Patan	50	2.49	2.68	2.66
	Porbandar	110	2.33	2.50	2.49
	Rajkot	58	3.25	3.49	3.48
	Sabar Kantha	74	3.01	3.23	3.22
	Surat	29	3.76	4.04	4.02
	Surendranagar	53	2.61	2.81	2.79
	Tapi	81	2.8	3.01	3.00
	Vadodara	44	2.93	3.15	3.14
	Valsad	56	3.05	3.28	3.26
	Ambala	26	3.64	3.91	3.89
	Bhiwani	31	3.76	4.04	4.02
	Delhi	21	5.29	5.69	5.66
	Faridabad	21	3.29	3.54	3.52
	Fatehabad	23	3.89	4.18	4.16
	Gurgaon	57	2.82	3.03	3.02
	Hisar	26	3.05	3.28	3.26
	Jhajjar	40	3.76	4.04	4.02
	Jind	25	3.59	3.86	3.84

Haryana	Kaithal	19	4.52	4.86	4.84
	Karnal	18	5.29	5.69	5.66
	Kurukshetra	17	4.6	4.94	4.92
	Mahendragarh	55	2.87	3.08	3.07
	Mewat	47	2.58	2.77	2.76
	Panchkula	47	3.12	3.35	3.34
	Panipat	49	3.2	3.44	3.42
	Rewari	15	5.29	5.69	5.66
	Rohtak	21	4.96	5.33	5.31
	Sirsa	25	3.7	3.98	3.96
	Sonapat	18	4.53	4.87	4.85
	Yamunanagar	22	3.61	3.88	3.86
Jammu & Kashmir	Jammu	3	5.29	5.69	5.66
Jharkhand	Bokaro	151	1.58	1.70	1.69
	Chatra	130	2.05	2.20	2.19
	Deoghar	29	3.76	4.04	4.02
	Dhanbad	157	1.58	1.70	1.69
	Dumka	44	3.76	4.04	4.02
	East Singhbhum	282	1.58	1.70	1.69
	Garhwa	59	2.55	2.74	2.73
	Giridih	81	2	2.15	2.14
	Godda	73	1.84	1.98	1.97
	Gumla	121	2.38	2.56	2.55
	Hazaribag	96	2.29	2.46	2.45
	Jamtara	93	2.19	2.35	2.34
	Koderma	64	2.2	2.36	2.35
	Latehar	81	2.21	2.38	2.36
	Lohardaga	54	2.42	2.60	2.59
	Pakur	101	1.58	1.70	1.69
	Palamu	54	2.59	2.78	2.77
	Ranchi	45	3.76	4.04	4.02
	Sahibganj	136	2.11	2.27	2.26
	Seraikela	154	2.2	2.36	2.35
	Simdega	181	2.06	2.21	2.20
	West Singhbhum	208	1.85	1.99	1.98
	Bagalkot	104	2.32	2.49	2.48
	Bangalore Urban	34	3.54	3.80	3.79
	Bangalore Rural	75	2.81	3.02	3.01
	Belgaum	71	2.31	2.48	2.47
	Bellary	60	2.91	3.13	3.11
	Bidar	103	2.26	2.43	2.42
	Bijapur	66	2.96	3.18	3.17
	C. Mangalore	83	3.01	3.23	3.22
	C. R. Nagar (Chamrajnagar)	68	2.79	3.00	2.99
	Chickmagalur	77	2.93	3.15	3.14
	Chikballapur	75	2.72	2.92	2.91
	Chitradurga	118	2.17	2.33	2.32
	Davangere	37	3.76	4.04	4.02

Karnataka	Dharwad	62	2.45	2.63	2.62
	Gadag	129	1.94	2.08	2.08
	Gulbarga	78	2.64	2.84	2.82
	Hassan	32	3.54	3.80	3.79
	Haveri	100	2.03	2.18	2.17
	Kodagu	101	2.38	2.56	2.55
	Kolar	126	2.19	2.35	2.34
	Koppal	63	3.18	3.42	3.40
	Mandya	27	3.71	3.99	3.97
	Mysore	38	2.85	3.06	3.05
	North Kannada	160	1.78	1.91	1.90
	Raichur	56	3.09	3.32	3.31
	Ramanagara	83	2.6	2.79	2.78
	Shimoga	59	2.77	2.98	2.96
	South Kannada	36	2.61	2.81	2.79
	Tumkur	83	2.29	2.46	2.45
	Udupi	66	3.15	3.39	3.37
Kerala	Alappuzha	47	3.76	4.04	4.02
	Ernakulam	43	3.76	4.04	4.02
	Idukki	120	2.38	2.56	2.55
	Kannur	72	3.54	3.80	3.79
	Kasargod	149	2.38	2.56	2.55
	Kollam	97	3.24	3.48	3.47
	Kottayam	23	5.07	5.45	5.42
	Kozhikode	36	3.51	3.77	3.76
	Malappuram	83	3.03	3.26	3.24
	Palakkad	36	3.76	4.04	4.02
	Pathanamthitta	57	3.76	4.04	4.02
	Thiruvananthapuram	111	2.38	2.56	2.55
	Thrissur	35	3.76	4.04	4.02
	Wayanad	96	3.76	4.04	4.02
	Alirajpur	191	1.78	1.91	1.90
	Anuppur	153	1.74	1.87	1.86
	Ashoknagar	139	1.58	1.70	1.69
	Balaghat	44	2.93	3.15	3.14
	Barwani	150	2.11	2.27	2.26
	Betul	41	3.48	3.74	3.72
	Bhind	66	2.51	2.70	2.69
	Bhopal	45	3.4	3.65	3.64
	Burhanpur	64	2.8	3.01	3.00
	Chhatarpur	70	2.27	2.44	2.43
	Chhindwara	47	2.19	2.35	2.34
	Damoh	69	2.48	2.67	2.65
	Datia	73	2.12	2.28	2.27
	Dewas	55	2.76	2.97	2.95
	Dhar	95	2.46	2.64	2.63
	Dindori	141	1.7	1.83	1.82
	Guna	111	1.74	1.87	1.86
	Gwalior	41	2.59	2.78	2.77
	Harda	27	3.76	4.04	4.02

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Madhya Pradesh	Hoshangabad	40	3.76	4.04	4.02
	Indore	34	3.76	4.04	4.02
	Jabalpur	39	1.93	2.07	2.07
	Jhabua	56	2.66	2.86	2.85
	Katni	48	2.86	3.07	3.06
	Khandwa	41	2.83	3.04	3.03
	Khargone	88	2.51	2.70	2.69
	Mandia	125	1.67	1.79	1.79
	Mandsour	103	2.09	2.25	2.24
	Morena	42	2.44	2.62	2.61
	Narsinghpur	65	1.77	1.90	1.89
	Neemuch	103	1.87	2.01	2.00
	Panna	69	2.81	3.02	3.01
	Raigarh	40	2.57	2.76	2.75
	Raisen	70	3.66	3.93	3.92
	Rajgarh	49	2.71	2.91	2.90
	Ratlam	37	3.55	3.82	3.80
	Rewa	85	2.66	2.86	2.85
	Sagar	50	2.28	2.45	2.44
	Satna	51	2.36	2.54	2.53
	Sehore	65	3.42	3.68	3.66
	Seoni	98	2.08	2.24	2.23
	Shahdol	112	2	2.15	2.14
	Shajapur	65	2.82	3.03	3.02
	Shivpuri	55	2.07	2.22	2.21
	Sheopur Kalan	99	1.73	1.86	1.85
	Shujalpur	67	2.84	3.05	3.04
	Sidhi	140	1.91	2.05	2.04
	Tikamgarh	92	2.08	2.24	2.23
	Ujjain	54	3.14	3.37	3.36
	Umaria	87	2.63	2.83	2.81
	Vidisha	58	3.27	3.51	3.50
Maharashtra	Ahmednagar	55	3.5	3.76	3.74
	Akola	36	3.53	3.79	3.78
	Amravati	33	3.71	3.99	3.97
	Aurangabad	66	2.74	2.94	2.93
	Beed	105	2.31	2.48	2.47
	Bhandara	83	2.4	2.58	2.57
	Buldhana	52	2.73	2.93	2.92
	Chandrapur	35	2.81	3.02	3.01
	Dhule	33	3.15	3.39	3.37
	Gadchiroli	77	1.9	2.04	2.03
	Gondia	41	2.41	2.59	2.58
	Hingoli	95	2.46	2.64	2.63
	Jalgaon	48	2.86	3.07	3.06
	Jalna	57	2.89	3.11	3.09
	Kolhapur	33	3.76	4.04	4.02
	Latur	62	2.76	2.97	2.95
	Mumbai	28	3.76	4.04	4.02
	Nagpur	46	3.76	4.04	4.02

	Nanded	57	2.27	2.44	2.43
	Nandurbar	51	2.63	2.83	2.81
	Nashik	44	3.75	4.03	4.01
	Osmanabad	120	2.33	2.50	2.49
	Parbhani	55	2.53	2.72	2.71
	Pune	71	2.93	3.15	3.14
	Raigarh	162	1.85	1.99	1.98
	Ratnagiri	41	3.76	4.04	4.02
	Sangli	39	3.76	4.04	4.02
	Satara	58	3.39	3.64	3.63
	Sindhudurg	125	2.38	2.56	2.55
	Solapur	65	3	3.22	3.21
	Thane	253	1.58	1.70	1.69
	Wardha	24	4.2	4.51	4.49
	Washim	85	3.76	4.04	4.02
	Yavatmal	87	3.27	3.51	3.50
Orissa	Angul	124	2.38	2.56	2.55
	Balangir	8	5.29	5.69	5.66
	Balasore	77	3.13	3.36	3.35
	Bargarh	53	3.66	3.93	3.92
	Bhadrak	29	3.76	4.04	4.02
	Bolangir	25	5.29	5.69	5.66
	Boudh	134	2.38	2.56	2.55
	Cuttack	25	4.94	5.31	5.29
	Deogarh	103	2.38	2.56	2.55
	Dhenkanal	46	3.76	4.04	4.02
	Gajapati	139	2.38	2.56	2.55
	Ganjam	62	3.76	4.04	4.02
	Jagatsinghapur	72	3.76	4.04	4.02
	Jajpur	31	3.76	4.04	4.02
	Jharsuguda	33	3.76	4.04	4.02
	Kalahandi	75	3.46	3.72	3.70
	Kandhamal	192	2.38	2.56	2.55
	Kendrapara	86	3.76	4.04	4.02
	Kendujhar	133	2.38	2.56	2.55
	Keonjhar	44	3.76	4.04	4.02
	Khordha	44	3.76	4.04	4.02
	Malikangiri	105	2.38	2.56	2.55
	Mayurbhanj	137	2.38	2.56	2.55
	Nabarangapur	119	2.38	2.56	2.55
	Nayagarh	98	3.7	3.98	3.96
	Nuapada	57	3.76	4.04	4.02
	Puri	68	3.76	4.04	4.02
	Rayagada	242	2.38	2.56	2.55
	Sambalpur	63	3.38	3.63	3.62
	Sonepur	59	3	3.22	3.21
	Sundergarh	244	2.15	2.31	2.30
Pudducherry	Karaikkal	129	2.38	2.56	2.55
	Pondicherry	87	2.3	2.47	2.46
	Yaman	195	1.99	2.14	2.13

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Mand. 7/10

Punjab	Amritsar	38	3.04	3.27	3.25
	Barnala	49	2.57	2.76	2.75
	Bathinda	30	3.76	4.04	4.02
	Faridkot	24	3.73	4.01	3.99
	Fatehgarh Sahib	28	3.51	3.77	3.76
	Firozpur	31	3.76	4.04	4.02
	Gurdaspur	23	3.21	3.45	3.43
	Hoshiarpur	45	3.08	3.31	3.30
	Jalandhar	32	3.21	3.45	3.43
	Kapurthala	35	3.13	3.36	3.35
	Ludhiana	28	3.48	3.74	3.72
	Mansa	29	3.76	4.04	4.02
	Moga	26	3.76	4.04	4.02
	Mohali	48	2.42	2.60	2.59
	Muktsar	25	3.99	4.29	4.27
	Nawanshahr	56	2.3	2.47	2.46
	Patiala	37	3.07	3.30	3.28
	Rupnagar	78	1.58	1.70	1.69
	Sangrur	24	4.4	4.73	4.71
	Tarntaran	44	3.07	3.30	3.28
Rajasthan	Ajmer	136	1.58	1.70	1.69
	Alwar	71	2.56	2.75	2.74
	Banswara	161	1.91	2.05	2.04
	Baran	48	2.77	2.98	2.96
	Barmer	134	1.58	1.70	1.69
	Bharatpur	55	2.79	3.00	2.99
	Bhilwara	79	2.23	2.40	2.39
	Bikaner	161	1.58	1.70	1.69
	Bundi	59	2.2	2.36	2.35
	Chittorgarh	48	2.5	2.69	2.67
	Churu	185	1.58	1.70	1.69
	Dausa	83	2.3	2.47	2.46
	Dholpur	145	2.11	2.27	2.26
	Dungarpur	83	2.61	2.81	2.79
	Hanumangarh	35	3.76	4.04	4.02
	Jaipur	53	2.45	2.63	2.62
	Jaisalmer	372	1.58	1.70	1.69
	Jalor	133	1.8	1.93	1.93
	Jhalawar	114	1.64	1.76	1.75
	Jhunjhunu	198	1.74	1.87	1.86
	Jodhpur	123	1.58	1.70	1.69
	Karauli	49	3.13	3.36	3.35
	Kota	58	2.25	2.42	2.41
	Nagaur	82	1.67	1.79	1.79
	Pali	53	2.21	2.38	2.36
	Pratapgarh	141	1.84	1.98	1.97
	Rajsamand	91	1.94	2.08	2.08
	Sawai Madhopur	57	2.56	2.75	2.74
	Sikar	117	1.76	1.89	1.88
	Sirohi	86	2	2.15	2.14

Tamil Nadu	SriGanganagar	64	2.3	2.47	2.46
	Tonk	101	1.59	1.71	1.70
	Udaipur	63	2.21	2.38	2.36
	Ariyalur	101	2.15	2.31	2.30
	Chennai	43	2.62	2.82	2.80
	Coimbatore	49	3.76	4.04	4.02
	Cuddalore	64	3.61	3.88	3.86
	Dharampuri	47	3.44	3.70	3.68
	Dindigul	95	3.21	3.45	3.43
	Erode	47	3	3.22	3.21
	Kanchipuram	113	2.35	2.53	2.51
	Kanyakumari	120	2.38	2.56	2.55
	Karur	69	3.02	3.25	3.23
	Krishnagiri	171	2.05	2.20	2.19
	Madurai	58	2.99	3.21	3.20
	Nagapaattinam	47	3.07	3.30	3.28
	Namkkal	96	3.31	3.56	3.54
	Nilgiris	62	3.76	4.04	4.02
	Perambalur	79	3.24	3.48	3.47
	Pudukkotta	59	3.08	3.31	3.30
	Ramanathapuram	114	2.38	2.56	2.55
	Salem	45	3.1	3.33	3.32
	Sivaganga	73	3.33	3.58	3.56
	Thanjaavur	38	3.76	4.04	4.02
	Theni	107	2.38	2.56	2.55
	Thoothukudi	157	2.38	2.56	2.55
	Tiruchirapalli	42	3.56	3.83	3.81
	Tirunelveli	174	2.2	2.36	2.35
	Tiruvallur	100	2.82	3.03	3.02
	Tiruvannamali	103	2.38	2.56	2.55
	Thiruvavur	86	3.44	3.70	3.68
	Vellore	31	3.35	3.60	3.58
	Viluppuram	64	2.77	2.98	2.96
	Virudhunagar	101	2.38	2.56	2.55
Uttar Pradesh	Agra	42	2.75	2.96	2.94
	Ailgarh	43	2.69	2.89	2.88
	Allahabad	53	2.67	2.87	2.86
	Ambedkar Nagar	81	3.28	3.53	3.51
	Auraiya	77	2.63	2.83	2.81
	Azamgarh	52	3.03	3.26	3.24
	Bagpat	66	2.73	2.93	2.92
	Bahraich	51	3.44	3.70	3.68
	Ballia	45	2.71	2.91	2.90
	Balrampur	56	3.02	3.25	3.23
	Banda	52	3.76	4.04	4.02
	Barabanki	44	3.12	3.35	3.34
	Bareilly	44	3.14	3.37	3.36
	Basti	40	3.06	3.29	3.27
	Bijnor	50	3.28	3.53	3.51
	Bhadohi	68	3.01	3.23	3.22

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Bulandshahr	50	2.92	3.14	3.12
Chandauli	82	3.46	3.72	3.70
Chitrakoot	94	3.33	3.58	3.56
Deoria	40	3.02	3.25	3.23
Etah	47	2.76	2.97	2.95
Etawah	43	2.78	2.99	2.97
Faizabad	40	3.16	3.40	3.38
Farrukhabad	39	3.66	3.93	3.92
Fatehpur	51	2.65	2.85	2.84
Firozabad	43	2.9	3.12	3.10
Gautam Budha Nagar	61	3.33	3.58	3.56
Gazipur	49	3.37	3.62	3.61
Ghaziabad	56	3.31	3.56	3.54
Gonda	41	2.68	2.88	2.87
Gorakhpur	46	3.08	3.31	3.30
Hamirpur	94	3.19	3.43	3.41
Hardoi	56	2.86	3.07	3.06
Hathras	48	2.55	2.74	2.73
Jalaun	50	2.67	2.87	2.86
Jaunpur	47	2.42	2.60	2.59
Jhansi	55	2.38	2.56	2.55
Jyotiba Phule Nagar	46	3.32	3.57	3.55
Kannauj	73	2.47	2.65	2.64
Kanpur Dehat	71	2.36	2.54	2.53
Kanpur Nagar	59	3.07	3.30	3.28
Kashganj	62	1.58	1.70	1.69
Kaushambi	55	2.81	3.02	3.01
Kushinagar	73	2.08	2.24	2.23
Lakhimpur Kheri	72	2.88	3.10	3.08
Lalitpur	87	1.58	1.70	1.69
Lucknow	68	3.09	3.32	3.31
Madhoganj	70	2.97	3.19	3.18
Mahoba	43	3.27	3.51	3.50
Mainpuri	44	2.8	3.01	3.00
Mathura	49	2.57	2.76	2.75
Mau	42	3.06	3.29	3.27
Meerut	51	2.96	3.18	3.17
Mirzapur	57	2.54	2.73	2.72
Moradabad	44	2.79	3.00	2.99
Muzaffarnagar	42	2.82	3.03	3.02
Pilibhit	89	3.14	3.37	3.36
Partapgarh	52	2.71	2.91	2.90
Rae Bareli	36	2.85	3.06	3.05
Rampur	46	3.1	3.33	3.32
Saharanpur	43	2.76	2.97	2.95
Sant Kabir Nagar	65	3.61	3.88	3.86
Sant Ravidas Nagar	62	2.6	2.79	2.78
Shahjahanpur	63	3.07	3.30	3.28
Shrawasti	56	3.76	4.04	4.02

	Siddharthanagar	68	2.83	3.04	3.03
	Sitapur	53	2.98	3.20	3.19
	Sonbhadra	98	2.62	2.82	2.80
	Sultanpur	52	2.48	2.67	2.65
	Unnao	65	2.89	3.11	3.09
	Varanasi	40	3.46	3.72	3.70
Uttaranchal	Almora	81	1.58	1.70	1.69
	Bageswar	82	1.58	1.70	1.69
	Chamoli	77	1.58	1.70	1.69
	Champawat	127	1.58	1.70	1.69
	Dehradun	50	3.29	3.54	3.52
	Haridwar	20	3.08	3.31	3.30
	Nainital	44	2.62	2.82	2.80
	Pauri Garhwal	54	3.76	4.04	4.02
	Pithoragarh	54	1.71	1.84	1.83
	Rudraragya	36	1.99	2.14	2.13
	Tehri Garhwal	53	2.34	2.51	2.50
	Udhamsingh Nagar	19	3.82	4.11	4.09
	Uttarkashi	172	1.58	1.70	1.69
West Bengal	Bankura	40	3.52	3.78	3.77
	Bardhaman	43	3.63	3.90	3.88
	Birbhum	40	3.29	3.54	3.52
	Cooch Behar	64	3.26	3.50	3.49
	Darjiling	39	3.76	4.04	4.02
	East Midnapore	56	3.25	3.49	3.48
	Hooghly	50	2.97	3.19	3.18
	Howrah	68	3.12	3.35	3.34
	Jalpaiguri	72	3.62	3.89	3.87
	Kolkata	116	2.38	2.56	2.55
	Malda	75	2.38	2.56	2.55
	Murshidabad	35	3.52	3.78	3.77
	Nadia	48	3.76	4.04	4.02
	North 24 Parganas	39	3.72	4.00	3.98
	North Dinajpur	93	2.52	2.71	2.70
	Purulia	70	2.9	3.12	3.10
	South 24 Praganas	89	2.67	2.87	2.86
	South Dinajpur	87	1.71	1.84	1.83
	West Midnapore	40	3.76	4.04	4.02

Abul Kalam

3.4 NOTIFICATION ON REVISED RATES FOR THE DIRECT MOVEMENT OF FERTILIZERS BY ROAD FROM PLANT /PORT UPTO 500 KMS.

No. 12012/25/2013-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 17th June, 2016

To

Chief Secretary of all States/UT,
CMD/MDs of all Fertilizer Units.

Subject: - Revised rates for the direct movement of fertilizers by road from Plant/Port upto 500 Kms.

Sir,

In continuation of this Department's Notification No. 12012/2/2008-FPP dated 17th July, 2008 and subsequent Notifications issued from time to time, I am directed to state that the competent authority has approved the following rates (based on the recommendations of Tariff Commission for the year 2007-08) for direct road movement of fertilizers upto 500 Kms from plants/ports to block, which have been escalated/de-escalated by WPI (composite road transport index) for the subsequent years:

(Rs. Per MT/Km)

Distance Slab (KM)	Normative Rates							
	2007-08 (As recommended by Tariff Commission)	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
1	2	3	4	5	6	7	8	9
0-100	3.02	3.25	3.24	3.61	3.81	4.06	4.53	4.60
101-250	1.93	2.07	2.06	2.30	2.43	2.59	2.89	2.93
251-350	1.44	1.55	1.54	1.72	1.82	1.94	2.16	2.19
351-500	1.29	1.39	1.38	1.54	1.63	1.74	1.94	1.97

2. The aforesaid rates will be implemented retrospectively w.e.f. 01.04.2008.

3. Primary freight for direct road movement of fertilizers (upto 500 kms) shall be paid at lower of the following: -

(i) Freight amount calculated for the month based on the slab rates indicated above;

OR

(ii) The actual expenditure incurred by the Company during the month, duly certified by company's statutory auditors.



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4. The freight subsidy for secondary movement for North-Eastern and hilly states will be paid as per the rates notified vide notification No. 15-05/2009-Ship-I dated 25th October, 2012 till the finalization of study by Tariff Commission.
5. The primary freight from direct movement from NFL-Nangal unit to the state of Himachal Pradesh upto 500 kms will be paid as per the rates notified vide notification No 12018/1/2014-FPP dated 5th November, 2014 till the finalization of study of Tariff Commission.
6. This issues with the concurrence of Internal Finance Division vide their Dy No. 592 dated 03.12.2015 and Dy No 382/A dated 16.06.2016.

Yours sincerely,


 (Sunita Bansal)

 Under Secretary to the Government of India
 Tele : 23388891

Copy to:

1. ED, FICC, R K Puram, New Delhi.
2. Director(FA), Udyog Bhawan, New Delhi, with a request to make necessary changes in the FMS for generation of differential claims.
3. Director (Movement).
4. Director (P&K)
5. DS (Finance), DoF, New Delhi.
6. Pay and Accounts Office, Janpath Bhawan, New Delhi.
- ✓ 7. NIC-for uploading on the Departmental Website.

3.5 NOTIFICATION ON ROAD FREIGHT RATES FOR UREA MANUFACTURING/ IMPORTING UNITS UNDER THE UNIFORM FREIGHT SUBSIDY SCHEME.

No. 12012/9/2007-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 17th June, 2016

To
Chief Secretary of all States/UT,
CMD/MD of all Fertilizer Units.

**Subject:- Road Freight rates for UREA manufacturing/importing units
under the uniform freight subsidy scheme.**

Sir,

I am directed to refer to Department of Fertilizers Notification No. 12012/9/2007-FPP dated 21st May 2012 on the subject mentioned above and to state that the competent authority has decided to make the following amendment in the said notification: -

"The reimbursement of secondary freight cost will be allowed on the monthly basis at the lower of:

- (i) Normative Per Tonne Per Km (PTPK) rates as notified by Department of Fertilizers from time to time;

OR

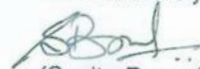
- (ii) The actual expenditure incurred by the company on secondary freight during the said month, duly certified by company's statutory auditor."

2. This will be applicable to this Department's Notification of even number dated 01.09.2011, 18.03.2014 read with 01.04.2014 and 18.09.2014 and other subsequent future notifications.

3. The above said amendments will be effective from 01st April, 2008.

4. This issues with the concurrence of Internal Finance Division vide their Dy No. 592 dated 03.12.2015.

Yours sincerely,



(Sunita Bansal)
Under Secretary (FPP)
Tele : 23388891

Copy to:

1. ED, FICC, R K Puram, New Delhi.
2. Director(FA), Udyog Bhawan, New Delhi, with a request to make necessary changes in the FMS for generation of differential claims.
3. Director (Movement), DoF.
4. DS (Finance), DoF, New Delhi.
5. Pay and Accounts Office, Janpath Bhawan, New Delhi.
6. NIC-for uploading on the Departmental Website.

3.6 NOTIFICATION ON ROAD FREIGHT RATES FOR UREA MANUFACTURING/ IMPORTING UNITS UNDER THE UNIFORM FREIGHT SUBSIDY SCHEME.

No. 12012/9/2007-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 04th September, 2017

To
Chief Executives of all Fertilizer Units,
Chief Secretary of all States/UT

Subject: - Road freight rates for UREA manufacturing/ importing units under the Uniform Freight Subsidy scheme.

Sir,

In continuation of this Department's notification of even number dated 18th September, 2014 notifying the secondary freight rates for the urea units for financial year 2012-13 & 2013-14, I am directed to notify the escalated/de-escalated secondary freight rates for urea for financial years 2014-15 & 2015-16 as per the annexure.

2. However, in case of creation of a new district by division, the freight rate as applicable to that particular (old) district from which it is carved out shall be applicable to such new district. In case of creation of new district from more than one district, the average freight rates of all the old districts shall apply. In respect of the districts mentioned more than once in this Department's Notification dated 1st September, 2011, the entry of district with the lower value will be considered for the purpose of freight subsidy.
3. Freight rates in respect of the following districts, viz., (i) Kurnool (Andhra Pradesh); (ii) East Delhi; (iii) North Delhi; (iv) North-West Delhi; (v) South-West Delhi; (vi) Palwal (Haryana); (vii) Yadgir (Karnataka); (viii) Goa; (ix) Singroli (Madhya Pradesh); (x) Koraput (Odisha); (xi) Baleshwar (Odisha); (xii) Mahe (Puducherry); (xiii) Budaun (U.P.); (xiv) Chatrapati Sahuji Maharaj Nagar (U.P.); (xv) Daman; (xvi) Baksa (Assam); (xvii) Hailakandi (Assam); (xviii) Kokrajhar (Assam); (xix) Sivasagar (Assam); (xx) Karbi Anglong (Assam) and (xxi) Dima-Hasao (Assam), for which Per Tonne Per Kilometer (PTPK) rates are not available, the matter has been referred to Tariff Commission. However, till the time the PTPK rates for these districts are made available by Tariff Commission, the adhoc rates as prevalent may be taken into account for freight subsidy.
4. Freight subsidy claims on the basis of the above rates may be preferred for the above mentioned period in the prescribed proforma. Freight subsidy amount received by

the units on the basis of road transportation ad hoc rates notified earlier will be adjusted towards final claim.

5. However, these rates are subject to revision on account of audit observations/revision due to any correction in data/working and computation noticed at a later stage.
6. In case of Jammu & Kashmir the rates recommended by Tariff Commission and after escalation for the year 2014-15 & 2015-16 will be applicable for all districts in Jammu as well as Srinagar in J&K. The adhoc PTPK transportation rates for Himachal Pradesh, Andaman & Nicobar Islands and North eastern states viz. Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland & Tripura will be continued as notified earlier as per O.M No. 15-05/2009-Ship-I dated 25th October, 2012.
7. The rates in respect of Sikkim (Rs. 7.07 PTPK) will be continued as per notification No. 12012/2/2008-FPP dated 17th March, 2009.
8. The final rates of these states will be notified after receipt of revised study of Tariff Commission.
9. As per the notification of even number dated 17th June, 2016, the reimbursement of secondary freight cost will be allowed on the monthly basis at the lower of:
 - (i) Normative Per Tonne Per Km (PTPK) rates as notified by Department of Fertilizers from time to time;
 - OR
 - (ii) The actual expenditure incurred by the company on secondary freight during the said month, duly certified by company's statutory auditor.
10. This issue with the concurrence of Internal Finance Division vide AS&FA Dy.No. 408(a) dated 15.07.2017.

Yours sincerely,
Sd/-
(Prabhas Kumar)
Director (Fertilizers)
Tele: 23386398

Copy to:-

1. Principal Director of Audit, Economic & Service Ministry, AGCR Building, IP Estates, New Delhi.
2. Controller of Accounts, Department of Fertilizers, Janpath Bhawan, New Delhi.
3. Director General, The Fertilizers Association of India, FAI House, 10-Shahidjit Singh Marg, New Delhi-110067.

4. Joint Secretary-cum-Central Registrar of Cooperative Societies.
5. Department of Agriculture & Cooperative, Krishi Bhawan, New Delhi.
6. Secretary (TC), Ministry of Commerce and Industry, Tariff Commission, 7th Floor, Lok Nayak Bhawan, New Delhi-110003.
7. Advisor (Cost), Ministry of Commerce and Industry, Tariff Commission, 7th Floor, Lok Nayak Bhawan, New Delhi-110003.
8. Ministry of Finance/Department of Expenditure (PF-II), North Block, New Delhi.

Copy also to:

AS(DP), JS(AT) & JS(SKL)
Director (Movement)/Director (FA)/ Director (Finance) /Director (CE) (FICC)
Director (NIC)/DOF- for website/DD(OL)-for Hindi translation.

Sd/-
(Prabhas Kumar)
Director (Fertilizers)
Tele: 23386398

Annexure

Secondary freight rates for urea for the financial years 2014-15 & 2015-16

Sl. No.	State	Districts	Normative Rates 2013-14	Normative Rates 2014-15	Normative Rates 2015-16
1	Andhra Pradesh	Anantapur	4.09	4.15	3.84
		Chittoor	4.58	4.65	4.30
		Cuddapah	5.62	5.70	5.27
		East Godavari	2.84	2.88	2.66
		Guntur	2.39	2.42	2.24
		Kadapa	4.91	4.98	4.60
		Krishna	2.90	2.94	2.72
		Nellore	3.33	3.38	3.12
		Nellore	3.28	3.33	3.08
		Prakasam	2.92	2.96	2.74
		Srikakulam	4.24	4.30	3.97
		Visakhapatnam	3.46	3.51	3.24
		Vizianagaram	4.02	4.08	3.77
		West Godavari	2.87	2.91	2.69
2	Assam	Barpeta	7.18	7.28	6.73
		Bongaigaon	7.93	8.04	7.43
		Cachar	7.93	8.04	7.43
		Chirang	-	8.04	7.43
		Darrang	5.62	5.70	5.27
		Dhemaji	-	8.04	7.43
		Dhubri	3.57	3.62	3.35
		Dibrugarh	7.93	8.04	7.43
		Goalpara	3.57	3.62	3.35
		Golaghat	7.93	8.04	7.43
		Jorhat	7.93	8.04	7.43
		Kamrup	7.93	8.04	7.43
		Kamrup Metropolitan	-	8.04	7.43
		Karimganj	5.62	5.70	5.27
		Lakhimpur	7.93	8.04	7.43
		Marigaon	5.62	5.70	5.27
		Nagaon	7.93	8.04	7.43
		Nalbari	5.62	5.70	5.27
		Sonitpur	7.93	8.04	7.43
		Tinsukia	7.93	8.04	7.43
		Udalguri	-	8.04	7.43
3	Bihar	Araria	2.71	2.75	2.54
		Arwal	3.23	3.28	3.03
		Aurangabad	5.62	5.70	5.27
		Banka	3.55	3.60	3.33
		Begusarai	7.93	8.04	7.43
		Bhagalpur	7.01	7.11	6.57

		Bhojpur	7.93	8.04	7.43
		Buxar	4.24	4.30	3.97
		Darbhanga	5.59	5.67	5.24
		Deoria	5.62	5.70	5.27
		East Champaran	5.62	5.70	5.27
		Gaya	5.62	5.70	5.27
		Gopalganj	5.62	5.70	5.27
		Jamui	2.52	2.56	2.37
		Jehanabad	4.97	5.04	4.66
		Kaimur	4.35	4.41	4.08
		Katihar	5.62	5.70	5.27
		Khagaria	6.28	6.37	5.89
		Kishanganj	6.63	6.73	6.22
		Lakhisarai	3.24	3.29	3.04
		Madhepura	3.94	4.00	3.70
		Madhubani	5.46	5.54	5.12
		Munger	2.93	2.97	2.74
		Muzaffarpur	7.93	8.04	7.43
		Nalanda	6.44	6.53	6.04
		Nawada	5.72	5.80	5.36
		Patna	5.96	6.05	5.59
		Purnia	4.97	5.04	4.66
		Rohtas	7.50	7.61	7.03
		Saharsa	5.62	5.70	5.27
		Samastipur	5.62	5.70	5.27
		Saran	5.62	5.70	5.27
		Sheikhpura	4.18	4.24	3.92
		Sheohar	2.36	2.39	2.21
		Sitamarhi	4.18	4.24	3.92
		Siwan	7.39	7.50	6.93
		Supaul	3.47	3.52	3.25
		Vaishali	5.62	5.70	5.27
		West Champaran	5.62	5.70	5.27
4	Chattisgarh	Bastar	4.97	5.04	4.66
		Beejapur	3.57	3.62	3.35
		Bilaspur	5.37	5.45	5.04
		Dantewada	3.57	3.62	3.35
		Dhamtari	4.54	4.61	4.26
		Durg	5.62	5.70	5.27
		Jagdalpur	3.56	3.61	3.34
		Janjgir-Champa	4.24	4.30	3.97
		Jashpur	3.57	3.62	3.35
		Kabirdham	4.31	4.37	4.04
		Kanker	3.57	3.62	3.35
		Kawardha	3.57	3.62	3.35
		Korba	5.54	5.62	5.19
		Koriya	4.50	4.57	4.22

		Mahasamund	4.24	4.30	3.97
		Narayanpur	4.65	4.72	4.36
		Palamu	5.62	5.70	5.27
		Raigarh	4.24	4.30	3.97
		Raipur	5.62	5.70	5.27
		Rajnandgaon	5.62	5.70	5.27
		Surguja	3.60	3.65	3.37
5	Dadra & Nagar Haveli	D&N	3.78	3.83	3.54
6	Goa	North Goa	3.57	3.62	3.35
		South Goa	2.75	2.79	2.58
7	Gujarat	Ahmedabad	3.70	3.75	3.47
		Amreli	3.32	3.37	3.11
		Anand	5.62	5.70	5.27
		Aravalli	-	4.57	4.22
		Banas Kantha	3.56	3.61	3.34
		Baroda	2.91	2.95	2.73
		Bharuch	5.27	5.35	4.94
		Bhavnagar	3.61	3.66	3.38
		Botad	-	3.75	3.47
		Chhotaudepur	-	4.45	4.11
		Dahod	4.02	4.08	3.77
		Dangs	3.57	3.62	3.35
		Devbhumi Dwarka	-	3.97	3.67
		Gandhinagar	4.87	4.94	4.57
		Gir Somnath	-	3.56	3.29
		Jamnagar	3.91	3.97	3.67
		Junagadh	3.51	3.56	3.29
		Kheda	5.62	5.70	5.27
		Kutch	2.36	2.39	2.21
		Mahesana	4.77	4.84	4.47
		Mahisagar	-	4.80	4.44
		Morbi	-	4.29	3.97
		Narmada	4.34	4.40	4.07
		Navsari	4.74	4.81	4.45
		Panch Mahals	4.73	4.80	4.44
		Patan	3.72	3.77	3.48
		Porbandar	3.48	3.53	3.26
		Rajkot	4.87	4.94	4.57
		Sabar Kantha	4.50	4.57	4.22
		Surat	5.62	5.70	5.27
		Surendranagar	3.91	3.97	3.67
		Tapi	4.19	4.25	3.93
		Vadodara	4.39	4.45	4.11
		Valsad	4.56	4.63	4.28
8	Haryana	Ambala	5.44	5.52	5.10

		Bhiwani	5.62	5.70	5.27
		Faridabad	4.93	5.00	4.62
		Fatehabad	5.82	5.90	5.45
		Gurgaon	4.23	4.29	3.96
		Hisar	4.56	4.63	4.28
		Jhajjar	5.62	5.70	5.27
		Jind	5.37	5.45	5.04
		Kaithal	6.77	6.87	6.35
		Karnal	7.93	8.04	7.43
		Kurukshetra	6.88	6.98	6.45
		Mahendragarh	4.30	4.36	4.03
		Mewat	3.86	3.92	3.62
		Panchkula	4.67	4.74	4.38
		Panipat	4.78	4.85	4.48
		Rewari	7.93	8.04	7.43
		Rohtak	7.43	7.54	6.97
		Sirsa	5.54	5.62	5.19
		Sonipat	6.78	6.88	6.36
		Yamunanagar	5.41	5.49	5.07
9	Jammu & Kashmir	Jammu	7.93	8.04	7.43
10	Jharkhand	Bokaro	2.36	2.39	2.21
		Chatra	3.07	3.11	2.87
		Deoghar	5.62	5.70	5.27
		Dhanbad	2.36	2.39	2.21
		Dumka	5.62	5.70	5.27
		East Singhbhum	2.36	2.39	2.21
		Garhwa	3.82	3.88	3.59
		Giridih	3.00	3.04	2.81
		Godda	2.75	2.79	2.58
		Gumla	3.57	3.62	3.35
		Hazaribag	3.43	3.48	3.22
		Jamtara	3.28	3.33	3.08
		Koderma	3.29	3.34	3.09
		Latehar	3.30	3.35	3.10
		Lohardaga	3.62	3.67	3.39
		Pakur	2.36	2.39	2.21
		Palamu	3.87	3.93	3.63
		Ramgarh	-	3.48	3.22
		Ranchi	5.62	5.70	5.27
		Sahibganj	3.16	3.21	2.97
		Seraikela	3.29	3.34	3.09
		Simdega	3.08	3.12	2.88
		West Singhbhum	2.76	2.80	2.59
11	Karnataka	Bagalkot	3.47	3.52	3.25
		Bangalore Urban	5.30	5.38	4.97

		Bangalore Rural	4.20	4.26	3.94
		Belgaum	3.46	3.51	3.24
		Bellary	4.35	4.41	4.08
		Bidar	3.39	3.44	3.18
		Bijapur	4.43	4.49	4.15
		C. Mangalore	4.50	4.57	4.22
		Chamrajnagar	4.18	4.24	3.92
		Chickmagalur	4.39	4.45	4.11
		Chikballapur	4.07	4.13	3.82
		Chitradurga	3.24	3.29	3.04
		Davangere	5.62	5.70	5.27
		Dharwad	3.67	3.72	3.44
		Gadag	2.91	2.95	2.73
		Gulbarga	3.95	4.01	3.71
		Hassan	5.30	5.38	4.97
		Haveri	3.04	3.08	2.85
		Kodagu	3.57	3.62	3.35
		Kolar	3.28	3.33	3.08
		Koppal	4.75	4.82	4.45
		Mandya	5.56	5.64	5.21
		Mysore	4.27	4.33	4.00
		North Kannada	2.66	2.70	2.50
		Raichur	4.64	4.71	4.35
		Ramanagaram	3.88	3.94	3.64
		Shimoga	4.15	4.21	3.89
		South Kannada	3.91	3.97	3.67
		Tum-kur	3.43	3.48	3.22
		Udupi	4.72	4.79	4.43
12	Kerala	Alappuzha	5.62	5.70	5.27
		Ernakulam	5.62	5.70	5.27
		Idukki	3.57	3.62	3.35
		Kannur	5.30	5.38	4.97
		Kasargod	3.57	3.62	3.35
		Kollam	4.86	4.93	4.56
		Kottayam	7.58	7.69	7.11
		Kozhikode	5.26	5.34	4.94
		Malappuram	4.54	4.61	4.26
		Palakkad	5.62	5.70	5.27
		Pathanamthitta	5.62	5.70	5.27
		Thiruvananthapuram	3.57	3.62	3.35
		Thrissur	5.62	5.70	5.27
		Wayanad	5.62	5.70	5.27
13	Madhya Pradesh	Aliraj Pur	2.66	2.70	2.50
		Anuppur	2.60	2.64	2.44
		Ashoknagar	2.36	2.39	2.21

	Balaghat	4.39	4.45	4.11
	Barwani	3.16	3.21	2.97
	Betul	5.21	5.29	4.89
	Bhind	3.77	3.82	3.53
	Bhopal	5.10	5.17	4.78
	Burhanpur	4.19	4.25	3.93
	Chhatarpur	3.40	3.45	3.19
	Chhindwara	3.28	3.33	3.08
	Damoh	3.70	3.75	3.47
	Datia	3.17	3.22	2.98
	Dewas	4.13	4.19	3.87
	Dhar	3.68	3.73	3.45
	Dindori	2.54	2.58	2.38
	Guna	2.60	2.64	2.44
	Gwalior	3.87	3.93	3.63
	Harda	5.62	5.70	5.27
	Hoshangabad	5.62	5.70	5.27
	Indore	5.62	5.70	5.27
	Jabalpur	2.90	2.94	2.72
	Jhabua	3.99	4.05	3.74
	Katni	4.28	4.34	4.01
	Khandwa	4.24	4.30	3.97
	Khargone	3.77	3.82	3.53
	Mandla	2.51	2.55	2.36
	Mandsour	3.13	3.18	2.94
	Morena	3.65	3.70	3.42
	Narsinghpur	2.65	2.69	2.49
	Neemuch	2.80	2.84	2.62
	Panna	4.20	4.26	3.94
	Raigarh	3.85	3.91	3.61
	Raisen	5.49	5.57	5.15
	Rajgarh	4.06	4.12	3.81
	Ratlam	5.32	5.40	4.99
	Rewa	3.99	4.05	3.74
	Sagar	3.41	3.46	3.20
	Satna	3.55	3.60	3.33
	Sehore	5.12	5.19	4.80
	Seoni	3.12	3.17	2.93
	Shahdol	3.00	3.04	2.81
	Shajapur	4.23	4.29	3.96
	Shivpuri	3.09	3.13	2.89
	Shoepurkalan	2.59	2.63	2.43
	Shujalpur	4.25	4.31	3.98
	Sidhi	2.85	2.89	2.67
	Tikamgarh	3.12	3.17	2.93
	Ujjain	4.70	4.77	4.41
	Umaria	3.94	4.00	3.70

		Vidisha	4.89	4.96	4.58
14	Maharashtra	Ahmednagar	5.23	5.31	4.91
		Akola	5.28	5.36	4.95
		Amravati	5.56	5.64	5.21
		Aurangabad	4.10	4.16	3.84
		Bandra Suburban	-	5.70	5.27
		Beed	3.46	3.51	3.24
		Bhandara	3.60	3.65	3.37
		Buldhana	4.09	4.15	3.84
		Chandrapur	4.20	4.26	3.94
		Dhule	4.72	4.79	4.43
		Gadchiroli	2.84	2.88	2.66
		Gondia	3.61	3.66	3.38
		Hingoli	3.68	3.73	3.45
		Jalgaon	4.28	4.34	4.01
		Jalna	4.33	4.39	4.06
		Kolhapur	5.62	5.70	5.27
		Latur	4.13	4.19	3.87
		Mumbai	5.62	5.70	5.27
		Nagpur	5.62	5.70	5.27
		Nanded	3.40	3.45	3.19
		Nandurbar	3.94	4.00	3.70
		Nashik	5.61	5.69	5.26
		Osmanabad	3.48	3.53	3.26
		Palghar	-	2.39	2.21
		Parbhani	3.79	3.84	3.55
		Pune	4.39	4.45	4.11
		Raigarh	2.76	2.80	2.59
		Ratnagiri	5.62	5.70	5.27
		Sangli	5.62	5.70	5.27
		Satara	5.08	5.15	4.76
		Sindhudurg	3.57	3.62	3.35
		Solapur	4.49	4.56	4.21
		Thane	2.36	2.39	2.21
		Wardha	6.29	6.38	5.90
		Washim	5.62	5.70	5.27
		Yavatmal	4.89	4.96	4.58
15	Odisha	Angul	3.57	3.62	3.35
		Balangir	7.93	8.04	7.43
		Baleswar	4.69	4.76	4.40
		Bargarh	5.49	5.57	5.15
		Bhadrak	5.62	5.70	5.27
		Balangir	7.93	8.04	7.43
		Boudh	3.57	3.62	3.35
		Cuttack	7.40	7.51	6.94
		Deogarh	3.57	3.62	3.35
		Dhenkanal	5.62	5.70	5.27

		Gajapati	3.57	3.62	3.35
		Ganjam	5.62	5.70	5.27
		Jagatsinghapur	5.62	5.70	5.27
		Jajpur	5.62	5.70	5.27
		Jharsuguda	5.62	5.70	5.27
		Kalahandi	5.18	5.26	4.86
		Kandhamal	3.57	3.62	3.35
		Kendrapara	5.62	5.70	5.27
		Kendujhar	3.57	3.62	3.35
		Keonjhar	5.62	5.70	5.27
		Khordha	5.62	5.70	5.27
		Malkangiri	3.57	3.62	3.35
		Mayurbhanj	3.57	3.62	3.35
		Nabarangapur	3.57	3.62	3.35
		Nayagarh	5.54	5.62	5.19
		Nuapada	5.62	5.70	5.27
		Puri	5.62	5.70	5.27
		Rayagada	3.57	3.62	3.35
		Sambalpur	5.06	5.13	4.74
		Sonepur	4.49	4.56	4.21
		Sundergarh	3.22	3.27	3.02
16	Puducherry	Karaikal	3.57	3.62	3.35
		Pondicherry	3.45	3.50	3.23
		Yanam	2.98	3.02	2.79
17	Punjab	Amritsar	4.55	4.62	4.27
		Barnala	3.85	3.91	3.61
		Bathinda	5.62	5.70	5.27
		Faridkot	5.59	5.67	5.24
		Fatehgarh Sahib	5.26	5.34	4.94
		Fazilka	-	5.70	5.27
		Firozpur	5.62	5.70	5.27
		Gurdaspur	4.79	4.86	4.49
		Hoshiarpur	4.62	4.69	4.33
		Jalandhar	4.79	4.86	4.49
		Kapurthala	4.69	4.76	4.40
		Ludhiana	5.21	5.29	4.89
		Mansa	5.62	5.70	5.27
		Moga	5.62	5.70	5.27
		Mohali/Sahibzada Ajit Singh Nagar	3.62	3.67	3.39
		Muktsar	5.98	6.07	5.61
		Nawanshahr/Shahid Bhagat Singh Nagar	3.45	3.50	3.23
		Pathankot	-	4.86	4.49
		Patiala	4.58	4.65	4.30
		Rupnagar	2.36	2.39	2.21
		Sangrur	6.59	6.69	6.18

		Tarntaran	4.58	4.65	4.30
18	Rajasthan	Ajmer	2.36	2.39	2.21
		Alwar	3.84	3.90	3.60
		Banswara	2.85	2.89	2.67
		Baran	4.15	4.21	3.89
		Barmer	2.36	2.39	2.21
		Bharatpur	4.18	4.24	3.92
		Bhilwara	3.33	3.38	3.12
		Bikaner	2.36	2.39	2.21
		Bundi	3.29	3.34	3.09
		Chittorgarh	3.73	3.78	3.49
		Churu	2.36	2.39	2.21
		Dausa	3.45	3.50	3.23
		Dholpur	3.16	3.21	2.97
		Dungarpur	3.91	3.97	3.67
		Hanumangarh	5.62	5.70	5.27
		Jaipur	3.67	3.72	3.44
		Jaisalmer	2.36	2.39	2.21
		Jalor	2.70	2.74	2.53
		Jhalawar	2.44	2.48	2.29
		Jhunjhunu	2.60	2.64	2.44
		Jodhpur	2.36	2.39	2.21
		Karauli	4.69	4.76	4.40
		Kota	3.38	3.43	3.17
		Nagaur	2.51	2.55	2.36
		Pali	3.30	3.35	3.10
		Pratapgarh	2.75	2.79	2.58
		Rajsamand	2.91	2.95	2.73
		Sawai Madhopur	3.84	3.90	3.60
		Sikar	2.62	2.66	2.46
		Sirohi	3.00	3.04	2.81
		Sri Ganganagar	3.45	3.50	3.23
		Tonk	2.37	2.40	2.22
		Udaipur	3.30	3.35	3.10
19	Tamil Nadu	Ariyalur	3.22	3.27	3.02
		Chennai	3.92	3.98	3.68
		Coimbatore	5.62	5.70	5.27
		Cuddalore	5.41	5.49	5.07
		Dharmapuri	5.14	5.21	4.82
		Dindigul	4.79	4.86	4.49
		Erode	4.49	4.56	4.21
		Kanchipuram	3.51	3.56	3.29
		Kanyakumari	3.57	3.62	3.35
		Karur	4.52	4.59	4.24
		Krishnagiri	3.07	3.11	2.87
		Madurai	4.48	4.54	4.20
		Nagapattinam	4.58	4.65	4.30

		Namakkal	4.95	5.02	4.64
		Nilgiris	5.62	5.70	5.27
		Perambalur	4.86	4.93	4.56
		Pudukkottai	4.62	4.69	4.33
		Ramanathapuram	3.57	3.62	3.35
		Salem	4.65	4.72	4.36
		Sivaganga	4.97	5.04	4.66
		Thanjavur	5.62	5.70	5.27
		Theni	3.57	3.62	3.35
		Thoothukudi	3.57	3.62	3.35
		Tiruchirappalli	5.33	5.41	5.00
		Tirunelveli	3.29	3.34	3.09
		Tiruvallur	4.23	4.29	3.96
		Tiruvannamalai	3.57	3.62	3.35
		Tiruvarur	5.14	5.21	4.82
		Vellore	5.02	5.09	4.70
		Viluppuram	4.15	4.21	3.89
		Virudhunagar	3.57	3.62	3.35
20	Telangana	Adilabad	2.73	2.77	2.56
		Hyderabad	2.85	2.89	2.67
		Karimnagar	3.29	3.34	3.09
		Khammam	2.36	2.39	2.21
		Mahbubnagar	3.08	3.12	2.88
		Medak	2.71	2.75	2.54
		Medchal	-	3.44	3.18
		Nalgonda	2.56	2.60	2.40
		Nizamabad	4.10	4.16	3.84
		Rangareddy	3.39	3.44	3.18
		Vikarabad	-	3.44	3.18
		Warangal	3.01	3.05	2.82
21	Uttar Pradesh	Agra	4.11	4.17	3.85
		Aligarh	4.02	4.08	3.77
		Allahabad	4.00	4.06	3.75
		Ambedkar Nagar	4.91	4.98	4.60
		Auraiya	3.94	4.00	3.70
		Azamgarh	4.54	4.61	4.26
		Bagpat	4.09	4.15	3.84
		Bahraich	5.14	5.21	4.82
		Ballia	4.06	4.12	3.81
		Balrampur	4.52	4.59	4.24
		Banda	5.62	5.70	5.27
		Barabanki	4.67	4.74	4.38
		Bareilly	4.70	4.77	4.41
		Basti	4.57	4.64	4.29
		Bijnor	4.91	4.98	4.60
		Bhadohi	4.50	4.57	4.22

	Bulandshahr	4.36	4.42	4.08
	Chandauli	5.18	5.26	4.86
	Chitrakoot	4.97	5.04	4.66
	Deoria	4.52	4.59	4.24
	Etah	4.13	4.19	3.87
	Etawah	4.16	4.22	3.90
	Faizabad	4.73	4.80	4.44
	Farrukhabad	5.49	5.57	5.15
	Fatehpur	3.97	4.03	3.72
	Firozabad	4.34	4.40	4.07
	Gautam Buddha Nagar	4.97	5.04	4.66
	Ghazipur	5.05	5.12	4.73
	Ghaziabad	4.95	5.02	4.64
	Gonda	4.01	4.07	3.76
	Gorakhpur	4.62	4.69	4.33
	Hamirpur	4.77	4.84	4.47
	Hapur	-	5.02	4.64
	Hardoi	4.28	4.34	4.01
	Hathras	3.82	3.88	3.59
	Jalaun	4.00	4.06	3.75
	Jaunpur	3.62	3.67	3.39
	Jhansi	3.57	3.62	3.35
	Jyotiba Phule Nagar	4.96	5.03	4.65
	Kannauj	3.69	3.74	3.46
	Kanpur Dehat	3.55	3.60	3.33
	Kanpur Nagar	4.58	4.65	4.30
	Kashganj	2.36	2.39	2.21
	Kaushambi	4.20	4.26	3.94
	Kushinagar	3.12	3.17	2.93
	Lakhimpur Kheri	4.31	4.37	4.04
	Lalitpur	2.36	2.39	2.21
	Lucknow	4.64	4.71	4.35
	Maharajganj	4.46	4.52	4.18
	Mahoba	4.89	4.96	4.58
	Mainpuri	4.19	4.25	3.93
	Mathura	3.85	3.91	3.61
	Mau	4.57	4.64	4.29
	Meerut	4.45	4.51	4.17
	Mirzapur	3.80	3.86	3.57
	Moradabad	4.18	4.24	3.92
	Muzaffarnagar	4.23	4.29	3.96
	Pilibhit	4.70	4.77	4.41
	Pratapgarh	4.06	4.12	3.81
	Rae Bareli	4.27	4.33	4.00
	Rampur	4.65	4.72	4.36
	Saharanpur	4.13	4.19	3.87

		Sambhal	-	4.24	3.92
		Sant Kabir Nagar	5.41	5.49	5.07
		Sant Ravidas Nagar	3.88	3.94	3.64
		Shahjahanpur	4.58	4.65	4.30
		Shamli	-	4.29	3.96
		Shrawasti	5.62	5.70	5.27
		Siddharthnagar	4.24	4.30	3.97
		Sitapur	4.47	4.53	4.19
		Sonbhadra	3.92	3.98	3.68
		Sultanpur	3.70	3.75	3.47
		Unnao	4.33	4.39	4.06
		Varanasi	5.18	5.26	4.86
22	Uttarakhand	Almora	2.36	2.39	2.21
		Bageshwar	2.36	2.39	2.21
		Chamoli	2.36	2.39	2.21
		Champawat	2.36	2.39	2.21
		Dehradun	4.93	5.00	4.62
		Haridwar	4.62	4.69	4.33
		Nainital	3.92	3.98	3.68
		Pauri Garhwal	5.62	5.70	5.27
		Pithoragarh	2.56	2.60	2.40
		Rudraprayag	2.98	3.02	2.79
		Tehri Garhwal	3.49	3.54	3.27
		Udham Singh Nagar	5.73	5.81	5.37
		Uttarkashi	2.36	2.39	2.21
23	West Bengal	Bankura	5.27	5.35	4.94
		Bardhaman	5.43	5.51	5.09
		Birbhum	4.93	5.00	4.62
		Cooch Behar	4.88	4.95	4.57
		Darjiling	5.62	5.70	5.27
		East Midnapore	4.87	4.94	4.57
		Hooghly	4.46	4.52	4.18
		Howrah	4.67	4.74	4.38
		Jalpaiguri	5.42	5.50	5.08
		Kolkata	3.57	3.62	3.35
		Malda	3.57	3.62	3.35
		Murshidabad	5.27	5.35	4.94
		Nadia	5.62	5.70	5.27
		North 24 Parganas	5.57	5.65	5.22
		North Dinajpur	3.78	3.83	3.54
		Puruliya	4.34	4.40	4.07
		South 24 Parganas	4.00	4.06	3.75
		South Dinajpur	2.56	2.60	2.40
		West Midnapore	5.62	5.70	5.27

3.7 NOTIFICATION ON REVISED RATES FOR THE DIRECT MOVEMENT OF FERTILIZERS BY ROAD FROM PLANT UPTO 500 Kms.

No. 12012/25/2013-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 4th September, 2017

To

Chief Secretary of all States/UT,
CMD/MDs of all Fertilizer Units.

Subject: - Revised rates for the direct movement of fertilizers by road from Plant/Port upto 500 Kms.

Sir,

In continuation of this Department's Notification of even number dated 17th June, 2016 on the subject mentioned above, I am directed to notify the escalated/de-escalated slab-wise rates in respect of primary freight for direct road movement of fertilizers upto 500 Kms from plants/ports to block for the year 2015-16 as below:

(Rs. Per MT/Km)	
Distance Slab (KM)	Normative Rates (2015-16)
0-100	4.25
101-250	2.71
251-350	2.02
351-500	1.82

2. The other terms and conditions of the notification dated 17th June, 2016 will remain the same.

3. This issues with the concurrence of Internal Finance Division vide ASFA Dy No 408 (a) dated 15th July, 2017.

Yours sincerely,

-sd-
(Prabhas Kumar)
Director (Fertilizers)
Tele : 23386398

3.8 NOTIFICATION ON REVISED RATES FOR THE DIRECT MOVEMENT OF FERTILIZERS BY ROAD FROM PLANT/PORT UPTO 500 KMS.

No. 12012/25/2013-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 12th March, 2018

To

Chief Secretary of all States/UT,
CMD/MDs of all Fertilizer Units.

Subject: Revised rates for the direct movement of fertilizers by road from Plant/Port upto 500 Kms.

Sir,

In continuation of this Department's Notification of even number dated 17th June, 2016 and 4th September, 2017 on the subject mentioned above, I am directed to notify the escalated/de-escalated slab-wise rates in respect of primary freight for direct road movement of fertilizers upto 500 Kms from plants/ports to block for the year 2016-17 as below:

(Rs. Per MT/Km)		
Distance Slab (KM)	Normative Rates (2015-16)	Normative Rates (2016-17)
0-100	4.25	4.25
101-250	2.71	2.71
251-350	2.02	2.02
351-500	1.82	1.82

2. Primary freight for direct road movement of fertilizers (upto 500 kms) shall be paid at lower of the following: -

(i) Freight amount calculated for the month based on the slab rates indicated above;
OR

(ii) The actual expenditure incurred by the Company during the month, duly certified by company's statutory auditors.

3. The freight subsidy for secondary movement for North-Eastern and hilly states will be paid as per the rates notified vide notification No. 15-05/2009-Ship-I dated 25th October, 2012 till the finalization of study by Tariff Commission.

4. The primary freight from direct movement from NFL-Nangal unit to the state of Himachal Pradesh upto 500 kms will be paid as per the rates notified vide notification No 12018/1/2014-FPP dated 5th November, 2014 till the finalization of study of Tariff Commission.

5. This issues with the concurrence of Internal Finance Division vide ASFA Dy No dated .

Yours sincerely,

-sd-
(Prabhas Kumar)
Director (Fertilizers)
Tele: 23386398

Copy to:

1. ED, FICC, R K Puram, New Delhi.
2. Director(FA), Udyog Bhawan, New Delhi, with a request to make necessary changes in the FMS for generation of differential claims.
3. Director (Movement).
4. Director (P&K).
5. DS (Finance), DoF, New Delhi.
6. Pay and Accounts Office, Janpath Bhawan, New Delhi.
7. NIC-for uploading on the Departmental Website.
8. Hindi Section – for Hindi Translation.

-sd-
(Prabhas Kumar)
Director (Fertilizers)
Tele: 23386398

3.9 NOTIFICATION ON ROAD FREIGHT RATES FOR UREA MANUFACTURING/ IMPORTING UNITS UNDER THE UNIFORM FREIGHT SUBSIDY SCHEME

No. 12012/9/2007-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 12th March, 2018

To

Chief Executives of all Fertilizer Units,
Chief Secretary of all States/UT

Subject: - Road freight rates for UREA manufacturing/ importing units under the Uniform Freight Subsidy scheme.

Sir,

In continuation of this Department's notification of even number dated 18th September, 2014 notifying the secondary freight rates for the urea units for financial year 2012-13 & 2013-14, I am directed to notify the escalated/de-escalated secondary freight rates for urea for financial years 2016-17 as per the annexure.

2. However, in case of creation of a new district by division, the freight rate as applicable to that particular (old) district from which it is carved out shall be applicable to such new district. In case of creation of new district from more than one district, the average freight rates of all the old districts shall apply. In respect of the districts mentioned more than once in this Department's Notification dated 1st September, 2011, the entry of district with the lower value will be considered for the purpose of freight subsidy.
3. Freight rates in respect of the following districts, viz., (i) Kurnool (Andhra Pradesh); (ii) East Delhi; (iii) North Delhi; (iv) North-West Delhi; (v) South-West Delhi; (vi) Palwal (Haryana); (vii) Yadgir (Karnataka); (viii) Goa; (ix) Singroli (Madhya Pradesh); (x) Koraput (Odisha); (xi) Baleshwar (Odisha); (xii) Mahe (Puducherry); (xiii) Budaun (U.P.); (xiv) Chatrapati Sahuji Maharaj Nagar (U.P.); (xv) Daman; (xvi) Baksa (Assam); (xvii) Hailakandi (Assam); (xviii) Kokrajhar (Assam); (xix) Sivasagar (Assam); (xx) Karbi Anglong (Assam) and (xxi) Dima-Hasao (Assam), for which Per Tonne Per Kilometer (PTPK) rates are not available, the matter has been referred to Tariff Commission. However, till the time the PTPK rates for these districts are made available by Tariff Commission, the adhoc rates as prevalent may be taken into account for freight subsidy.

4. Freight subsidy claims on the basis of the above rates may be preferred for the above mentioned period in the prescribed proforma. Freight subsidy amount received by the units on the basis of road transportation ad hoc rates notified earlier will be adjusted towards final claim.
5. However, these rates are subject to revision on account of audit observations/revision due to any correction in data/working and computation noticed at a later stage.
6. In case of Jammu & Kashmir the rates recommended by Tariff Commission and after escalation for the year 2014-15 & 2015-16 will be applicable for all districts in Jammu as well as Srinagar in J&K. The adhoc PTPK transportation rates for Himachal Pradesh, Andaman & Nicobar Islands and North eastern states viz. Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland & Tripura will be continued as notified earlier as per O.M No. 15-05/2009-Ship-I dated 25th October, 2012.
7. The rates in respect of Sikkim (Rs. 7.07 PTPK) will be continued as per notification No. 12012/2/2008-FPP dated 17th March, 2009.
8. The final rates of these states will be notified after receipt of revised study of Tariff Commission.
9. As per the notification of even number dated 17th June, 2016, the reimbursement of secondary freight cost will be allowed on the monthly basis at the lower of:
 - (i) Normative Per Tonne Per Km (PTPK) rates as notified by Department of Fertilizers from time to time;
 - OR
 - (ii) The actual expenditure incurred by the company on secondary freight during the said month, duly certified by company's statutory auditor.
10. This issue with the concurrence of Internal Finance Division vide AS&FA dated.

Yours sincerely,

-Sd-
(Prabhas Kumar)
Director (Fertilizers)
Tele: 23386398

Copy to:-

1. Principal Director of Audit, Economic & Service Ministry, AGCR Building, IP Estates, New Delhi.
2. Controller of Accounts, Department of Fertilizers, Janpath Bhawan, New Delhi.

3. Director General, The Fertilizers Association of India, FAI House, 10-Shahidjit Singh Marg, New Delhi-110067.
4. Joint Secretary-cum-Central Registrar of Cooperative Societies.
5. Department of Agriculture & Cooperative, Krishi Bhawan, New Delhi.
6. Secretary (TC), Ministry of Commerce and Industry, Tariff Commission, 7th Floor, Lok Nayak Bhawan, New Delhi-110003.
7. Advisor (Cost), Ministry of Commerce and Industry, Tariff Commission, 7th Floor, Lok Nayak Bhawan, New Delhi-110003.
8. Ministry of Finance/Department of Expenditure (PF-II), North Block, New Delhi.

Copy also to:

AS(DP), JS(AT) & JS(SKL)
Director (Movement)/Director (FA)/ Director (Finance) /Director (CE) (FICC)
Director (NIC)/DOF- for website/DD(OL)-for Hindi translation.

-Sd-
(Prabhas Kumar)
Director (Fertilizers)
Tele: 23386398

Annexure

Sl. No	State	Districts	Normative Rates 2015-16	Normative Rates 2016-17
1	Andhra Pradesh	Anantapur	3.84	3.84
		Chittoor	4.30	4.30
		East Godavari	2.66	2.66
		Guntur	2.24	2.24
		Kadapa	4.60	4.60
		Krishna	2.72	2.72
		Nellore	3.12	3.12
		Nellore	3.08	3.08
		Prakasam	2.74	2.74
		Srikakulam	3.97	3.97
		Visakhapatnam	3.24	3.24
		Vizianagaram	3.77	3.77
		West Godavari	2.69	2.69
2	Assam	Barpeta	6.73	6.73
		Bongaigaon	7.43	7.43
		Cachar	7.43	7.43
		Chirang	7.43	7.43
		Darrang	5.27	5.27
		Dhemaji	7.43	7.43
		Dhubri	3.35	3.35
		Dibrugarh	7.43	7.43
		Goalpara	3.35	3.35
		Golaghat	7.43	7.43
		Jorhat	7.43	7.43
		Kamrup	7.43	7.43
		Kamrup Metropolitan	7.43	7.43
		Karimganj	5.27	5.27
		Lakhimpur	7.43	7.43
		Marigaon	5.27	5.27
		Nagaon	7.43	7.43
		Nalbari	5.27	5.27
		Sonitpur	7.43	7.43
		Tinsukia	7.43	7.43
		Udalguri	7.43	7.43
3	Bihar	Araria	2.54	2.54
		Arwal	3.03	3.03
		Aurangabad	5.27	5.27
		Banka	3.33	3.33
		Begusarai	7.43	7.43
		Bhagalpur	6.57	6.57
		Bhojpur	7.43	7.43
		Buxar	3.97	3.97
		Darbhanga	5.24	5.24

		East Champaran	5.27	5.27
		Gaya	5.27	5.27
		Gopalganj	5.27	5.27
		Jamui	2.37	2.37
		Jehanabad	4.66	4.66
		Kaimur	4.08	4.08
		Katihar	5.27	5.27
		Khagaria	5.89	5.89
		Kishanganj	6.22	6.22
		Lakhisarai	3.04	3.04
		Madhepura	3.70	3.70
		Madhubani	5.12	5.12
		Munger	2.74	2.74
		Muzaffarpur	7.43	7.43
		Nalanda	6.04	6.04
		Nawada	5.36	5.36
		Patna	5.59	5.59
		Purnia	4.66	4.66
		Rohtas	7.03	7.03
		Saharsa	5.27	5.27
		Samastipur	5.27	5.27
		Saran	5.27	5.27
		Sheikhpura	3.92	3.92
		Sheohar	2.21	2.21
		Sitamarhi	3.92	3.92
		Siwan	6.93	6.93
		Supaul	3.25	3.25
		Vaishali	5.27	5.27
		West Champaran	5.27	5.27
4	Chattisgarh	Beejapur	3.35	3.35
		Bilaspur	5.04	5.04
		Dantewada	3.35	3.35
		Dhamtari	4.26	4.26
		Durg	5.27	5.27
		Jagdalpur	3.34	3.34
		Janjgir-Champa	3.97	3.97
		Jashpur	3.35	3.35
		Kabirdham	3.35	3.35
		Kanker	3.35	3.35
		Korba	5.19	5.19
		Koriya	4.22	4.22
		Mahasamund	3.97	3.97
		Narayanpur	4.36	4.36
		Raigarh	3.97	3.97
		Raipur	5.27	5.27
		Rajnandgaon	5.27	5.27
		Surguja	3.37	3.37

5	Dadra & Nagar Haveli	D&N	3.54	3.54
6	Goa	North Goa	* 3.35	3.35
		South Goa	2.58	2.58
7	Gujarat	Ahmedabad	3.47	3.47
		Amreli	3.11	3.11
		Anand	5.27	5.27
		Aravalli	4.22	4.22
		Banas Kantha	3.34	3.34
		Bharuch	4.94	4.94
		Bhavnagar	3.38	3.38
		Botad	3.47	3.47
		Chhotaudepur	4.11	4.11
		Dahod	3.77	3.77
		Dang	3.35	3.35
		Devbhumi Dwarka	3.67	3.67
		Gandhinagar	4.57	4.57
		Gir Somnath	3.29	3.29
		Jamnagar	3.67	3.67
		Junagadh	3.29	3.29
		Kheda	5.27	5.27
		Kutch	2.21	2.21
		Maheana	4.47	4.47
		Mahisagar	4.44	4.44
		Morbi	3.97	3.97
		Narmada	4.07	4.07
		Navsari	4.45	4.45
		Panch Mahals	4.44	4.44
		Patan	3.48	3.48
		Porbandar	3.26	3.26
		Rajkot	4.57	4.57
		Sabar Kantha	4.22	4.22
		Surat	5.27	5.27
		Surendranagar	3.67	3.67
		Tapi	3.93	3.93
		Vadodara	2.73	2.73
		Valsad	4.28	4.28
8	Haryana	Ambala	5.10	5.10
		Bhiwani	5.27	5.27
		Faridabad	4.62	4.62
		Fatehabad	5.45	5.45
		Gurgaon	3.96	3.96
		Hisar	4.28	4.28
		Jhajjar	5.27	5.27
		Jind	5.04	5.04
		Kaithal	6.35	6.35
		Karnal	7.43	7.43
		Kurukshetra	6.45	6.45

		Mahendragarh	4.03	4.03
		Mewat	3.62	3.62
		Panchkula	4.38	4.38
		Panipat	4.48	4.48
		Rewari	7.43	7.43
		Rohtak	6.97	6.97
		Sirsa	5.19	5.19
		Sonipat	6.36	6.36
		Yamunanagar	5.07	5.07
9	Jammu & Kashmir	Jammu	7.43	7.43
10	Jharkhand	Bokaro	2.21	2.21
		Chatra	2.87	2.87
		Deoghar	5.27	5.27
		Dhanbad	2.21	2.21
		Dumka	5.27	5.27
		East Singhbhum	2.21	2.21
		Garhwa	3.59	3.59
		Girdih	2.81	2.81
		Godda	2.58	2.58
		Gumla	3.35	3.35
		Hazaribag	3.22	3.22
		Jamtara	3.08	3.08
		Koderma	3.09	3.09
		Latehar	3.10	3.10
		Lohardaga	3.39	3.39
		Pakur	2.21	2.21
		Palamu	3.63	3.63
		Ramgarh	3.22	3.22
		Ranchi	5.27	5.27
		Sahibganj	2.97	2.97
		Seraikela	3.09	3.09
		Simdega	2.88	2.88
		West Singhbhum	2.59	2.59
11	Karnataka	Bagalkot	3.25	3.25
		Bangalore Urban	4.97	4.97
		Bangalore Rural	3.94	3.94
		Belgaum	3.24	3.24
		Bellary	4.08	4.08
		Bidar	3.18	3.18
		Bijapur	4.15	4.15
		Chamrajnagar	3.92	3.92
		Chickmagalur	4.11	4.11
		Chikkballapur	3.82	3.82
		Chitradurga	3.04	3.04
		Davangere	5.27	5.27
		Dharwad	3.44	3.44
		Gadag	2.73	2.73

		Gulbarga	3.71	3.71
		Hassan	4.97	4.97
		Haveri	2.85	2.85
		Kodagu	3.35	3.35
		Kolar	3.08	3.08
		Koppal	4.45	4.45
		Mandya	5.21	5.21
		Mysore	4.00	4.00
		North Kannada	2.50	2.50
		Raichur	4.35	4.35
		Ramanagaram	3.64	3.64
		South Kannada	3.67	3.67
		Shimoga	3.89	3.89
		Tum-kur	3.22	3.22
		Udupi	4.43	4.43
12	Kerala	Alappuzha	5.27	5.27
		Ernakulam	5.27	5.27
		Idukki	3.35	3.35
		Kannur	4.97	4.97
		Kasargod	3.35	3.35
		Kollam	4.56	4.56
		Kottayam	7.11	7.11
		Kozhikode	4.94	4.94
		Malappuram	4.26	4.26
		Palakkad	5.27	5.27
		Pathanamthitta	5.27	5.27
		Thiruvananthapuram	3.35	3.35
		Thrissur	5.27	5.27
		Wayanad	5.27	5.27
13	Madhya Pradesh	Aliraj Pur	2.50	2.50
		Anuppur	2.44	2.44
		Ashoknagar	2.21	2.21
		Balaghat	4.11	4.11
		Barwani	2.97	2.97
		Betul	4.89	4.89
		Bhind	3.53	3.53
		Bhopal	4.78	4.78
		Burhanpur	3.93	3.93
		Chhatarpur	3.19	3.19
		Chhindwara	3.08	3.08
		Damoh	3.47	3.47
		Datia	2.98	2.98
		Dewas	3.87	3.87
		Dhar	3.45	3.45
		Dindori	2.38	2.38
		Guna	2.44	2.44

		Gwalior	3.63	3.63
		Harda	5.27	5.27
		Hoshangabad	5.27	5.27
		Indore	5.27	5.27
		Jabalpur	2.72	2.72
		Jhabua	3.74	3.74
		Katni	4.01	4.01
		Khandwa	3.97	3.97
		Khargone	3.53	3.53
		Mandla	2.36	2.36
		Mandsour	2.94	2.94
		Morena	3.42	3.42
		Narsinghpur	2.49	2.49
		Neemuch	2.62	2.62
		Panna	3.94	3.94
		Raisen	5.15	5.15
		Rajgarh	3.81	3.81
		Ratlam	4.99	4.99
		Rewa	3.74	3.74
		Sagar	3.20	3.20
		Satna	3.33	3.33
		Sehore	4.80	4.80
		Seoni	2.93	2.93
		Shahdol	2.81	2.81
		Shajapur	3.96	3.96
		Shivpuri	2.89	2.89
		Shoepurkalan	2.43	2.43
		Sidhi	2.67	2.67
		Tikamgarh	2.93	2.93
		Ujjain	4.41	4.41
		Umaria	3.70	3.70
		Vidisha	4.58	4.58
14	Maharashtra	Ahmednagar	4.91	4.91
		Akola	4.95	4.95
		Amravati	5.21	5.21
		Aurangabad	3.84	3.84
		Bandra Suburban	5.27	5.27
		Beed	3.24	3.24
		Bhandara	3.37	3.37
		Buldhana	3.84	3.84
		Chandrapur	3.94	3.94
		Dhule	4.43	4.43
		Gadchiroli	2.66	2.66
		Gondia	3.38	3.38
		Hingoli	3.45	3.45
		Jalgaon	4.01	4.01
		Jalna	4.06	4.06
		Kolhapur	5.27	5.27

		Latur	3.87	3.87
		Mumbai	5.27	5.27
		Nagpur	5.27	5.27
		Nanded	3.19	3.19
		Nandurbar	3.70	3.70
		Nashik	5.26	5.26
		Osmanabad	3.26	3.26
		Palghar	2.21	2.21
		Parbhani	3.55	3.55
		Pune	4.11	4.11
		Raigarh	2.59	2.59
		Ratnagiri	5.27	5.27
		Sangli	5.27	5.27
		Satara	4.76	4.76
		Sindhudurg	3.35	3.35
		Solapur	4.21	4.21
		Thane	2.21	2.21
		Wardha	5.90	5.90
		Washim	5.27	5.27
		Yavatmal	4.58	4.58
15	Odisha	Angul	3.35	3.35
		Balangir	7.43	7.43
		Baleswar	4.40	4.40
		Bargarh	5.15	5.15
		Bhadrak	5.27	5.27
		Boudh	3.35	3.35
		Cuttack	6.94	6.94
		Deogarh	3.35	3.35
		Dhenkanal	5.27	5.27
		Gajapati	3.35	3.35
		Ganjam	5.27	5.27
		Jagatsinghapur	5.27	5.27
		Jajpur	5.27	5.27
		Jharsuguda	5.27	5.27
		Kalahandi	4.86	4.86
		Kandhamal	3.35	3.35
		Kendrapara	5.27	5.27
		Kendujhar	3.35	3.35
		Khordha	5.27	5.27
		Malkangiri	3.35	3.35
		Mayurbhanj	3.35	3.35
		Nabarangapur	3.35	3.35
		Nayagarh	5.19	5.19
		Nuapada	5.27	5.27
		Puri	5.27	5.27
		Rayagada	3.35	3.35
		Sambalpur	4.74	4.74
		Sonepur	4.21	4.21

		Sundergarh	3.02	3.02
16	Puducherry	Karaikal	3.35	3.35
		Pondicherry	3.23	3.23
		Yanam	2.79	2.79
17	Punjab	Amritsar	4.27	4.27
		Barnala	3.61	3.61
		Bathinda	5.27	5.27
		Faridkot	5.24	5.24
		Fatehgarh Sahib	4.94	4.94
		Fazilka	5.27	5.27
		Firozpur	5.27	5.27
		Gurdaspur	4.49	4.49
		Hoshiarpur	4.33	4.33
		Jalandhar	4.49	4.49
		Kapurthala	4.40	4.40
		Ludhiana	4.89	4.89
		Mansa	5.27	5.27
		Moga	5.27	5.27
		Mohali/Sahibzada Ajit Singh	3.39	3.39
		Muktsar	5.61	5.61
		Nawanshahr/Shahid Bhagat Sir	3.23	3.23
		Pathankot	4.49	4.49
		Patiala	4.30	4.30
		Rupnagar	2.21	2.21
		Sangrur	6.18	6.18
		Tarntaran	4.30	4.30
18	Rajasthan	Ajmer	2.21	2.21
		Alwar	3.60	3.60
		Banswara	2.67	2.67
		Baran	3.89	3.89
		Barmer	2.21	2.21
		Bharatpur	3.92	3.92
		Bhilwara	3.12	3.12
		Bikaner	2.21	2.21
		Bundi	3.09	3.09
		Chittorgarh	3.49	3.49
		Churu	2.21	2.21
		Dausa	3.23	3.23
		Dholpur	2.97	2.97
		Dungarpur	3.67	3.67
		Hanumangarh	5.27	5.27
		Jaipur	3.44	3.44
		Jaisalmer	2.21	2.21
		Jalor	2.53	2.53
		Jhalawar	2.29	2.29
		Jhunjhunu	2.44	2.44
		Jodhpur	2.21	2.21
		Karauli	4.40	4.40

		Kota	3.17	3.17
		Nagaur	2.36	2.36
		Pali	3.10	3.10
		Pratapgarh	2.58	2.58
		Rajsamand	2.73	2.73
		Sawai Madhopur	3.60	3.60
		Sikar	2.46	2.46
		Sirohi	2.81	2.81
		Sri Ganganagar	3.23	3.23
		Tonk	2.22	2.22
		Udaipur	3.10	3.10
19	Tamil Nadu	Ariyalur	3.02	3.02
		Chennai	3.68	3.68
		Coimbatore	5.27	5.27
		Cuddalore	5.07	5.07
		Dharmapuri	4.82	4.82
		Dindigul	4.49	4.49
		Erode	4.21	4.21
		Kanchipuram	3.29	3.29
		Kanyakumari	3.35	3.35
		Karur	4.24	4.24
		Krishnagiri	2.87	2.87
		Madurai	4.20	4.20
		Nagapattinam	4.30	4.30
		Namakkal	4.64	4.64
		Nilgiris	5.27	5.27
		Perambalur	4.56	4.56
		Pudukkottai	4.33	4.33
		Ramanathapuram	3.35	3.35
		Salem	4.36	4.36
		Sivaganga	4.66	4.66
		Thanjavur	5.27	5.27
		Theni	3.35	3.35
		Thoothukudi	3.35	3.35
		Tiruchirappalli	5.00	5.00
		Tirunelveli	3.09	3.09
		Tiruvallur	3.96	3.96
		Tiruvannamalai	3.35	3.35
		Tiruvarur	4.82	4.82
		Vellore	4.70	4.70
		Viluppuram	3.89	3.89
		Virudhunagar	3.35	3.35
20	Telangana	Adilabad	2.56	2.56
		Bhadradi	-	2.21
		Hyderabad	2.67	2.67
		Jagitial	-	3.09
		Jangoan	-	2.61

		Jayashankar	-	2.71
		Jogulamba	-	2.88
		Karimnagar	3.09	3.09
		Kamareddy	-	3.84
		Khammam	2.21	2.21
		Komaram Bheem (Asifabad)	-	2.56
		Mahabubabad	-	2.52
		Mahbubnagar	2.88	2.88
		Mancherial	-	2.56
		Medak	2.54	2.54
		Medchal	3.18	3.18
		Nagarkurnool	-	2.88
		Nalgonda	2.40	2.40
		Nirmal	-	2.56
		Nizamabad	3.84	3.84
		Rangareddy	3.18	3.18
		Peddapalli	-	3.09
		Rajanna	-	3.09
		Sangareddy	-	2.54
		Siddipet	-	2.82
		Suryapet	-	2.40
		Vikarabad	3.18	3.18
		Wanaparthy	-	2.88
		Warangal	2.82	2.82
		Warangal Rural	-	2.82
		Warangal Urban	-	2.96
		Yadadri	-	2.40
21	Uttar Pradesh	Agra	3.85	3.85
		Aligarh	3.77	3.77
		Allahabad	3.75	3.75
		Ambedkar Nagar	4.60	4.60
		Auraiya	3.70	3.70
		Azamgarh	4.26	4.26
		Bagpat	3.84	3.84
		Bahraich	4.82	4.82
		Ballia	3.81	3.81
		Balrampur	4.24	4.24
		Banda	5.27	5.27
		Barabanki	4.38	4.38
		Bareilly	4.41	4.41
		Basti	4.29	4.29
		Bijnor	4.60	4.60
		Bulandshahr	4.08	4.08
		Chandauli	4.86	4.86
		Chitrakoot	4.66	4.66
		Deoria	4.24	4.24

	Etah	3.87	3.87
	Etawah	3.90	3.90
	Faizabad	4.44	4.44
	Farrukhabad	5.15	5.15
	Fatehpur	3.72	3.72
	Firozabad	4.07	4.07
	Gautam Buddha Naga	4.66	4.66
	Ghazipur	4.73	4.73
	Ghaziabad	4.64	4.64
	Gonda	3.76	3.76
	Gorakhpur	4.33	4.33
	Hamirpur	4.47	4.47
	Hapur	4.64	4.64
	Hardoi	4.01	4.01
	Hathras	3.59	3.59
	Jalaun	3.75	3.75
	Jaunpur	3.39	3.39
	Jhansi	3.35	3.35
	Jyotiba Phule Nagar	4.65	4.65
	Kannauj	3.46	3.46
	Kanpur Dehat	3.33	3.33
	Kanpur Nagar	4.30	4.30
	Kashiram Nagar	2.21	2.21
	Kaushambi	3.94	3.94
	Kushinagar	2.93	2.93
	Lakhimpur Kheri	4.04	4.04
	Lalitpur	2.21	2.21
	Lucknow	4.35	4.35
	Maharajganj	4.18	4.18
	Mahoba	4.58	4.58
	Mainpuri	3.93	3.93
	Mathura	3.61	3.61
	Mau	4.29	4.29
	Meerut	4.17	4.17
	Mirzapur	3.57	3.57
	Moradabad	3.92	3.92
	Muzaffarnagar	3.96	3.96
	Pilibhit	4.41	4.41
	Pratapgarh	3.81	3.81
	Rae Bareli	4.00	4.00
	Rampur	4.36	4.36
	Saharanpur	3.87	3.87
	Sambhal	3.92	3.92
	Sant Kabir Nagar	5.07	5.07
	Sant Ravidas Nagar	3.64	3.64
	Shahjahanpur	4.30	4.30
	Shamli	3.96	3.96

		Shrawasti	5.27	5.27
		Siddharthnagar	3.97	3.97
		Sitapur	4.19	4.19
		Sonbhadra	3.68	3.68
		Sultanpur	3.47	3.47
		Unnao	4.06	4.06
		Varanasi	4.86	4.86
22	Uttarakhand	Almora	2.21	2.21
		Bageshwar	2.21	2.21
		Chamoli	2.21	2.21
		Champawat	2.21	2.21
		Dehradun	4.62	4.62
		Haridwar	4.33	4.33
		Nainital	3.68	3.68
		Pauri Garhwal	5.27	5.27
		Pithoragarh	2.40	2.40
		Rudraprayag	2.79	2.79
		Tehri Garhwal	3.27	3.27
		Udham Singh Nagar	5.37	5.37
		Uttarkashi	2.21	2.21
23	West Bengal	Bankura	4.94	4.94
		Bardhaman	5.09	5.09
		Birbhum	4.62	4.62
		Cooch Behar	4.57	4.57
		Darjiling	5.27	5.27
		East Midnapore	4.57	4.57
		Hooghly	4.18	4.18
		Howrah	4.38	4.38
		Jalpaiguri	5.08	5.08
		Kolkata	3.35	3.35
		Malda	3.35	3.35
		Murshidabad	4.94	4.94
		Nadia	5.27	5.27
		North 24 Parganas	5.22	5.22
		North Dinajpur	3.54	3.54
		Puruliya	4.07	4.07
		South 24 Parganas	3.75	3.75
		South Dinajpur	2.40	2.40
		West Midnapore	5.27	5.27

Chapter 4

NEEM COATING OF UREA

OVERVIEW

The Government on 2nd June, 2008 had notified the policy for encouraging production and availability of fortified and coated fertilizers in the country wherein the indigenous manufacturers/producers of the subsidized fertilizers were allowed to produce fortified/coated subsidized fertilizers up to a maximum of 20% of their total production of respective subsidized fertilizers. This ceiling of production of Neem Coated Urea (NCU) was increased from the limit of 20% to a maximum of 35% of their total production vide notification dated 11th January, 2011.

Subsequently, vide notification dated 7th January, 2015, Department of Fertilizers removed the cap/restriction to produce Neem Coated Urea and the indigenous producers of urea could produce upto maximum of their total production of subsidized urea. It was decided to restrict the extra 5% of MRP to be charged by the companies on Neem Coated Urea for future to the extent of 5% of the existing MRP of urea only i.e. Rs. 5360/- per MT.

Subsequently, vide Notification dated 24th March, 2015, it was made mandatory for all the indigenous producers of urea to produce 75% of their total production of subsidized urea as Neem Coated Urea and made effective from 1st April, 2015. Finally, based on the CCEA approval, Department of Fertilizers issued notification dated 25th May, 2015 whereby it has been made mandatory for all the domestic producers of urea to produce 100% as Neem Coated Urea. Entire quantity of indigenously produced urea and imported urea is being neem coated w.e.f 1st September, 2015 and 1st December, 2015 respectively.

In order to ensure the quality of Neem Oil used for the purpose of Neem coating of urea, vide this department's letter dated 20th October, 2016, all urea manufacturers/importers were instructed to procure Neem Oil from genuine Neem Oil manufacturers only. Further, Department of Fertilizers had requested Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW) to amend the specification of Neem Oil used for Neem coated urea. Accordingly, DAC&FW on 6th February, 2017, issued the Fertilizer (Control) Amendment Order, 2017 wherein they have amended the specifications of Neem Coated Urea (NCU) along with the specification of Neem Oil, the details of which are as follows: -

8. Neem Coated Urea		
(i)	Moisture per cent by weight, maximum	1.0
(ii)	Total nitrogen, per cent by weight, (on dry basis), minimum	46.0
(iii)	Biuret per cent by weight, maximum	1.5
(iv)	Neem oil content soluble in Benzene, per cent by weight, minimum	0.035
	Particle size-Minimum 90 per cent of the material shall be retained between 1 mm and 2.8 mm IS sieve.	
Foot Note: - the Neem oil used for the manufacturing of Neem Coated Urea may be of the following specifications Moisture and insoluble matter per cent by wt. Max : 1.0 Specific gravity at 30° C : 0.85-0.95 Iodine value : 65-95 Saponification value : 160-205 Azadirachtin content Minimum : 150 ppm		

Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW) was entrusted to conduct a study to determine the impact of Neem Coated Urea. The interim report prepared by Agricultural Development and Rural Transformation Centre (ADRTC), Bengaluru has been submitted by Department of Agriculture, Cooperation and Farmers Welfare (DACFW). The brief findings of the study are as follows:

- i. Improvement in soil health.
- ii. Reduction in costs with respect to plant protection chemicals.
- iii. Reduction in pest and disease attack.
- iv. An increase in yield of paddy, sugarcane, Maize, Soybean and Tur/Red Gram to an extent of 5.79%, 17.5%, 7.14%, 7.4% and 16.88% respectively.

4.1 NOTIFICATION ON FORTIFIED AND COATED FERTILIZERS

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.

The above orders will be effective w.e.f. 1st June, 2008.

Yours faithfully,
Sd/-

(Deepak Singhal)
Joint Secretary to the Government of India
Tel No. 23381294

To

- 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.
- 5) Copy also to: Smt. Vini Mahajan, Joint Secretary, Prime Minister's Office, South Block, New Delhi

4.2 NOTIFICATION ON POLICY FOR ENCOURAGING PRODUCTION AND AVAILABILITY OF FORTIFIED AND COATED UREA IN THE COUNTRY.

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

Shastri Bhawan, New Delhi
Dated: 7th January, 2015

To

CMD/MDs

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

Subject: Policy for encouraging production and availability of fortified and coated urea in the country – req.

Sir

I am directed to refer to Department of Fertilizers letter of even number dated 2nd June 2008 and the 11th January 2011 on the above subject and to say that the competent authority has approved to remove the cap/restriction to produce Neem Coated Urea. Therefore, the indigenous producers of urea are allowed to produce Neem Coated urea which has been incorporated in Schedule 1 of the Fertilizer Control Order, 1985 up to maximum of their total production of subsidized urea. Further, it has been decided to restrict the extra 5% of MRP to be charged by the companies on Neem Coated Urea for future to the extent of 5% of the existing MRP of urea only i.e. Rs.5360 per MT.

2. The other terms and conditions of policy letter dated 2nd June 2008 will remain same. This order is effective from the date of issue.

Yours Sincerely,
Sd/-
(Vijay Ranjan Singh)
Director(F)

1. Chief Secretaries of all State Governments and Union Territories.
2. Secretary 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, NITI Aayog.
3. DG, the Fertilizers Association of India, New Delhi

4.3 NOTIFICATION ON POLICY FOR ENCOURAGING PRODUCTION AND AVAILABILITY OF FORTIFIED AND COATED UREA IN THE COUNTRY.

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

Shastri Bhawan, New Delhi
Dated: 24th March, 2015.

To

CMD/MDs

**RCF/MFL/BVFCL/NFL/FACT/KRIBHCO/IFFCO/GSFC/GNVFC/NFCL/CFCL/
TATA/ZACL/INDO-GULF/SPIC/KSFL/MFCL/KFCL/SFC.**

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

Sir

I am directed to refer to Department of Fertilizers letter of even number dated 2nd June 2008, 11th January 2011 and 07th January, 2015 on the subject mentioned above and to say that it has now been decided to make it mandatory for all the indigenous producers of urea to produce 75% of their total production of subsidized urea as Neem Coated urea.

2. The other terms and conditions of policy letter dated 2nd June 2008 and subsequent letter dated 07th January, 2015 will remain same. This order will be effective from the financial year 2015-16.

Yours Sincerely,

Sd/-
(Vijay Ranjan Singh)
Director(F)
Tele : No. 23386398

1. Chief Secretaries and Secretaries (Agriculture) 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, CEO, Niti Aayog.
3. DG, FAI.
4. NIC for uploading on website of this Department.
5. Hindi Section.

4.4 NOTIFICATION ON POLICY FOR ENCOURAGING PRODUCTION AND AVAILABILITY OF FORTIFIED AND COATED UREA IN THE COUNTRY.

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

Shastri Bhawan, New Delhi.
Dated the 25th May, 2015.

To

CMD/MDs

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

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

Sir

In continuation to Department of Fertilizers letter of even number dated 2nd June 2008, 11th January 2011, 7th January, 2015 and 24th March, 2015 on the subject mentioned above, the undersigned is directed to state that it has now been decided to make it mandatory for all the indigenous producers of urea to produce 100% of their total production of subsidized urea as Neem Coated urea.

2. The other terms and conditions of policy letter dated 2nd June 2008 and subsequent letter dated 07th January, 2015 will remain same.

Yours Sincerely,


(Vijay Ranjan Singh)
Director(F)
Tele : No. 23386398

1. Chief Secretaries and Secretaries (Agriculture) 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, CEO, Niti Aayog.
3. DG, FAI.
4. NIC for uploading on website of this Department.
5. Hindi Section.
6. Guard file.

Chapter 5

INTRODUCTION OF 45 kg BAG OF UREA

OVERVIEW

Mandatory coating of indigenous/imported urea was well received by the farmers. Due to its slow release of Nitrogen, the Nitrogen Use Efficiency (NUE) of Neem Coated Urea increases resulting in reduced consumption of NCU as compared to Normal urea. Since farmers mostly assess the requirement of urea in terms of bags for agricultural purpose, vide notification dated 4th September, 2017 it was decided to introduce 45 Kg bag of urea in place of 50 kg bag. MRP of such bags was to be notified by Department of Agriculture, Cooperation & Farmers Welfare.

Department of Agriculture, Cooperation & Farmers Welfare notified the Maximum Retail Price (MRP) of 45 kg bag urea bag as Rs 242 per bag (exclusive of the central excise duty, Central Tax, Integrated Tax, Union Territory Tax or Countervailing Duty, state tax and other local taxes wherever levied, whether at the retail sales point or at an intermediate stages and other charges towards neem coating) on 1st March, 2018. Vide notification dated 9th March, 2018, Department of Fertilizers had given a period of two months from the date of notification i.e., 1st March, 2018, to the urea units as lead time to ensure smooth implementation of the policy.

5.1 NOTIFICATION ON RATIONALISING THE SIZE OF UREA BAG AND MATTER CONNECTED THERETO

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

Shastri Bhawan, New Delhi
Dated the 4th September, 2017

To

CMD/MDs,
RCF/MFL/BVFCL/NFL/KRIBHCO/KFL/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/TATA/
ZACL/GIL/SPIC/MFCL

Subject: Rationalising the size of urea bag and matter connected thereto.

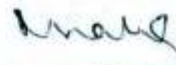
Sir,

I am directed to convey the approval of the Government to introduce 45kg bag of urea replacing the existing 50kg bag.

2. In order to enable the urea units to exhaust existing 50kg bags and for making necessary modifications in their plants, a period of six months is given as lead time to them to ensure the smooth implementation of the above policy.

3. The MRP of such bags will be notified by the Department of Agriculture & Farmers' Welfare in due course. An additional 5% will also be charged by the urea manufacturers for Neem Coating of Urea on every 45 kg. bag.

Yours faithfully,



(Dharani Pal)

Additional Secretary (Fertilizers)

☎: 23386800

Copy to:

1. Joint Secretary (INM), Department of Agriculture & Farmers' Welfare, Krishi Bhavan, New Delhi.
2. Principal Director of Audit, Economic & Service Ministry, AGCR Building, I.P. Estates, New Delhi.

3. Controller of Accounts, Department of Fertilizers, Janpath Bhawan, New Delhi.
4. Director General, Fertilizer Association of India, 10 Shaheed Jit Singh Marg, New Delhi-110067.
5. Director of Accounts, Fertilizer Accounts Wing, Department of Fertilizers, Udyog Bhawan, New Delhi.
6. Pay & Accounts Officer, Department of Fertilizers, Janpath Bhawan, New Delhi.
7. Director (F&A), FICC, 8th Floor, Sewa Bhawan, New Delhi – 110066.
8. Director (CE), FICC, 8th Floor, Sewa Bhawan, New Delhi - 110066
9. Fin-II Desk, Department of Fertilizers.
10. Assistant Director (OL) with a request to make available Hindi version of the Notification.
11. NIC for uploading on website.
12. Guard File.



(Dharam Pal)
Additional Secretary (Fertilizers)
☎: 23386800

5.2 NOTIFICATION ON RATIONALISING THE SIZE OF UREA BAG AND MATTER CONNECTED THERETO.

No. 12012/20/2007-FPP
Department of Fertilizers
Ministry of Chemicals and Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
New Delhi, the 9th March, 2018

To

CMD/MDs
RCF/MFL/BVFCL/NFL/KRIBHCO/KFL/IFFCO/GSFC/GNVFC/SFC/NFCL/
CFCL/YARA/ZACL/SPIC/MCFL/KFCL/GIL

Subject: Rationalising the size of urea bag and matter connected thereto.

I am directed to refer this Department's letter of even number dated 4th September, 2017 on the above mentioned subject wherein the approval of the Government to introduce 45 Kg bag of urea replacing the existing 50 Kg bag was conveyed and a period of 6 months was given as lead time to ensure the smooth implementation of the said policy. The MRP of 45 Kg bag of Urea was to be notified by Department of Agriculture, Cooperation and Farmers Welfare(DAC&FW).

2. DAC&FW has now notified the MRP of 45 Kg bag of Urea vide its Notification dated 01st March, 2018, a copy of which is enclosed herewith for reference. It is now informed that with the approval of CCEA, a period of 2 months from date of notification of MRP of 45 Kg bag of Urea is given as lead time to implement the introduction of 45 Kg bag of Urea.

Yours sincerely,

(Prabhas Kumar)
Director (Fertilizers)
Tele No: 23386398

Encl: As above

Copy to:

1. All Chief Secretaries of State Government/UTs.
2. Joint Secretary (INM), Department of Agriculture & Farmers' Welfare, Krishi Bhawan, new Delhi.
3. Principal Director of Audit, Economic & Service Ministry, AGCR Building, I.P.Estates, New Delhi.
4. Controller of Accounts, Department of Fertilizers, Janpath Bhawan, New Delhi.

PTO

5. Director General, Fertilizer Association of India, 10 Shaheed Jit Singh Marg, New Delhi-110067.
6. Director of Accounts, Fertilizer Accounts Wing, Department of Fertilizers, Udyog Bhawan, New Delhi.
7. Pay & Accounts Officer, Department of Fertilizers, Janpath Bhawan, New Delhi.
8. Director (F&A), FICC, 8th Floor, Sewa Bhawan, New Delhi - 110066 (with three spare copies).
9. Director (CE), FICC, 8th Floor, Sewa Bhawan, New Delhi - 110066 (with three spare copies).
10. Fin-II Desk, Department of Fertilizers.
11. Assistant Director (OL) with a request to make available Hindi Version of the Notification.
12. Joint Director (Shipping), DoF.
13. NIC – for uploading on DoF's website.
14. Guard File.


(Prabhas Kumar)
Director (Fertilizers)
Tele No: 23386398

Annexure - II

रजिस्ट्री सं० डी० एल०-33004/99

REGD. NO. D. L.-33004/99

भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (ii)

PART II—Section 3—Sub-section (ii)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 805]

नई दिल्ली, बुधवार, मार्च 1, 2018/फाल्गुन 10, 1939

No. 805]

NEW DELHI, THURSDAY, MARCH 1, 2018/PHALGUNA 10, 1939

कृषि और किसान कल्याण मंत्रालय
(कृषि, सहकारिता और किसान कल्याण विभाग)

आदेश

नई दिल्ली, 1 मार्च, 2018

का.अ. 909(अ).—केन्द्रीय सरकार, उर्वरक (निर्धारण) अधिनियम, 1985 के खंड 3 के उपखंड (1) के अनुसरण में और भारत सरकार के कृषि मंत्रालय (कृषि और सहकारिता विभाग) की अधिसूचना संख्या का.अ. 2663(अ), तारीख 31 अक्तूबर, 2012 (जिसे इसमें इसके पश्चात् उक्त अधिसूचना कहा गया है) को उक्त बातों के सिद्धांत अधिस्त करने हुए, जिन्हें ऐसे अधिकृत्य से पहले किया गया है वा करने का लोप किया गया है, इससे उपाखंड अनुसूची के स्तम्भ (4) में विनिर्दिष्ट कीमत को, स्तम्भ (3) में विनिर्दिष्ट आकार के प्रति घेले के लिए, इस अधिसूचना को जारी करने की तारीख से, ऐसी अधिकतम कीमत के रूप में नियत करती है, जिस पर उक्त अनुसूची के स्तम्भ (2) में की उत्पत्ती प्रविष्टि में विनिर्दिष्ट उर्वरक के, चाय, काफी या खर आगानों के उगाने वाली या खेतिहरों की डीलर, विनिर्माता अथवा उक्त या पुनः वितरण अधिकृत्य द्वारा विक्रय किया जाएगा :—

अनुसूची

क्रम सं.	उर्वरक का नाम	घेले का आकार	प्रति घेला अधिकतम कीमत (रुपयों में)
(1)	(2)	(3)	(4)
1.	यूरिया (46% नाइट्रोजन)	45 किलोग्राम	242/- रुपए
2.	बिकेडेट यूरिया	45 किलोग्राम	266/- रुपए

स्पष्टीकरण 1 :—ऊपर नियत अधिकतम कीमत में केन्द्रीय उत्पाद शुल्क, केन्द्रीय कर, एकीकृत कर, संघ राज्यक्षेत्र कर या इतिपाठन शुल्क, राज्य कर और अन्य स्थानीय कर, जहां कहीं भी उद्घुहीत किए जाते हैं, चाहे खुदरा विक्रय बिंदु या किसी मध्यवर्ती स्तर पर, सम्मिलित नहीं हैं।

1194 GI/2018

(1)

2

THE GAZETTE OF INDIA : EXTRAORDINARY

[PART II—SEC. 3(ii)]

स्पष्टीकरण 2 :—जहाँ किसी उर्वरक का विक्रय, 25 किलोग्राम से अधिक मात्राओं में किया जाता है, वहाँ डीलर उर्वरक के छोटे बैलों पर अनुसूची के स्तम्भ (3) में विनिर्दिष्ट कीमत के अतिरिक्त निम्नलिखित राशि प्रधारित कर सकेगा, अर्थात् :—

- (क) 2 किलोग्राम की पैकिंग पर 1.50 रुपए प्रति पैकिंग;
- (ख) 5 किलोग्राम की पैकिंग पर 2.25 रुपए प्रति पैकिंग;
- (ग) 10 किलोग्राम की पैकिंग पर 3.50 रुपए प्रति पैकिंग; और
- (घ) 25 किलोग्राम की पैकिंग पर 5.00 रुपए प्रति पैकिंग।

(2) 50 किलोग्राम के बैले, यदि कोई हो, का विक्रय डीलर, विनिर्माता, आयातक और पूल हैंडलिंग अभिकरण द्वारा उक्त अधिसूचना की अनुसूची में नियत कीमत पर किया जाएगा, जिसमें ऊपर स्पष्टीकरण 1 में विनिर्दिष्ट कर सम्मिलित नहीं है।

(3) इस अधिसूचना के प्रवृत्त होने के पश्चात् उक्त अधिसूचना की अनुसूची में निर्धारित कीमत पर प्राप्त उर्वरक के विक्रय न किए गए स्टॉक को विनिर्माता और पूल हैंडलिंग अभिकर्ता, चाहे वे सरकारी, प्राइवेट या सहकारी सेक्टर में हों (जिसके अंतर्गत राज्य कृषि उद्योग निगम, शीर्षस्थ सहकारी विपणन संघ और अन्य संस्थागत अभिकरण भी हैं) से भिन्न किसी थोक या खुदरा ब्योहारी द्वारा उक्त अधिसूचना के अधीन नियत अधिकतम कीमत से अधिक कीमत पर विक्रय नहीं किया जाएगा।

[फा. सं. 3-12/2017-उ.वि.]

उपमा श्रीवास्तव, अपर सचिव

MINISTRY OF AGRICULTURE AND FARMERS WELFARE

(Department of Agriculture, Cooperation and Farmers Welfare)

ORDER

New Delhi, the 1st March, 2018

S.O. 909(E).—In pursuance of sub-clause (1) of clause 3 of the Fertilizer (Control) Order, 1985 and in supersession of the notification of the Government of India in the Ministry of Agriculture (Department of Agriculture and Cooperation) number S.O. 2663 (E) dated the 31st October, 2012 (hereinafter referred to as the said notification), except as respects things done or omitted to be done before such supersession, the Central Government hereby fixes, with effect from the date of issue of this notification, the prices specified in column (4) of the Schedule annexed hereto as the maximum price per bag of size specification in column (3) at which the fertilisers specified in the corresponding entries in column (2) of the said Schedule shall be sold by a dealer, manufacturer, importer or a pool handling agency to the growers of tea, coffee or rubber plantations or to the cultivators:-

SCHEDULE

S.No.	Name of fertiliser	Bag size	Maximum price per bag (net in Rupees)
(1)	(2)	(3)	(4)
1.	Urea (46% N)	45 kg.	Rs. 242/-
2.	Zincated Urea	45 kg.	Rs. 266/-

Explanation 1.—The maximum price fixed above shall be exclusive of the central excise duty, Central Tax, Integrated Tax, Union Territory Tax or Countervailing Duty, the state tax and other local taxes wherever levied, whether at the retail sales point or at an intermediate stages.

Explanation II : Where the sale of any fertiliser is made in quantities not exceeding 25 kilograms, the dealer may charge the following amount on small fertiliser bags in addition to the price specified in the Schedule namely -

- (a) On packing of 2 kg. Rs. 1.50 per packing;
- (b) On packing of 5 kg. Rs. 2.25 per packing;
- (c) On packing of 10 kg. Rs. 3.50 per packing; and
- (d) On packing of 25 kg. Rs. 5.00 per packing.

(2) The 50 kg. bag, if any, shall be sold by a dealer, manufacturer, importer and a pool handling agency at the price fixed in the Schedule to the said notification which shall be exclusive of taxes specified in Explanation I above.

(3) After the coming into force of this notification, the unsold stocks of fertiliser procured at the price fixed in the Schedule to the said notification, by any wholesale or retail dealer other than the manufacturer and pool handling agent, whether in the Government, private or cooperative sector (including the State Agro-Industries Corporations, Apex Cooperative Marketing Federations and other institutional agencies), shall be sold at the price not exceeding the maximum price fixed under the said notification.

[F.No. 3-12/2017 Fert. Law]

UPMA SRIVASTAVA, Addl. Secy.

Chapter 6

DEALER/DISTRIBUTION MARGIN

OVERVIEW

The Distribution/Dealer Margin for the sale of urea was last notified on 18th June, 1999. An amount of Rs. 180/- per metric tonne for sales through private trade and Rs. 200/- per metric tonne for sales through institutional agencies was paid. Consequent upon implementation of DBT in fertilizer sector, various representations were received in DOF from Dealers and Fertilizer Companies to increase the Distribution/Dealer Margin to ensure financial viability.

The Government of India considered the demand and vide notification dated 28th March, 2018, DoF has revised Dealer's Margin from Rs.180/200 per MT of Urea (for Private Agencies/Institutional Agencies) to Rs.354 per MT of Urea, effective from 1st April, 2018, which will be paid on the quantity sold through POS devices only. This is likely to enhance the financial viability of around 23000 Dealers/Distributors post DBT implementation.

6.1 NOTIFICATION ON REVISION OF DEALER/DISTRIBUTION MARGIN IN RESPECT OF UREA SALE EFFECTED THROUGH PRIVATE AGENCIES AND INSTITUTIONAL AGENCIES W.E.F. 1st APRIL, 2018

No.12012/6/2016-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi,
Dated the 28th March, 2018

To

CMD/MD/Head of all Urea manufacturing units

Sir/Madam,

Subject: Revision of Dealer/Distribution Margin in respect of Urea sale effected through Private Agencies and Institutional Agencies w.e.f. 01st April, 2018.

The issue of revision of rates of Dealer/Distribution Margin for sale of Urea both indigenous as well as imported which were last revised vide Notification No.12012/10/99-FPP-II dated 18th June, 1999, has been under consideration of the Government for quite some time. I am directed to state that it has been decided to revise the Dealer/Distribution Margin to the rate of Rs.354/MT of urea w.e.f. 01st April, 2018 for sale of Urea through Private Trade as well as Institutional Agencies.

2. It is to be noted that the Dealer/Distribution margin will be paid to the Dealers on the quantity sold through POS devices only.
3. This issues with the approval of Competent Authority.


(Sunita Bansal)

Under Secretary to the Government of India
Tele: 23388891

Copy to:

1. Chief Secretaries of all the State Governments/Union Territories.
2. ED, FICC, R.K.Puram, Sewa Bhawan, New Delhi.
3. Pay and Accounts Officer, PAO, Janpath Bhawan, New Delhi.
4. DG, FAI, 10 Shahid Jit Singh Marg, New Delhi-110067.
5. Joint Secretary-cum-Central Registrar of Cooperative Societies.
6. Department of Agriculture & Cooperative, Krishi Bhawan, New Delhi.

Copy also to:

1. AS(DP), JS(AT)
2. Director (Movement)/Director (FA)/Director (Finance) /Director (CE) (FICC)
3. Director (NIC)/DOF- for website/DD(OL)-for Hindi translation.
4. Director(FA)

Chapter 7

NUTRIENT BASED SUBSIDY (NBS) SCHEME

OVERVIEW

The Government has introduced NBS policy w.e.f. 01.04.2010 with objective of tackling issues relating to agriculture productivity, balanced fertilization and growth of indigenous fertilizer industry, competitiveness amongst the fertilizer companies and to overcome the deficiency of erstwhile concession scheme.

Under the NBS Policy, the Government announces a fixed rate of subsidy (in Rs. Per Kg basis), on each nutrient of subsidized P&K fertilizers, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S), on annual basis taking into account all relevant factors including international prices, exchange rate, inventory level and prevailing Maximum Retail Prices of P&K fertilizers. The per Kg subsidy rates on the nutrients N, P, K, S are converted into per Tonne subsidy on the various subsidized P&K fertilizers covered under NBS Policy. Under the NBS, the Government encourages indigenous production. However, if the indigenous production is not sufficient to meet the annual requirement, the balance requirement is met through imports of P&K fertilizers like DAP/MOP.

7.1 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC (P&K) FERTILIZERS.

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

**Shastri Bhawan, New Delhi
The 4th March 2010**

To

- 1. The Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture)**
- 2. The Directors, 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. 1.4.2010.

Madam/Sir,

I am directed to say that the Government has introduced the first phase of the Nutrient Based Subsidy (NBS) Policy w.e.f. 1.4.2010 as under:

- (i) The NBS will be applicable for Di Ammonium Phosphate (DAP, 18-46-0), Muriate of Potash (MOP), Mono Ammonium Phosphate (MAP, 11-52-0), Triple Super Phosphate (TSP, 0-46-0), 12 grades of complex fertilizers and Ammonium Sulphate (AS - (Caprolactum grade by GSFC and FACT), which are already covered under the outgoing Concession Scheme for Phosphatic and Potassic (P&K) fertilizers and Single Super Phosphate (SSP). Primary nutrients, namely Nitrogen 'N', Phosphate 'P' and Potash 'K' and nutrient Sulphur 'S' contained in the fertilizers mentioned above will be eligible for NBS.
- (ii) Any variant of the fertilizers mentioned above with secondary and micronutrients (except Sulphur 'S'), as provided for under FCO, will also be eligible for subsidy. The secondary and micro-nutrients (except 'S') in such fertilizers will attract a separate per tonne subsidy to encourage their application along with primary nutrients.

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- (iii) The NBS to be paid on each nutrient namely, 'N', 'P', 'K' and 'S' will be decided annually by the Government. The nutrient based subsidy, so decided by the Government, will be converted into subsidy per tonne for each subsidized fertilizer
- (iv) An Inter-Ministerial Committee (IMC) will be constituted with Secretary (Fertilizers) as Chairperson and Joint Secretary level representatives of Department of Agriculture & Cooperation (DAC), Department of Expenditure (DOE), Planning Commission and Department of Agricultural Research and Education (DARE). This Committee will recommend per nutrient subsidy for 'N', 'P', 'K' and 'S' before the start of the financial year for decision by the Government (Department of Fertilizers). The IMC will recommend a per tonne additional subsidy on fortified subsidized fertilizers carrying secondary (other than 'S') and micro- nutrients. The Committee will also recommend inclusion of new fertilizers under the subsidy regime based on application of manufacturers/ importers and its need appraisal by the Indian Council for Agricultural Research (ICAR), for decision by the Government.
- (v) The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Fertilizer Monitoring System (FMS)" as being done under the outgoing Concession Scheme for P&K fertilizers.
- (vi) 20% of the price decontrolled fertilizers produced/imported in India will now be in the movement control under the Essential Commodities Act 1955 (ECA). Department of Fertilizers will regulate the movement of these fertilizers to bridge the supplies in underserved areas.
- (vii) Freight subsidy on the decontrolled fertilizers will be restricted to the rail freight.
- (viii) The import of all the subsidized fertilizers, as at paragraph 1 (i) above, including 12 grades of complex fertilizers is placed under Open General License (OGL). However, subsidy will not be applicable on imported Ammonium Sulphate (AS) during the first phase. Import of Urea will remain canalized during the first phase.
- (ix) Though the market price of subsidized fertilizers, except Urea, will be determined based on demand-supply balance, the

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fertilizer companies will be required to print Retail Price (RP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed net RP will be punishable under the EC Act.

- (x) Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized fertilizers from the manufacturers/ importers after their receipt in the districts as inputs for manufacturing customized fertilizers and mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.
- (xi) A separate additional subsidy will be provided to the indigenous manufacturers producing complex fertilizers using Naphtha based captive Ammonia to compensate for the higher cost of production of 'N'. However, this will be for a maximum period of two years during which the units will have to convert to gas or use imported Ammonia. The quantum of additional subsidy will be finalized by Department of Fertilizers in consultation with DOE, based on study and recommendations by the Tariff Commission.
- (xii) The NBS would be released through the industry during the first phase. The payment of NBS to the manufacturers/importers of DAP/MOP/Complex Fertilizers/ MAP/TSP and AS shall be released as per the procedure followed vide notification No. 19011/59/2003-MPR (Pt.) dated 12.3.2009 of the Department. Payment of NBS to the manufacturers/marketers of SSP shall be released as per the procedure mentioned in notification No. 22011/4/2007-MPR dated 13.8.2009 of the Department.

2. This issues with the concurrence of the Internal Finance Division of Department of Fertilizers dated 3 March 2010.



(H. Abbas)

Deputy Secretary to the Government of India
Tel: 2338 3814

Copy to:

1. Secretary (Agriculture), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.

3. Joint Secretary (INM), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
4. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
5. Director (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, 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. All the manufacturers & importers of P&K Fertilizers
11. All SSP manufacturers

Copy also to:

PS to Minister (C&F)/PS to MOS(C&F)/Sr. PPS to Secretary (Fertilizers)/ AS & FA/ JS(P&P)/ JS(F&P)/ JS(A&M)/ Economic Advisor/ Controller of Accounts/ 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.

Copy also to: Shri Sanjay Mitra, Joint Secretary, Prime Minister's Office, South Block, New Delhi.



(H. Abbas)

Deputy Secretary to the Government of India

7.2 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR SINGLE SUPER PHOSPHATE (SSP) FERTILIZERS.

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

Shastri Bhawan, New Delhi
The 21st April 2010

To

1. The Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs
2. The Directors, Directorate of Agriculture of the State Governments/ UTs.

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Single Super Phosphate (SSP) fertilizer w.e.f 1st May 2010.

Madam/Sir,

With reference to the subject mentioned above, I am directed to say that the following policy has been announced by the Government applicable in case of production and sale of Single Super Phosphate (SSP) fertilizer under NBS.

- 2). The per Kg NBS for nutrient 'P' and 'S' for 2010-2011 w.e.f 1st May 2010 for SSP would be as follows:

Sl No.	Nutrients	NBS per Kg of nutrient (Rs.)
1.	"P"	26.276
2.	"S"	1.784

Accordingly, Per MT NBS for Powdered SSP and Granulated SSP meeting quality specifications as per the FCO for 2010-2011 w.e.f 1st May 2010 would be Rs. 4400 per MT, which would be inclusive of cost of freight. Additional per MT subsidy for fortified SSP with Boron will be Rs. 300.

- 3). The production, distribution and movement of SSP will be monitored through the online web based Fertilizer Monitoring System (FMS). The SSP manufacturers / marketers would be required to furnish month-wise supply plan well in advance and not later than by 15th of the preceding month on line to the Department.



- 4). 20% of SSP produced will now be in the movement control under the Essential Commodities Act 1955 (ECA). Department of Fertilizers will regulate the movement of SSP fertilizer to bridge the supplies in under-served areas.
- 5). The SSP producers/marketers will be required to print Maximum Retail Price (MRP) along with applicable NBS on the fertilizer bags clearly under FCO. Any sale above the printed net MRP will be punishable under the EC Act.
- 6). Payment of NBS to the manufacturers/marketers of SSP shall be released as per the procedure mentioned in notification No. 22011/4/2007-MPR dated 13.08.2009 of the Department and subject to monitoring through the FMS. Producers along with marketers, as applicable, are required to certify quality of SSP as per the FCO for availing NBS. 'On Account' Payment of 85% for sales w.e.f 1st May 2010 will be made on the basis of the claim submitted by the eligible manufactures/marketers of SSP in Proforma 'A' & 'C' certified by their statutory auditor on sale of Powdered, Granulated and Boronated SSP after receipt in the district of the State/UT. The 'On Account' payment is contingent on the manufacturers / marketers certifying that 'Quality Certified' stamp (quality as per FCO) has been put on each bag of SSP released in the market and also certification of quality of SSP as per the FCO at the point of production by the State/UT in which the production unit is located. The balance payment will be made after certification of sales of SSP is received from the State/UT Government concerned (State/UT in which sales has taken place) certifying quantity of SSP sold w.e.f 1st May 2010 as well as its quality as per FCO as per Proforma 'B'. The State/UT Governments are also required to mention that the bags of SSP sold in the State/UT contained the stamp 'Quality Certified'.
- 7). The responsibility of regulation and maintaining quality of SSP produced and sold in the States/UTs as per the specifications of the FCO is of the State/UT Governments. The State/UT in which the SSP units are located is required to inspect and certify the quantity of SSP produced and its quality at the point of production in the concerned States/UTs for enabling the manufacturers/marketers of SSP to claim 'On Account' payment. Such certificate would be submitted every month by the concerned State /UT Government. The manufacturers/ marketers are also required to certify to the Department that bags of SSP have been released in the market with stamp 'Quality Certified'. The State/UT Government concerned, in which sale of SSP has taken place, is required to certify quantity of sales of SSP as well as its quality as per FCO for final settlement of the claim for subsidy.
- 8). NBS for SSP w.e.f 1st May 2010 will be provided to those eligible SSP units only, which have either annual capacity utilization of at least 50% or



annual production of 40,000 MT of SSP. For the purpose of recognizing capacity utilization / production, capacity as on 31st March 2010 will be taken into account. Capacity utilization/ production for 2009-10 (1st April 2009-31st March 2010) will be taken into account for the capacity utilization/ production benchmark as above for NBS for sales of SSP w.e.f. 1st May 2010. The SSP units are required to inform the Department their installed capacity as on 31st March 2010 and production for 2009-10 certified by the statutory auditor with a copy to the PDIL/inspection agency. PDIL/inspection agency will also be required to submit a separate report on the installed capacity and production of the units as above. Any new SSP unit installed on or after 1st May 2010 would be considered eligible for NBS only if it has installed capacity of one lakh MT per annum and above.

9). PDIL/an accredited inspection agency of national/international repute would be employed for inspection of SSP quality and its retail prices at the production site as well as at the wholesale/retail points. In case of any deviation / violation of quality parameters and maximum retail prices, the SSP producer and/ or marketer concerned would be excluded from the NBS. In addition, the State/UT Governments concerned are requested to recommend to the DoF exclusion of any SSP producer/ marketer from the NBS in case they find deviation/ violation of quality parameters under FCO, conditions mentioned herein and conditions of the Memorandum of Understanding (MOU) entered into by the SSP manufacture/marketer with the Department. The DoF would take appropriate action on their recommendations. The State/UT Governments may also take appropriate action under FCO for any such deviation. Further, in case SSP is sold at higher than the agreed MRP as per the MOU, apart from exclusion from the NBS, recovery of differential between the agreed MRP and the MRP at which manufacturer/marketer sold SSP for the entire quantity would be made by the Department.

10). NBS policy for SSP is optional and available to only those manufacturers/marketers of SSP who will adhere to quality standards and maintain the Maximum Retail Price (MRP) printed in the bag. The SSP producers/ manufacturers who wish to opt for the NBS policy for SSP would be required to enter into an MOU as per the enclosed Proforma with the Department to avail NBS.

11). This issues with the concurrence of the Internal Finance Division of Department of Fertilizers vide their Dy. No 589/AS&FA/10 dated 20th April 2010.


(H. Abbas)

Deputy Secretary to the Government of India
Tel: 2338 3814

Copy to:

1. Secretary (Agriculture), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Joint Secretary (INM), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
4. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
5. Director (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, 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. All the manufacturers & importers of P&K Fertilizers
11. All SSP manufacturers

Copy also to:

PS to Minister (C&F)/PS to MOS(C&F)/Sr. PPS to Secretary (Fertilizers)/ AS & FA/ JS(P&P)/ JS(F&P)/ JS(A&M)/ Economic Advisor/ Controller of Accounts/ 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.

Copy also to: Shri Sanjay Mitra, Joint Secretary, Prime Minister's Office, South Block, New Delhi.


(H. Abbas)

Deputy Secretary to the Government of India

7.3 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC FERTILIZERS W.E.F. 01.04.2011- NBS POLICY W.E.F 1ST APRIL, 2011 FOR 2011-12 AND REVISED PER MT SUBSIDY.

23011/1/2010-MPR (pt)
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
The 5th May 2011

To

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs
2. 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,

In supercession of this Department letter of even no. dated 9th March relating to NBS w.e.f 1st April 2011 for 2011-12, I am directed to say that the Department of Fertilizers has announced revised NBS for P&K fertilizers (including SSP) w.e.f 1st April 2011 for 2011-12 as per the details below.

2. NBS will be applicable for indigenously produced and imported Di-Ammonium Phosphate (DAP, 18-46-0), Di-Ammonium Phosphate Lite (DAP Lite, 16-44-0), Mono Ammonium Phosphate (MAP, 11-52-0), Triple Super Phosphate (TSP, 0-46-0), Muriate of Potash (MOP, 0-0-60), 15 grades of complex fertilizers, Single Super Phosphate (SSP, 0-16-0-11) and indigenous Ammonium Sulphate (AS, 20.6-0-0-23 Caprolactum grade produced by GSFC and FACT).

3. Primary nutrients, namely Nitrogen 'N', Phosphate 'P' and Potash 'K' and secondary nutrient Sulphur 'S' contained in the fertilizers mentioned above will be eligible for NBS. Per Kg NBS for nutrient 'N' 'P' 'K' and 'S' for 2011-2012 w.e.f 1st April 2011 would be as follows:

Sl No.	Nutrients	NBS (Rs. per Kg of Nutrient)
1	"N"	27.153
2	"P"	32.338
3	"K"	26.756
4	"S"	1.677

4. Per MT NBS for different P&K fertilizers for 2011-2012 w.e.f 1st April 2011 would be as follows:

Sl. No	Fertilizers	NBS (Rs. per MT)
1.	DAP (18-46-0-0)	19763
2.	DAP Lite (16-44-0-0)	18573
3.	MAP (11-52-0-0)	19803
4.	TSP (0-46-0-0)	14875
5.	MOP (0-0-60-0)	16054
6.	SSP (0-16-0-11)	5359
7.	NPS: 16-20-0-13	11030
8.	NPS: 20-20-0-13	12116
9.	NP: 20-20-0-0	11898
10.	NP: 23-23-0-0	13683
11.	NP: 24-24-0-0	14278
12.	NP: 28-28-0-0	16657
13.	NPK: 10-26-26-0	18080
14.	NPK: 12-32-16-0	17887
15.	NPK: 14-28-14-0	16602
16.	NPK: 14-35-14-0	18866
17.	NPK: 15-15-15-0	12937
18.	NPKS: 15-15-15-09	13088
19.	NPK: 16-16-16-0	13800
20.	NPK: 17-17-17-0	14662
21.	NPK: 19-19-19-0	16387
22.	Ammonium Sulphate (20.6-0-0-23)	5979

5. In addition to the NBS mentioned above, a separate additional subsidy will be provided to the indigenous manufacturers (M/s FACT, M/s MFL and M/s GNVFC) producing complex fertilizers using Naphtha based captive Ammonia to compensate for the higher cost of production of 'N'. However, this will be available up to 31st March 2012 during which the units of these three manufacturers (FACT, MFL and GNVFC) will have to convert to gas or use imported Ammonia thereafter.

6. Any variant of the fertilizers mentioned above coated/fortified with secondary and micronutrients (except Sulphur 'S'), as provided for under FCO, will also be eligible for subsidy. The secondary and micro-nutrients (except 'S') in such fertilizers will attract a separate per tonne subsidy to encourage their application along with primary nutrients as below:

Sl No.	Nutrients for fortification as per FCO	Additional subsidy Rs. per MT of fortified/coated fertilizers
1	Boron 'Bn'	300
2	Zinc 'Zn'	500

7. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Fertilizer Monitoring System (FMS)".

8. 20% of the price decontrolled fertilizers produced/imported in India will continue to be in the movement control under the Essential Commodities Act 1955 (ECA). Department of Fertilizers will regulate the movement of these fertilizers to bridge the supplies in underserved areas.

9. Freight subsidy under NBS on the decontrolled subsidized P&K fertilizers (except SSP) for rail movement would be paid as per actual claim as per Railway Receipt (RR). Secondary freight for the P&K fertilizers (except SSP) will be paid in line with the "Uniform Freight" applicable for urea. Freight for direct road movement would be subject to lower of actual freight claim and equivalent rail freight. Direct road movement will be allowed to a maximum distance of 500 KM. For the purpose of admissibility of equivalent rail freight for direct road movement, following rates would be applicable:

Movement (KM)	Rate Rs. per MT
Up to 100	108
101-200	183
201-300	256
301-400	327
401-500	400

Policy for freight for secondary movement and direct road movement as mentioned above is provisional.

10. In addition to the NBS for SSP mentioned in paragraph 4 above, a lump sum freight of Rs. 200 per MT will be provided.

The policy mentioned in the above-mentioned Para 9 and 10 will be governed by letter No. 23011/1/2010-MPR dated 21.4.2011.

11. Manufacturers / marketers of P&K fertilizers, including SSP, will be required to continue to ensure that fertilizers are transported up to the retail point since freight is being paid to them.

12. 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) along with 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.

13. Boron 'Bn' has been included as a nutrient under the NBS for additional subsidy.

14. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized fertilizers from the manufacturers/ importers after their receipt in the districts as inputs for manufacturing customized fertilizers and mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.

15. The payment of NBS to the manufacturers/importers of DAP/DAP Lite/MAP/TSP/MOP/15 grades of Complex Fertilizers/ AS shall be released as per the procedure followed vide notification No. 19011/59/2003-MPR (Pt.) dated 12.3.2009 of the Department and as amended from time to time. Payment of NBS to the manufacturers/marketers of SSP shall be released as per the procedure and terms and

conditions mentioned in notification No. 22011/4/2007-MPR dated 13.8.2009 of the Department and as amended from time to time by the Department and No. 23011/1/2010-MPR dated 21st April 2010 and 3rd May 2011.

16. This issues with the concurrence of the IFD vide diary no. 197/AS&FA dated 5.5 2011 and approval of the competent authority.



(Sham Lal Goyal)

Joint Secretary to the Government of India

Tel: 2338 8481

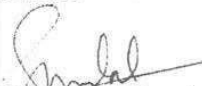
Copy to:

1. Secretary (Agriculture), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Joint Secretary (INM), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
4. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
5. Dy. Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, 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. All the manufacturers & importers of P&K Fertilizers
11. All SSP manufacturers /marketers

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

Copy also to: Ms. Vini Mahajan, Joint Secretary, Prime Minister's Office, South Block, New Delhi

Copy also to: PS to Minister (C&F)/PS to MOS(C&F)/PS to Secretary (Fertilizers)/ AS & FA/ JS(P&P)/ JS(F&P)/ JS(A&M)/ Economic Advisor/ Controller of Accounts/ 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.



(Sham Lal Goyal)

Joint Secretary to the Government of India

7.4 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC FERTILIZERS FOR THE YEAR 2012-13 TO BE IMPLEMENTED W.E.F. 01.04.2012.

File No. 23011/1/2010-MPR (Main)

Government of India

Ministry of Chemicals & Fertilizers

Department of Fertilizers

Shastri Bhawan, New Delhi

Dated the 29th March 2012

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers for the year 2012-13 to be implemented w.e.f. 01.04.2012.

The undersigned is directed to convey that primary nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and secondary nutrient, Sulphur (S) content in P&K fertilizers covered under NBS Policy shall be eligible for NBS. Per Kg NBS for nutrients, N, P, K and S for the year 2012-13 w.e.f 1st April 2012 shall be as under:

Sl. No.	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	24.000
2	P	21.804
3	K	24.000
4	S	1.677

2. Accordingly, per Metric Tonne of subsidy on various grades of P&K fertilizers covered under NBS Policy shall be as under:

S.No	P&K Fertilizer grades under NBS	NBS 2012-13 (Rs per MT)
1	AS : 20.6-0-0-23	5330
2	DAP : 18-46-0-0	14350
3	DAP Lite : 16-44-0-0	13434
4	MOP : 0-0-60-0	14400
5	MAP : 11-52-0-0	13978
6	TSP : 0-46-0-0	10030
7	SSP : 0-16-0-11	3673
8	NPS: 16-20-0-13	8419
9	NPS: 20-20-0-13	9379
10	NP: 20-20-0-0	9161
11	NP: 23-23-0-0	10535
12	NP: 24-24-0-0	10993
13	NP: 28-28-0-0	12825
14	NPK:10-26-26-0	14309
15	NPK: 12-32-16-0	13697
16	NPK: 14-28-14-0	12825
17	NPK: 14-35-14-0	14351

18	NPK: 15-15-15-0	10471
19	NPKS: 15-15-15-09	10622
20	NPK: 16-16-16-0	11169
21	NPK: 17-17-17-0	11867
22	NPK: 19-19-19-0	13263
23	DAP Lite grade II 14:46:0:0	13390
24	MAP Lite 11:44:0:0	12234
25	13:33:0:6	10416

Note: Fertilizer grades mentioned at Sl. No. 23 to 25 are covered under NBS Policy till 29.8.2012.

3. The matter of change in the method for computation of subsidy on P&K fertilizer grades having less than 85% water soluble P₂O₅ content is currently under examination. The change in the rates of subsidy, if any, on this account would be applicable from prospective date except for TSP (36.8% water soluble P₂O₅ content) in whose case it would be applicable with effect from 16.11.2011.

4. Any variant of the P&K fertilizers covered under NBS Policy coated/fortified with secondary and micronutrients (except Sulphur 'S'), as provided for under FCO, will also be eligible for subsidy. The secondary and micro-nutrients (except 'S') in such fertilizers will attract a separate per tonne subsidy to encourage their application along with primary nutrients as below:

S. No.	Nutrients for fortification as per FCO	Additional subsidy Rs per MT of fortified/coated fertilizers
1	Boron (B)	300
2	Zinc (Zn)	500

5. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Fertilizer Monitoring System (FMS)".

6. 20% of the price decontrolled fertilizers produced/imported in India will continue to be in the movement control under the Essential Commodities Act 1955 (ECA). Department of Fertilizers will regulate the movement of these fertilizers to bridge the supplies in underserved areas.



7. Freight reimbursement on account of primary movement of P&K fertilizers (except SSP) by railway shall be paid as per actual on the basis of railway receipts. No freight reimbursement shall be made on account of secondary movement of P&K fertilizers. Freight reimbursement on account of direct road movement of P&K fertilizers (except SSP) shall be paid as per the actual subject to maximum of equivalent rail freight. Maximum allowable distance under direct road movement shall be 500 kms. For the purpose of equivalent rail freight the following rates shall be applicable:-

Movement(KM)	Rate (Rs/MT)
Upto 100	130
101 to 200	224
201 to 300	316
301 to 400	407
400 to 500	500

Freight reimbursement as indicated above is provisional.

8. Though the market price of subsidized P&K fertilizers are open and fertilizer companies are allowed to fix MRPs at reasonable level based on demand supply dynamics, they will be required to print Maximum Retail Price (MRP) along with applicable NBS per MT on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.

9. Manufacturers/Marketers/Importers of P&K fertilizers, including SSP, are required to ensure that fertilizers are transported up to the retail point on F.O.R delivery basis.

10. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized P&K fertilizers from the manufacturers / importers after their receipt in the districts as inputs for manufacturing customized fertilizers and mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.

11. The payment of NBS to the manufacturers/importers of P&K fertilizers (except SSP) covered under NBS Policy shall be released as per the procedure followed vide this Department notification No. 19011/59/2003-MPR (Pt.) dated 12.3.2009. Payment of NBS to the manufacturers/marketers of SSP shall be released as per the procedure and terms and conditions mentioned in this Department notification No. 22011/4/2007-MPR dated 13.8.2009 and No.23011/1/2010-MPR dated 21.4.2010 and as amended from time to time by the Department.



12. The benefits to the manufacturers of P&K fertilizers on account of use of cheaper APM gas shall be mopped up for which separate guidelines shall be issued.

13. This issues with the concurrence of IFD vide diary No 2040 Dated 27/3/2012 and approval of the competent authority.


(Sanjay Kumar Sinha)
Director
Tel: 2338 4889


1. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Addl. Secretary & Financial Adviser, Ministry of Chemicals and Fertilizers.
4. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
5. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
6. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
7. Director (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
8. Executive Director, FICC, Department of Fertilizers, New Delhi.
9. Director of Accounts, Department of Fertilizers, Udyog Bhawan, New Delhi.
10. Director General, FAL, New Delhi.
11. All the manufacturers & importers of P&K Fertilizers.
12. All SSP manufacturers.

Copy to:

1. Chief Secretaries/All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/ Directors, Commissionerate/ Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to Minister (C&F) / PS to MOS(C&F) / PS to Secretary (Fertilizers)/ AS & FA/ JS(P&P) / JS(F&M) / JS(P&A) / Economic Advisor / Controller of Accounts / 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.


(Sanjay Kumar Sinha)
Director

7.5 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC (P&K) FERTILIZERS W.E.F. 01.04-2013-NBS POLICY FOR 2013-14 AND MT SUBSIDY.

File No. 23011/5/2013-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 3rd May, 2013

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers w.e.f. 01.04.2013-NBS Policy for 2013-14 and per MT Subsidy regarding.

The undersigned is directed to convey that per Kg subsidy on nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) contained in P&K fertilizers covered under NBS Policy for the year 2013-14 w.e.f 1st April 2013 shall be as under:

Sl. No.	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	20.875
2	P	18.679
3	K	18.833
4	S	1.677

2. Per Metric Tonne of subsidy on various grades of P&K fertilizers covered under NBS Policy shall be as under:

S. No	Grades of P&K fertilizers covered under the NBS Policy	NBS 2013-14 (Rs/MT)
1	DAP : 18-46-0-0	12350
2	MAP : 11-52-0-0	12009
3	TSP : 0-46-0-0	8592
4	MOP : 0-0-60-0	11300
5	NPS : 16-20-0-13	7294
6	NPS : 20-20-0-13	8129
7	NPK 10-26-26-0	11841
8	NPK : 12-32-16	11496
9	NPK : 14-28-14	10789
10	NPK : 14-35-14	12097
11	NPK : 15-15-15	8758
12	AS : 20.6-0-0-23	4686
13	NP : 28-28-0-0	11075
14	NPK : 17-17-17	9926
15	NPK : 19-19-19	11094
16	SSP : 0-16-0-11	3173
17	NPK : 16-16-16-0	9342
18	DAPlite : 16-44-0-0	11559
19	NPKS : 15-15-15-09	8909
20	NP : 24-24-0-0	9493
21	NP : 20-20-0-0	7911
22	NPS : 18-46-0-4	12350

Note: Fertilizer grade placed at serial number 22 shall be under subsidy scheme till 7th November 2013.

-: 2 :-

3. Any variant of the P&K fertilizers covered under NBS Policy fortified/coated with Boron and Zinc, as provided for under FCO, will also be eligible for subsidy. Such fortified/coated grades of fertilizers will attract an additional per tonne subsidy to encourage their application along with primary nutrients as per the rates mentioned below:

S. No.	Nutrients for fortification as per FCO	Additional subsidy (Rs/MT) for fortified/coated fertilizers
1	Boron (B)	300
2	Zinc (Zn)	500

4. The market price of subsidized P&K fertilizers is open and fertilizer companies are allowed to fix MRPs at **reasonable** level. In case, the MRP fixed by the fertilizer companies are found to be unreasonable, the Department may take action as per the NBS Policy, as modified vide O.M. No.23011/5(NBS-Policy)/2013-MPR dated 3.5.2013.

5. At the level of subsidy announced for the year 2013-14, the fertilizer companies are required to reduce the MRP of DAP and MOP by a minimum of Rs 1500 PMT and Rs 1000 PMT respectively. For the purpose of reduction in MRP, the reference MRP of DAP and MOP shall be Rs 24000 PMT and Rs 17000 PMT respectively. A commensurate minimum reduction in MRP in other grades of fertilizers covered under the scheme shall be as under:-

S. No	Grades of Fertilizers	Expected reduction in MRP (Rs /MT)
1	MAP : 11-52-0-0	1477
2	TSP : 0-46-0-0	1078
3	NPS : 16-20-0-13	844
4	NPS : 20-20-0-13	938
5	NPK 10-26-26-0	1277
6	NPK : 12-32-16	1298
7	NPK : 14-28-14	1218
8	NPK : 14-35-14	1382
9	NPK : 15-15-15	953
10	AS: 20.6-0-0-23	483
11	NP : 28-28-0-0	1313
12	NPK : 17-17-17	1080
13	NPK : 19-19-19	1207
14	SSP : 0-16-0-11	375
15	NPK : 16-16-16-0	1017
16	DAPlite : 16-44-0-0	1406
17	NPKS : 15-15-15-09	953
18	NP : 24-24-0-0	1125
19	NP : 20-20-0-0	938
20	NPS : 18-46-0-4	1500

-: 3 :-

6. In case the MRP of P&K fertilizers are not reduced as indicated in para 5 and the companies are found to be indulging in undue profiteering, the IMC will review and recommend suitable measures for action by DOF. The action may include, recovery of subsidy to the extent of unreasonableness on that particular grade of fertilizer; removal of any grade/grades of fertilizers of a particular company or the fertilizer company itself from the NBS scheme and also reduction in the NBS rates.

7. The fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.

8. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Fertilizer Monitoring System (FMS)/mobile FMS".

9. 20% of the price decontrolled fertilizers produced/imported in India will continue to be in the movement control under the Essential Commodities Act 1955 (ECA). Department of Fertilizers will regulate the movement of these fertilizers to bridge the supplies in underserved areas.

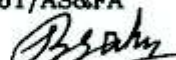
10. Manufacturers/Marketers/Importers of P&K fertilizers, including manufacturers of SSP, are to ensure that fertilizers are transported up to the retail point on F.O.R delivery basis.

11. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized P&K fertilizers from the manufacturers/importers after their receipt in the districts as inputs for manufacturing customized fertilizers and mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.

12. The payment of subsidy to the manufacturers/importers of P&K fertilizers shall be released as per the procedure and terms and conditions mentioned in the Department Notification No. D (FA)/CCEA/2011 dated 25.10.2012 and as amended from time to time by the Department.

13. The benefits to the manufacturers of P&K fertilizers on account of use of cheaper domestic gas shall be mopped up for which separate guidelines shall be issued.

14. This issues with the concurrence of IFD vide diary No.1861/AS&FA dated 3rd May 2013 and approval of the competent authority.


(P. B. Sahu)

Under Secretary to government of India
Tel: 2338 7492

1. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
4. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
5. Joint Secretary, Prime Minister's Office, South Block, New Delhi.

:- 4 :-

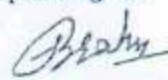
6. Director (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
7. Executive Director, FICC, Department of Fertilizers, New Delhi.
8. Director of Accounts, Department of Fertilizers, Udyog Bhawan, New Delhi.
9. DS(Finance)/DS(Budget), Department of Fertilizers, New Delhi.
10. Director General, FAI, New Delhi.
11. All the manufacturers & importers of P&K Fertilizers.
12. All SSP manufacturers.

Copy to:

1. Director, PMO, South Block, New Delhi.
2. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
3. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to MOS (Ind. Charge) C&F/PPS/PS to Secretary (Fertilizers)/ AS & FA/ JS(P&P) / JS(F&P) / JS(A&M) / Economic Advisor / Controller of Accounts / 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.



(P. B. Sahu)

Under Secretary to Government of India

7.6 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY POLICY FOR PHOSPHATIC AND POTASSIC FERTILIZERS W.E.F. 01.04.2014- NBS POLICY FOR 2014-15 AND PER MT SUBSIDY.

No. 23011/27/2013-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 31st March, 2014

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers w.e.f. 01.04.2014- NBS Policy for 2014-15 and per MT Subsidy regarding.

The undersigned is directed to convey that per Kg subsidy on nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) contained in P&K fertilizers covered under NBS Policy for the year 2014-15 w.e.f 1st April 2014 shall be as under:

S. No	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	20.875
2	P	18.679
3	K	15.500
4	S	1.677

2. Per Metric Tonne subsidy on various grades of P&K fertilizers covered under NBS Policy shall be as under:

S. No	Name of fertilizers (nutrient content)	Proposed NBS Rates for 2014-15 (Rs/Per MT)
1	DAP : 18-46-0-0	12350
2	MAP : 11-52-0-0	12009
3	TSP : 0-46-0-0	8592
4	MOP : 0-0-60-0	9300
5	NPS 16-20-0-13	7294
6	NPS 20-20-0-13	8129
7	NPK 10-26-26-0	10974
8	NPK 12-32-16	10962
9	NPK 14-28-14	10323
10	NPK 14-35-14	11630
11	NPK 15-15-15	8258
12	AS: 20.6-0-0-23	4686
13	NP 28-28-0-0	11075
14	NPK 17-17-17	9359
15	NPK 19-19-19	10460
16	SSP 0-16-0-11	3173
17	NPK 16-16-16-0	8809
18	DAP lite (16-44-0-0)	11559
19	NPKS 15-15-15-09	8409
20	NP 24-24-0-0	9493
21	NP 20-20-0-0	7911
22	NPS 24:24-0-8	9493

Asahy

-: 2 :-

3. Any variant of the subsidised P&K fertilizers covered under NBS Policy and are fortified/coated with Boron and Zinc, as provided for under FCO, will continue to be eligible for subsidy. Such fortified/coated grades of fertilizers will attract an additional per tonne subsidy to encourage their application along with primary nutrients as per the rates mentioned below:

S.No	Nutrients for fortification as per FCO	Additional subsidy (Rs/MT) for fortified/coated fertilizers
1	Boron (B)	300
2	Zinc (Zn)	500

4. In order to monitor the MRPs of P&K fertilizers, the companies shall continue to submit the certified cost data as per the requirement and directions of DOF from time to time. The companies shall also report MRPs of P&K fertilizers regularly to DOF.

5. The fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.

6. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Fertilizer Monitoring System (FMS)/mobile FMS".

7. 20% of the price decontrolled fertilizers produced/imported in India will continue to be in the Movement Control under the Essential Commodities Act 1955 (ECA). Department of Fertilizers will regulate the movement of these fertilizers to bridge the supplies in underserved areas.

8. Manufacturers/Marketers/Importers of P&K fertilizers, including manufacturers of SSP, are to ensure that fertilizers are transported up to the retail point on F.O.R delivery basis.

9. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized P&K fertilizers from the manufacturers/importers after their receipt in the districts as inputs for manufacturing customized fertilizers and mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.

10. The payment of subsidy to the manufacturers/importers of P&K fertilizers shall be released as per the procedure and terms and conditions mentioned in the Department Notification No. D (FA)/CCEA/2011 dated 25.10.2012 and as amended from time to time by the Department.

11. The benefits to the manufacturers of P&K fertilizers on account of use of cheaper domestic gas shall be mopped up for which separate guidelines shall be issued.

12. This issues with the concurrence of IFD vide diary No.5299/AS&FA dated 31st March 2014 and approval of the competent authority.



(P. B. Sahu)

Under Secretary to government of India
Tel: 2338 7492

-: 3 :-

No. 23011/27/2013-MPR dated 31.3.2014

1. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Secretary (Planning Commission), Yojana Bhawan, New Delhi.
4. Secretary, Min. of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
5. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
6. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
7. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
8. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
9. Executive Director, FICC, Department of Fertilizers, New Delhi.
10. Director of Accounts, Department of Fertilizers, Udyog Bhawan, New Delhi.
11. DS (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
12. Director General, FAI, New Delhi.
13. All the manufacturers & importers of P&K Fertilizers.
14. All SSP manufacturers.

Copy to:

1. Director, PMO, South Block, New Delhi.
2. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
3. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

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



(P. B. Sahu)

Under Secretary to government of India

7.7 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC (P&K) FERTILIZERS AND REVISION ON IN THE NBS RATES FOR 2015-16.

No. 23011/20/2014-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 25th June, 2015

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers and revision in the NBS Rates for 2015-16 - regarding.

The undersigned is directed to convey that per Kg subsidy on nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) contained in P&K fertilizers covered under NBS Policy for the year 2015-16 w.e.f. the date of this letter shall be as under:

S. No	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	20.875
2	P	18.679
3	K	15.500
4	S	1.677

2. The per MT subsidy on various grades of P&K fertilizers covered under NBS policy shall be as under:

S. No	Name of fertilizers (nutrient content)	NBS Rates for 2015-16 (Rs/Per MT)
1	DAP : 18-46-0-0	12350
2	MAP : 11-52-0-0	12009
3	TSP : 0-46-0-0	8592
4	MOP : 0-0-60-0	9300
5	NPS 16-20-0-13	7294
6	NPS 20-20-0-13	8129
7	NPK 10-26-26-0	10974
8	NPK 12-32-16	10962
9	NPK 14-28-14	10323
10	NPK 14-35-14	11630
11	NPK 15-15-15	8258
12	AS: 20.6-0-0-23	4686
13	NP 28-28-0-0	11075
14	NPK 17-17-17	9359
15	NPK 19-19-19	10460
16	SSP 0-16-0-11	3173
17	NPK 16-16-16-0	8809
18	NPKS 15-15-15-09	8409
19	NP 24-24-0-0	9493
20	NP 20-20-0-0	7911
21	NPS 24:24-0-8	9493

3. As NBS rates for 2015-16 will remain same as that of 2014-15, the per MT subsidy rates from 01.04.2015 till the date of issue of this O.M. will also remain same.

4. Any variant of the subsidised P&K fertilizers covered under NBS Policy and are fortified/coated with Boron and Zinc, as provided for under FCO, will continue to be eligible for subsidy. Such fortified/coated grades of fertilizers will attract an additional per tonne subsidy to encourage their application along with primary nutrients as per the rates mentioned below:

S. No	Nutrients for fortification as per FCO	Additional subsidy (Rs/MT) for fortified/coated fertilizers
1	Boron (B)	300
2	Zinc (Zn)	500

5. In order to examine the reasonableness of MRPs of P&K fertilizers, the companies shall continue to submit the certified cost data as per the requirement and directions of DOF from time to time. The companies shall also report MRPs of P&K fertilizers regularly to DOF.

6. The fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.

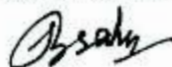
7. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Fertilizer Monitoring System (FMS)/mFMS".

8. 20% of the price decontrolled fertilizers produced/ imported in India will continue to be in the Movement Control under the provisions of the Essential Commodities Act, 1955 (ECA). Department of Fertilizers will regulate the movement of these fertilizers to bridge the supplies in underserved areas.

9. Manufacturers/Marketers/Importers of P&K fertilizers, including manufacturers of SSP, are required to ensure that fertilizers are transported up to the retail point on F.O.R delivery basis.

10. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized P&K fertilizers from the manufacturers/importers after their receipt in the districts as inputs for manufacturing customized fertilizers and mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.

11. The payment of subsidy to the manufacturers/importers of P&K fertilizers shall be released as per the procedure and terms and conditions mentioned in the Department Notification No. D(FA)/ CCEA/2011 dated 25.10.2012 and as amended from time to time. Under the existing provisions of payment of subsidy, balance subsidy of 10-15% for P&K fertilizers and 5% for Urea is released inter alia subject to State Government's certification of quality and the State Governments are required to furnish the quality certificates within 180 days. It has now been decided to consider deemed receipt of quality certificates if the same are not received within 180 days from the date of receipt of the fertilizers in the district for which the subsidy claims pertain and the subsidy claims in respect of P&K fertilizers and Urea will be processed without quality certificates from the State Governments. However, the quality certificate received after the stipulated 180 days will also be taken into account and subsidy in respect of fertilizers declared as substandard will be recovered from the subsequent subsidy claims of the concerned companies as per the existing provisions.



12. The benefits to the manufacturers of P&K fertilizers on account of use of cheaper domestic gas, if any, shall be mopped up for which separate guidelines shall be issued.

13. This issues with the concurrence of IFD vide diary No.186/SS&FA dated 15th May 2015 and approval of the competent authority.



(P.B. Sahu)

Under Secretary to the Govt. of India

Tele: 23387492

1. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Secretary (Niti Aayog), Yojana Bhawan, New Delhi.
4. Secretary, Min. of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
5. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
6. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
7. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
8. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi w.r.t. decision of the Cabinet in **case No.117/21/2015** taken on 13.5.2015.
9. Director, PMO, South Block, New Delhi
10. Executive Director, FICC, Department of Fertilizers, New Delhi.
11. Director (Fertilizer Accounts), Department of Fertilizers, Udyog Bhawan, New Delhi.
12. DS (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
13. Director (Movement)/Director (FPP), Dept. of Fertilizers, New Delhi.
14. Director General, FAI, New Delhi.
15. All Urea Manufacturers and P&K Fertilizer Manufacturers & importers.

Copy to:

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to Minister (C&F)/PS to MOS for C&F/PPS/PS to Secretary (Fertilizers)/ SS & FA/ JS(HLS) / JS(SLG) / JS(SKL) / Economic Advisor / Controller of Accounts / P&AO / US (Concession Wing) / Sr. AD (Accounts) FA Wing / AD (OL for translation in Hindi) / All Sections in DOF/Guard File/Technical Director, NIC for uploading the same on the Department's website.



(P.B. Sahu)

Under Secretary to the Govt. of India

Tele: 23387492

7.8 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC FERTILIZERS AND REVISION OF NBS RATES FOR 2016-17

No. 23011/18/2015-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated, the 30th March 2016

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers and revision in the NBS Rates for 2016-17 - regarding.

The undersigned is directed to convey that per Kg subsidy on nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) contained in P&K fertilizers covered under NBS Policy for the year 2016-17 applicable from 01st April 2016 shall be as under:

S. No	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	15.854
2	P	13.241
3	K	15.470
4	S	2.044

2. The per MT subsidy on various grades of P&K fertilizers covered under NBS policy for 2016-17 applicable from 01st April 2016 shall be as under:

S. No	Name of fertilizers (nutrient content)	NBS Rates for 2016-17 (Rs/ MT)
1	DAP : 18-46-0-0	8945
2	MAP : 11-52-0-0	8629
3	TSP : 0-46-0-0	6091
4	MOP : 0-0-60-0	9282
5	NPS 16-20-0-13	5451
6	NPS 20-20-0-13	6085
7	NPK 10-26-26-0	9050
8	NPK 12-32-16	8615
9	NPK 14-28-14	8093
10	NPK 14-35-14	9020
11	NPK 15-15-15	6685
12	AS: 20.6-0-0-23	3736
13	NP 28-28-0-0	8147
14	NPK 17-17-17	7576
15	NPK 19-19-19	8467
16	SSP 0-16-0-11	2343
17	NPK 16-16-16-0	7130
18	NPKS 15-15-15-09	6869
19	NP 24-24-0-0	6983
20	NP 20-20-0-0	5819
21	NPS 24:24-0-8	6983



3. Any variant of the subsidised P&K fertilizers covered under NBS Policy and are fortified/coated with Boron and Zinc, as provided for under FCO, will continue to be eligible for subsidy. Such fortified/coated grades of fertilizers will attract an additional per tonne subsidy to encourage their application along with primary nutrients as per the rates mentioned below:

S. No	Nutrients for fortification as per FCO	Additional subsidy (Rs/MT) for fortified/coated fertilizers
1	Boron (B)	300
2	Zinc (Zn)	500

4. In order to examine the reasonableness of MRPs of P&K fertilizers, the companies shall continue to submit the certified cost data as per the requirement and directions of DOF from time to time. The companies shall also report MRPs of P&K fertilizers regularly to DOF.

5. The fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.

6. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Fertilizer Monitoring System (FMS) and mFMS".

7. Manufacturers/Marketers/Importers of P&K fertilizers, including manufacturers of SSP, are required to ensure that fertilizers are transported up to the retail point on F.O.R delivery basis.

8. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized P&K fertilizers from the manufacturers/importers after their receipt in the districts as inputs for manufacturing customized /mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized/mixture fertilizers.

9. The payment of subsidy to the manufacturers/importers of P&K fertilizers shall be released as per procedure and terms & conditions mentioned in the Department's Notification No. D (FA)/CCEA/2011, dated 25.10.2012 and as amended from time to time

10. The benefits to the manufacturers of P&K fertilizers on account of use of cheaper domestic gas, if any, shall be mopped up for which separate guidelines shall be issued.

11. It has also been decided that, the subsidy will be reviewed on half yearly basis, instead of annual basis.

12. This issues with the concurrence of IFD vide diary no. 53/SS&FA dated 30.03.2016 and approval of the competent authority.


(Anilkumar V. Patil)
Director
Tel: 2338 2552

1. Secretary (Agriculture), DAC&FW, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Secretary (NITI Aayog), Yojana Bhawan, New Delhi.
4. Secretary, Department of Agriculture Education & Research, New Delhi
5. Joint Secretary (INM), DAC&FW, Krishi Bhawan, New Delhi.

6. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
7. Joint Secretary (Shri Anurag Jain), Prime Minister's Office, South Block, New Delhi.
8. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
9. Deputy Secretary (Shri Mayur Maheshwari), Prime Minister's Office, South Block, New Delhi
10. Executive Director, FICC, Department of Fertilizers, New Delhi.
11. Director (Fertilizer Accounts), Department of Fertilizers, Udyog Bhawan, New Delhi.
12. Director (Movement)/Director (FPP), Department of Fertilizers, New Delhi.
13. DS (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
14. Director General, FAI, New Delhi.
15. All Urea Manufacturers and P&K Fertilizer Manufacturers & importers.

Copy to:

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to Minister (C&F)/PS to MOS (C&F)/PSO to Secretary (Fertilizers)/ PS to SS & FA/ JS(DP)/ JS(SKL)/ JS(AKP) / Economic Advisor/ Chief Controller of Accounts / P&AO/ US (Concession Wing)/ Sr. AD (Accounts), FA Wing/ DD (OL) for translation in Hindi/ All Sections of DOF/ Guard File/ Technical Director, NIC for uploading the same on the Department's website.


(Anilkumar V. Patil)
Director
Tel: 2338 2552

7.9 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY POLICY FOR PHOSPHATIC AND POTASSIC FERTILIZERS AND REVISION IN THE NBS RATES FOR 2016-17.

No. 23011/18/2015-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 22nd December, 2016

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers and revision in the NBS Rates for 2016-17 - regarding.

The undersigned is directed to invite a reference to this Department O.M. of even number dated 30th March 2016 notifying NBS subsidy rates for 2016-17, wherein it has been mentioned that the subsidy rates will be reviewed on half yearly basis.

2. The per Kg subsidy rates on the nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) contained in P&K fertilizers covered under NBS Policy, applicable from 1.10.2016, have been reviewed. It has been decided to maintain the same rates as notified on 30.3.2016 and reproduced below for the rest of the year from 1.10.2016 to 31.3.2017:

S. No	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	15.854
2	P	13.241
3	K	15.470
4	S	2.044

3. Similarly, the per MT subsidy on various grades of P&K fertilizers covered under FCO and NBS Policy and other provisions of the NBS Scheme shall remain unchanged for the rest of the year 2016-17 as mentioned in this Department's O.M. of even number dated 30.03.2016.

4. This issues with the concurrence of IFD vide diary No.1270/AS&FA dated 22nd December, 2016 and approval of the competent authority.

Dharmendra
(D. P. Srivastava)
Director
Tel: 2338 9839

1. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. CEO, NITI Aayog, Yojana Bhawan, New Delhi.
4. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
5. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
6. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
7. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
8. Director, PMO, South Block, New Delhi.
9. Executive Director, FICC, Department of Fertilizers, New Delhi.
10. Director (Fertilizer Accounts), Department of Fertilizers, Udyog Bhawan, New Delhi.
11. DS (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
12. Director (Movement)/Director (FPP), Dept. of Fertilizers, New Delhi.
13. All P&K Fertilizer Manufacturers & importers.

No. 23011/18/2015-MPR dated 12.2016

Copy to:

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to Minister (C&F)/PS to MOS for C&F/PPS/PS to Secretary (Fertilizers)/ SS & FA/ JS(DP) / JS(SKL) / Economic Advisor / Controller of Accounts / P&AO / US (Concession Wing) / Sr. AD (Accounts) FA Wing / AD (OL for translation in Hindi) / All Sections in DOF/Guard File/Technical Director, NIC for uploading the same on the Department's website.


(D. P. Srivastava)
Director

7.10 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY ON PHOSPHATIC AND POTASSIC (P&K) FERTILIZERS AND REVISION IN THE NBS RATES FOR 2017-18

No. 23011/17/2016-MPR
Government of India
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 17th April, 2017

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers and revision in the NBS Rates for 2017 – 18.

The undersigned is directed to convey that per Kg subsidy on nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) contained in P&K fertilizers covered under NBS Policy for the year 2017-18 applicable from 01st April 2017 shall be as under:

S. No	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	18.989
2	P	11.997
3	K	12.395
4	S	2.240

2. The per MT subsidy on various grades of P&K fertilizers covered under FCO and NBS Policy for 2017-18 applicable from 01st April, 2017 shall be as under: -

S. No	Name of fertilizers	NBS Rates for 2017-18
1	DAP : 18-46-0-0	8937
2	MOP : 0-0-60-0	7437
3	SSP	2166
4	NPS 20-20-0-13	6488
5	NPK 10-26-26-0	8241
6	NP 20-20-0-0	6197
7	NPK 15-15-15	6507
8	NP 24-24-0-0	7437
9	AS: 20.5-0-0-23	4408
10	NP 28-28-0-0	8676
11	NPK 17-17-17	7375
12	NPK 19-19-19	8242
13	NPK 16-16-16-0	6941
14	NPS 16-20-0-13	5729
15	NPK 14-35-14	8593
16	NPS 24-24-0-8*	7437
17	MAP : 11-52-0-0	8327
18	TSP : 0-46-0-0	5519
19	NPK 12-32-16	8101
20	NPK 14-28-14	7753
21	NPKS 15-15-15-09	6709

3. Any variant of the subsidised P&K fertilizers covered under NBS Policy and are fortified/coated with Boron and Zinc, as provided for under FCO, will continue to be eligible for subsidy. Such fortified/coated grades of fertilizers will attract an additional per tonne subsidy to encourage their application along with primary nutrients as per the rates mentioned below:

S.No	Nutrients for fortification as per FCO	Additional subsidy (Rs/MT) for fortified/coated fertilizers
1	Boron (B)	300
2	Zinc (Zn)	500

4. In order to examine the reasonableness of MRPs of P&K fertilizers, the companies shall continue to submit the certified cost data as per the requirement and directions of DOF from time to time. The companies shall also report MRPs of P&K fertilizers regularly to DOF.

5. The fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.

6. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Integrated Fertilizer Monitoring System (iFMS) (Erstwhile FMS and mFMS).

7. Manufacturers/Marketers/Importers of P&K fertilizers, including manufacturers of SSP, are required to ensure that fertilizers are transported up to the retail point on F.O.R delivery basis.

8. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized P&K fertilizers from the manufacturers/importers after their receipt in the districts as inputs for manufacturing customized fertilizers and mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.

9. The payment of subsidy to the manufacturers/importers of P&K fertilizers shall be released as per the procedure and terms and conditions mentioned in the Department Notification No. D(FA)/ CCEA/2011 dated 25.10.2012 and as amended from time to time.

10. The benefits to the manufacturers of P&K fertilizers on account of use of cheaper domestic gas, if any, shall be mopped up for which separate guidelines shall be issued.

11. This issues with the concurrence of IFD vide diary No.233A/AS&FA/2017- dated 05.04.2017 and approval of the competent authority.

Sd/-
(D.P. Srivastava)
Director (P&K)
Tel: 23389839

To

1. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Secretary (NITI Aayog), Yojana Bhawan, New Delhi.
4. Secretary, Min. of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
5. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
6. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
7. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
8. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
9. Director, PMO, South Block, New Delhi
10. Executive Director, FICC, Department of Fertilizers, New Delhi.
11. Director (Fertilizer Accounts), Department of Fertilizers, New Delhi.
12. DS (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
13. Director (Movement)/Director (FPP), Dept. of Fertilizers, New Delhi.
14. Director General, FAI, New Delhi.
15. All Urea Manufacturers and P&K Fertilizer Manufacturers & importers.

Copy to:

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

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

Sd/-
(D.P. Srivastava)
Director (P&K)
Tel: 23389839

7.11 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC (P&K) FERTILIZERS, REVISION IN THE NBS RATES FOR 2018-19 AND OTHER ISSUES.

No. 23011/12/2017-MPR

(भारत सरकार)

Government of India

(ऊर्वरक विभाग)

Department of Fertilizers

Shastri Bhawan, New Delhi

Dated: 16th April, 2018

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers, revision in the NBS Rates for 2018 – 19 and other issues.

The undersigned is directed to convey that per Kg subsidy on nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) contained in P&K fertilizers covered under NBS Policy for the year 2018-19 applicable from 01st April 2018 shall be as under:

S. No	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	18.901
2	P	15.216
3	K	11.124
4	S	2.722

2. The per MT subsidy on various grades of P&K fertilizers covered under FCO and NBS Policy for 2018-19 applicable from 01st April, 2018 shall be as under: -

S. No	Name of fertilizers	NBS Rates for 2018-19
1	DAP : 18-46-0-0	10402
2	MOP : 0-0-60-0	6674
3	SSP: 0-16-0-11	2734
4	NPS 20-20-0-13	7177
5	NPK 10-26-26-0	8739
6	NP 20-20-0-0	6823
7	NPK 15-15-15	6786
8	NP 24-24-0-0	8188
9	AS: 20.5-0-0-23	4501
10	NP 28-28-0-0	9553
11	NPK 17-17-17	7691
12	NPK 19-19-19	8596
13	NPK 16-16-16-0	7239
14	NPS 16-20-0-13	6421
15	NPK 14-35-14	9529
16	NPS 24-24-0-8*	8188
17	MAP : 11-52-0-0	9991
18	TSP : 0-46-0-0	6999
19	NPK 12-32-16	8917
20	NPK 14-28-14	8464
21	NPKS 15-15-15-09	7031

* Subsidy on Sulphur not included

-: 2 :-

3. Any variant of the subsidised P&K fertilizers covered under NBS Policy and are fortified/coated with Boron and Zinc, as provided for under FCO, will continue to be eligible for subsidy. Such fortified/coated grades of fertilizers will attract an additional per tonne subsidy to encourage their application along with primary nutrients as per the rates mentioned below:

S.No	Nutrients for fortification as per FCO	Additional subsidy (Rs/MT) for fortified/coated fertilizers
1	Boron (B)	300
2	Zinc (Zn)	500

4. In order to examine the reasonableness of MRPs of P&K fertilizers, the companies shall continue to submit the certified cost data as per the requirement and directions of DOF from time to time. The companies shall also report MRPs of P&K fertilizers regularly to DOF.

5. The fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.

6. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Integrated Fertilizer Monitoring System (iFMS) (Erstwhile FMS and mFMS).

7. Manufacturers/Marketers/Importers of P&K fertilizers, including manufacturers of SSP, are required to ensure that fertilizers are transported up to the retail point on F.O.R delivery basis.

8. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized P&K fertilizers from the manufacturers/importers after their receipt in the districts as inputs for manufacturing customized fertilizers and mixture fertilizers for agricultural purpose. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.

9. The payment of subsidy to the manufacturers/importers of P&K fertilizers shall be released as per the procedure and terms and conditions mentioned in the Department Notification No. D(FA)/ CCEA/2011 dated 25.10.2012 and D(FA)/2016/DBT dated 17.03.2017, as amended from time to time.

10. The benefits to the manufacturers of P&K fertilizers on account of use of cheaper domestic gas, if any, shall be mopped up for which separate guidelines shall be issued.

11. The Government has ex-post facto approved the subsidy paid on specific quantity of P&K fertilizers received in the district during February & March months in different years since 2012-13 at the rates fixed for the next financial year which were lower than the rates approved by Cabinet/CCEA for that year.

12. The Government has authorized the Department of Fertilizers for releasing subsidy, if required, as per the rates fixed for the financial year or of the next financial year whichever is lower on the specific category/quantity of P&K fertilizers received in district during February & March months of the year in consultation with Department of Expenditure.

-: 3 :-

13. This issues with the concurrence of IFD vide diary No.900 dated 12.04.18 and approval of the competent authority.

Sd/-

(Kulwant Rana)

Under Secretary to the Govt of India

Tel: 2338 7197

1. Secretary (Agriculture), DAC&FW, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
4. Secretary (NITI Aayog), Yojana Bhawan, New Delhi.
1. Secretary, Min. of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
2. Joint Secretary (INM), DAC&FW, Krishi Bhawan, New Delhi.
3. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
4. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
5. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
6. Director, PMO, South Block, New Delhi
7. Executive Director, FICC, Department of Fertilizers, New Delhi.
8. Director (Fertilizer Subsidy), Department of Fertilizers, New Delhi.
9. Dir (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
10. Director (Movement)/Director (F), Dept. of Fertilizers, New Delhi.
11. Director General, FAI, New Delhi.
12. All Urea Manufacturers and P&K Fertilizer Manufacturers & importers.

Copy to:

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to Minister (C&F)/PS to MOS (C&F)/Sr.PPS to Secretary (Fertilizers)/ AS & FA/ AS(DP) / JS(AT) / JS(GS) / Economic Advisor / Chief Controller of Accounts/ Director (A/c) / AD (OL) for translation in Hindi / Guard File/Technical Director, NIC for uploading the same on the Department's website.

7.12 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC (P&K) FERTILIZERS, REVISION IN THE NBS RATES FOR 2019-20

No. 23011/01/2019-P&K
(भारत सरकार)
Government of India
(ऊर्वरक विभाग)
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 29th March, 2019

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers, revision in the NBS Rates for 2019-20.

The undersigned is directed to convey the decision of the competent authority for continuation of NBS rates of 2018-19 for 2019-20 provisionally on the same terms and conditions, pending approval of CCEA for the fixation of revised NBS rates for the year 2019-20.

2. Any excess/less payment of subsidy w.e.f. 01.04.2019 till announcement of revised NBS rates will be adjusted accordingly.

3. This issues with the concurrence of IFD vide diary No. 18 dated 28.03.2019 and approval of the competent authority.

(Vinay Kumar Pandey)
Director
Tel: 2338 9839

To,

1. Secretary (Agriculture), DAC&FW, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Secretary (NITI Aayog), Yojana Bhawan, New Delhi.
4. Joint Secretary (INM), DAC&FW, Krishi Bhawan, New Delhi.
5. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
6. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
7. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
8. Director, PMO, South Block, New Delhi.
9. Executive Director, FICC, Department of Fertilizers, New Delhi.
10. Director (Fertilizer Subsidy), Department of Fertilizers, New Delhi.
11. Dir (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
12. Director (Movement)/Director (F), Dept. of Fertilizers, New Delhi.
13. Director General, FAI, New Delhi.
14. All Urea Manufacturers and P&K Fertilizer Manufacturers & importers.

Copy to:

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to Minister (C&F)/PS to MOS (C&F)/Sr.PPS to Secretary (Fertilizers)/ AS & FA/ AS(DP) / JS(PS) / JS(GS) / Economic Advisor / Chief Controller of Accounts/ AD (OL) for translation in Hindi / Guard File/Technical Director, NIC for uploading the same on the Department's website.

7.13 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC (P&K) FERTILIZERS, REVISION IN THE NBS RATES FOR 2019-20

No. 23011/1/2019-P&K
Government of India
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated: 7th August, 2019

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers, revision in the NBS Rates for 2019 - 20.

The undersigned is directed to convey that per Kg subsidy on nutrients, namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) contained in P&K fertilizers covered under NBS Policy for the year 2019-20, applicable w.e.f. date of issue of this notification, shall be as under:

S. No	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	18.901
2	P	15.216
3	K	11.124
4	S	3.562

2. The per MT subsidy on various grades of P&K fertilizers covered under FCO and NBS Policy for 2019-20, applicable w.e.f. date of issue of this notification, shall be as under: -

S. No.	Name of Fertilizers	NBS Rates for 2019-20
1	DAP 18-46-0-0	10402
2	MOP 0-0-60-0	6674
3	SSP 0-16-0-11	2826
4	NPS 20-20-0-13	7286
5	NPK 10-26-26-0	8739
6	NP 20-20-0-0	6823
7	NPK 15-15-15	6786
8	NP 24-24-0-0	8188
9	AS 20.5-0-0-23	4694
10	NP 28-28-0-0	9553
11	NPK 17-17-17	7691
12	NPK 19-19-19	8596
13	NPK 16-16-16-0	7239
14	NPS 16-20-0-13	6530
15	NPK 14-35-14	9529

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S. No.	Name of Fertilizers	NBS Rates for 2019-20
16	NPS 24-24-0-8*	8188
17	MAP 11-52-0-0	9991
18	TSP 0-46-0-0	6999
19	NPK 12-32-16	8917
20	NPK 14-28-14	8464
21	NPKS 15-15-15-09	7107

* Subsidy on Sulphur not included

3. The NBS rates of 2018-19 will continue from 01.04.2019 upto the date of issue of this notification.

4. Any variant of the subsidised P&K fertilizers covered under NBS Policy and are fortified/ coated with Boron and Zinc, as provided for under FCO, will continue to be eligible for subsidy. Such fortified/ coated grades of fertilizers will attract an additional per tonne subsidy to encourage their application along with primary nutrients as per the rates mentioned below:

S.No	Nutrients for fortification as per FCO	Additional subsidy (Rs/MT) for fortified/ coated fertilizers
1	Boron (B)	300
2	Zinc (Zn)	500

5. In order to examine the reasonableness of MRPs of P&K fertilizers, the companies shall continue to submit the certified cost data as per the requirement and directions of DOF from time to time. The companies shall also report MRPs of P&K fertilizers regularly to DOF.

6. The fertilizer companies are required to print Maximum Retail Price (MRP) along with applicable subsidy on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.

7. The distribution and movement of fertilizers along with import of finished fertilizers, fertilizer inputs and production by indigenous units will continue to be monitored through the online web based "Integrated Fertilizer Monitoring System (IFMS)" (Erstwhile FMS and mFMS).

8. Manufacturers/ Marketers/ Importers of P&K fertilizers, including manufacturers of SSP, are required to ensure that fertilizers are transported up to the retail point on F.O.R delivery basis.

9. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.

Signature

10. The payment of subsidy to the manufacturers/ Importers of P&K fertilizers shall be released as per the procedure and terms and conditions mentioned in the Department Notification No. D(FA)/ CCEA/2011 dated 25.10.2012 and D(FA)/2016/DBT dated 17.03.2017, as amended from time to time.

11. This issues with the concurrence of IFD vide diary No. 64 dated 06.08.2019 and approval of the competent authority.

12. Hindi version will follow.


 (Vinay Kumar Pandey)
 Director
 Tel: 2338 9839

1. Secretary (Agriculture), DAC&FW, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Secretary (NITI Aayog), Yojana Bhawan, New Delhi.
4. Secretary, Min. of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
5. Joint Secretary (INM), DAC&FW, Krishi Bhawan, New Delhi.
6. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
7. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
8. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
9. Director, PMO, South Block, New Delhi
10. Executive Director, FICC, Department of Fertilizers, New Delhi.
11. Director (Fertilizer Subsidy), Department of Fertilizers, New Delhi.
12. Dir (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
13. Director (Movement)/Director (Fert), Dept. of Fertilizers, New Delhi.
14. Director General, FAI, New Delhi.
15. All Urea Manufacturers and P&K Fertilizer Manufacturers & importers.

Copy to:

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to Minister (C&F)/PS to MOS (C&F)/Sr.PPS to Secretary (Fertilizers)/ AS & FA/ AS(DP) / JS(PS) / JS(GS) / Economic Advisor / Chief Controller of Accounts/ Director (A/c) / AD (OL) for translation in Hindi / Guard File/Technical Director, NIC for uploading the same on the Department's website.



Chapter 8

REASONABLENESS OF MRPs UNDER NBS SCHEME

OVERVIEW

For Phosphatic and Potassic (P&K) fertilizers, the Government has implemented Nutrient Based Subsidy Policy w.e.f 1.4.2010 wherein, a fixed amount of subsidy, decided on annual basis, is provided on subsidized P&K fertilizers depending on their nutrient content. Under this policy, MRP is fixed by fertilizer companies as per market dynamics at reasonable level which is monitored by the Government.

In order to ensure that the fertilizers are made available to farmers at reasonable price, it has been made mandatory for all fertilizer companies to submit certified cost data to DoF for the purpose of monitoring MRPs of P&K fertilizers fixed by the companies. In case after scrutinizing cost data of companies, unreasonableness of MRP is established or where there is correlation between cost of production/acquisition and MRP printed on the bag, provisions of restriction of subsidy or recovery have been made. In case of misuse of subsidy mechanism, provisions of exclusion of particular grade of company or company itself from NBS scheme are there.

Presently, process of finalization of guidelines on analysis of reasonableness of MRPs of P&K fertilizers is under consideration of the Department.

8.1 NOTIFICATION ON IMPLEMENTATION OF THE NUTRIENT BASED SUBSIDY (NBS) POLICY FOR PHOSPHATIC AND POTASSIC (P&K) FERTILIZERS,

File No.23011/5(NBS-Policy)/2013-MPR

Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi

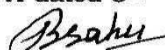
Dated the 3rd May, 2013

OFFICE MEMORANDUM

Subject: Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers.

The undersigned is directed to state that under the Nutrient Based Subsidy Policy for P&K fertilizers being implemented w.e.f. 1.4.2010, the fertilizer companies have been allowed to fix the MRPs of P&K fertilizers at "reasonable level" vide this Department letter No.23011/1/2010-MRP(pt) dated 8.7.11 read with Notification of even number dated 5.5.2011. The following further provisions are hereby added in the existing NBS Policy:-

- i. The market price of subsidized P&K fertilizers is open and fertilizer companies are allowed to fix MRPs at **reasonable** level.
 - ii. It shall be mandatory for all the fertilizer companies to submit, along with their claims of subsidy, certified cost data in the prescribed format and as per the requirement for the purpose of monitoring of MRPs of P&K fertilizers fixed by the fertilizer companies.
 - iii. In cases, where after scrutiny, unreasonableness of MRP is established or where there is no correlation between the cost of production or acquisition and the MRP printed on the bags, the subsidy may be restricted or denied even if the product is otherwise eligible for subsidy under NBS. In proven case of abuse of subsidy mechanism, DOF, on the recommendation of IMC may exclude any grade/grades of fertilizers of a particular company or the fertilizer company itself from the NBS scheme.
 - iv. The reasonableness of MRP will be determined with reference to the MRP printed on the bags.
2. This issues with the concurrence of IFD vide No.1861/AS&FA dated 3rd May 2013 and approval of the competent authority.



(P. B. Sahu)

Under Secretary to Government of India

Tel: 2338 7492

1. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
4. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
5. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
6. Director (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi .
7. Executive Director, FICC, Department of Fertilizers, New Delhi.
8. Director of Accounts, Department of Fertilizers, Udyog Bhawan, New Delhi.
9. Director (Finance), Department of Fertilizers, New Delhi.
10. Director General, FAI, New Delhi.
11. All the manufacturers & importers of P&K Fertilizers.
12. All SSP manufacturers.


No.23011/5(NBS-Policy)/2013-MPR dated 3rd May 2013

Copy to:

1. Director, PMO, South Block, New Delhi.
2. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
3. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to MOS (Ind. Charge) C&F/PPS/PS to Secretary (Fertilizers)/ AS & FA/ JS(P&P) / JS(F&P) / JS(A&M) / Economic Advisor / Controller of Accounts / 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.



(P. B. Sahu)

Under Secretary to Government of India

Chapter 9

SUBSIDY ON FREIGHT

OVERVIEW

In order to ensure timely and pan-India availability of fertilizers, the Government also provides freight on account of primary movement of all P&K fertilizers (except SSP) on the basis of actual rail freight. Further, freight subsidy for direct road movement of P&K fertilizers (except SSP) is also reimbursed as per the actual claim subject to equivalent rail freight announced by DoF from time to time. The maximum allowable distance under direct road movement is 500 Km. special compensation on account of secondary freight of all P&K fertilizers (except SSP) is also provided for difficult areas namely Himachal Pradesh, Uttarakhand, Sikkim, J&K, 7 North Eastern states and Andaman & Nicobar Islands.

Furthermore, DoF has recently issued guidelines allowing movement of fertilizers through Coastal Shipping/ inland waterways along with road movement that follow the coastal movement/ inland water movement up to the rake point in the destination district to make it qualify for reimbursement of freight subsidy under the primary movement. Hence, multimodal movement of fertilizers have been made possible to ensure availability of fertilizers across the country.

9.1 NOTIFICATION ON POLICY FOR REIMBURSEMENT OF FREIGHT FOR DISTRIBUTION OF PHOSPHATIC & POTASSIC (P&K) FERTILIZERS UNDER NUTRIENT BASED SUBSIDY POLICY FOR (i) THE PERIOD FROM 1.1.2011 TO 31.3.2012 AND (ii) WITH EFFECT FROM 1.4.2012 ONWARDS

File No. 23011/42/2010-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan New Delhi,
Dated the 23rd July 2012

OFFICE MEMORANDUM

Subject: Policy for reimbursement of freight for distribution of Phosphatic & Potassic (P&K) fertilizers under Nutrient Based Subsidy (NBS) Policy for (i) the period from 1.1.2011 to 31.3.2012, and (ii) with effect from 1.4.2012 onwards.

The undersigned directed to convey the approval of the Government for Policy on reimbursement of freight for distribution of P&K fertilizers under NBS Policy with effect from 1.1.2011, which is as under:

(A) Freight Policy for P&K fertilizers w.e.f. 1.1.2011 to 31.3.2012:

- (i) Reimbursement of freight on account of Primary Movement (by rail from the plant or the port to various rake points) of all P&K fertilizers (except SSP) shall be reimbursed on the basis of actual rail freight, as per the railway receipts.
- (ii) Reimbursement of freight on account of Secondary Movement (by road from the nearest rake points to the block headquarters in the Districts) of all P&K fertilizers (except SSP) shall be made as per the Uniform Freight Subsidy Policy (UFS) applicable to urea during the period.
- (iii) Freight subsidy for Direct Road Movement (by road from plant or port to blocks) of all P&K fertilizers (except SSP) shall be paid as per the actual claims subject to the equivalent rail freight as per the rates given below:

Movement up to (KM)	Rate Rs. per MT
0-100	108
101-200	183
201-300	256
301-400	327
401-500 (maximum)	400

- (iv) A lump sum freight subsidy of Rs. 200 PMT on SSP shall be paid w.e.f. 1.1.2011 to 31.8.2011 and thereafter no freight subsidy would be paid on SSP during the period from 1.9.2011 to 31.3.2012.

(B) Freight Policy for P&K fertilizers w.e.f. 1.4.2012:

- (i) Freight on account of Primary Movement of all P&K fertilizers (except SSP) shall be reimbursed on the basis of actual rail freight, as per the railway receipts.
- (ii) There shall be no reimbursement on account of Secondary Movement of all P&K fertilizers (including SSP).

Shree
23/7/12

(iii) Freight subsidy for Direct Road movement of all P&K fertilizers (excluding SSP) shall be reimbursed as per the actual claims subject to equivalent rail freight to be announced by DoF from time to time. The maximum allowable distance under the direct road movement shall be 500 Kms. Accordingly, the present rates/slabs of the equivalent rail freight for the Direct Road Movement as announced by the Department of Fertilizers vide O.M. No. 23011/1/2010-MPR dated 29.3.2012 may be treated as final.

(iv) Special compensation on account of secondary freight for all the P&K fertilizers (except SSP) shall be provided for difficult areas namely Himachal Pradesh, Uttarakhand, Sikkim, J&K, 7 N-E States and Andaman & Nicobar Islands. The rates for special compensation for these difficult States /UTs shall be decided/announced by the DOF.

(c) This issues with the concurrence of IFD vide diary no 573 dated 19.07.2012 and approval of competent authority.


Sanjay Kumar Sinha
Director
Tel: 2338 4889

- I. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
- II. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi
- III. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
- IV. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
- V. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
- VI. Director (Cabinet), cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
- VII. Executive Director, FICC, Department of Fertilizers, New Delhi.
- VIII. Director of Accounts, Department of Fertilizers, Udyog Bhawan, New Delhi.
- IX. Director General, FAI, New Delhi.
- X. All the manufacturers & importers of P&K Fertilizers.
- XI. All SSP manufacturers.

Copy to:

1. Chief Secretaries/All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/ Directors, Commissionerate/Directorate of Agriculture of the State Governments; UTs.

Copy also to:

PS to Minister (C&F); PS to MOS(C&F); PS to Secretary (Fertilizers); SS & FA; JS(P&P) ; JS(F&M) ; JS(P&A) ; Economic Advisor / Controller of Accounts / 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.

9.2 NOTIFICATION ON POLICY FOR REIMBURSEMENT OF FREIGHT SUBSIDY FOR DISTRIBUTION OF SUBSIDISED FERTILIZERS THROUGH COASTAL SHIPPING OR/AND INLAND WATERWAYS.

No. 23011/10/2016-MPR

(भारत सरकार)

Government of India

(उर्वरक विभाग)

Department of Fertilisers

Shastri Bhawan, New Delhi

Dated: 17th June, 2019

OFFICE MEMORANDUM

Sub: Policy for reimbursement of freight subsidy for distribution of Subsidised fertilizers through Coastal Shipping or/and inland waterways.

In supersession of this Department's O.M. No. 12018/11/2007-FPP dated 25.06.2010 & 14.07.2010 and OMs of even number dated 13.10.2016 & 29.03.2017 on the subject mentioned above, the undersigned is directed to convey the decision of the Competent Authority to allow movement of fertilisers through Coastal Shipping/Inland waterways alongwith the Road movement that follow the Coastal Movement/Inland Water movement upto the rake point in the destination district to make it qualify for reimbursement of freight subsidy under the primary movement. The Primary movement will refer to movement of subsidised fertilisers by rail and/or coastal shipping/inland water transportation including road bridging (only in case of use of Coastal Shipping or inland waterways) upto the rake point in the destination district or by any or two or by all three modes of transportation from the plant or port to various rake points in the destination districts. The salient features of the policy for reimbursement of freight claims of the companies using coastal shipping/inland waterways for the movement of fertilizers are as under: -

- (i) Only the movement of subsidised indigenous fertilizers (Urea and P&K fertilizers) through coastal shipping/inland waterways will be eligible for the payment of freight subsidy at this stage.
- (ii) As the movement of only domestic fertilizers will be eligible for freight subsidy payment, there is no need of checking the port clearance certificate issued by Custom authorities.
- (iii) In case of single mode or multi modal transportation of fertilizers which includes coastal shipping also, the freight subsidy for movement of fertilizers will be restricted to the railway charges or actual freight incurred whichever is less.
- (iv) For claiming freight subsidy in case of multimodal transportation of fertilizers, which includes movement through coastal shipping/ inland waterways also, the fertilizer companies will submit the multimodal transportation bill duly certified by the statutory auditors. Such bills duly certified by Statutory Auditors of the company would be treated as sufficient proof of actual freight charges incurred by fertilizer companies.

The authenticity of the actual cost claims lies entirely with the party making the claims. Any false declaration before the public servant regarding such costs shall attract criminal/ civil action under appropriate legal provision.

- (v) The companies will submit the nearest rake point in the destination point, equivalent lead railway distance to the nearest rake point in the destination district along with the actual railway freight rates for the said lead distance for calculating the equivalent railway freight subsidy of fertilizers.
 - (vi) Movement Division of the Department of Fertilisers will certify the above information provided under point (v) by the fertilizer companies regarding railway freight charges. Movement Division will certify actual railway freight rates on the basis of notified freight rates as available in the public domain vide various notifications of Indian Railways. Movement Division will certify the lead distances using Freight Operations Information System (FOIS).
 - (vii) Fertilizer Subsidy division would pay the lesser of actual freight subsidy through multi-modal transportation as given in point (iv) above or the equivalent railway charges as given in point (v) above and as certified by Movement division as per point (vi) above.
3. The claims for release of freight subsidy to the companies, pending with the Department or being submitted by the companies against the movement of fertilizers done in pursuance of this Department's OM of even number dated 13.10.2016 and 29.03.2017 will also be examined/considered as per the above guidelines.
 4. This issues with the concurrence of IFD vide diary No 3/F dated 27.05.2019 and approval of the Competent Authority.



(Vinay Kumar Pandey)
Director
Tel: 23389839

To,

1. Secretary, D/o Shipping, Transport Bhawan, New Delhi.
2. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
3. Joint Secretary (PF-II), DoE, North Block, New Delhi.
4. ED, FICC, DoF, Shastri Bhawan, New Delhi.
5. Chief Controller of Accounts, DoF, Janpath Bhawan, New Delhi.
6. Director (Fert), DoF, Shastri Bhawan, New Delhi.
7. Director (A/c), DoF, Udyog Bhawan, New Delhi.
8. Director General, FAI, New Delhi.
9. All the manufacturers & Importers of P&K Fertilisers.
10. Technical Director, NIC, DoF, Shastri Bhawan, New Delhi.

Copy to: -

1. Chief Secretary/ All agriculture Production Commissioner/ Secretary (Agriculture) of all the state Governments/UTs.
2. Commissioner/Director, Commissionerate/Directorate of Agriculture of all the State Government/UTs.

Copy also to: -

PS to Minister (C&F)/ PS to MoS(C&F)/Sr. PPS to Secretary (F)/PPS to AS & FA/
PPS to AS (DP)/JS (PS)/JS (GS)/EA/ AD-OL for Hindi version/ SO(IT) for
uploading on the Department's web site.

Chapter 10

MISCELLANEOUS NOTIFICATIONS OF PHOSPHATIC AND POTASSIC (P&K)

OVERVIEW

Following guidelines have also been issued by the Department as supporting guidelines to facilitate fulfilment of objectives of NBS scheme and to ensure that the fertilizers are made available across India to farmers at reasonable prices.

- i. No. 17-21-2001-MSHP/MPR dated 19.06.2012 –This policy allows procurement of subsidized fertilizers by manufacturers of mixture fertilizers and customized fertilizers to make mixture / customized fertilizers which are more suitable and as per requirement of the local farming.
- ii. No. 23011/15/2013-MPR dated 28.05.2015 –New NBS rates are announced every year and are made applicable from the beginning of the ensuing financial year. These rates may increase / decrease every year. At the time of announcement of new subsidy rates, the companies might have some stock of finished fertilizers. In order to deal with the year end closing stock, the above guideline has been formulated, wherein in case of increase in NBS rate, subsidy on the year end closing stocks is given at previous year NBS rate. In case of decrease in NBS rate, the subsidy on closing stocks is decided at the new rates.
- iii. No. 23011/11/2013-MPR dated 18.03.2016 –By this guideline, provision of mandatory 50% capacity utilization or minimum production of 40000 MT for SSP units to be eligible for subsidy has been done away with.
- iv. No. 23011/6/2014-MPR dated 21.09.2017 – This OM gives details of modified guidelines for registration of importers of P&K fertilizers and their eligibility of subsidy under NBS scheme.
- v. No. 23011/10/2014-MPR dated 12.01.2017 –This OM streamlines the policy relating to marketing arrangement of SSP units. As per this policy, in case of marketing arrangements, the product must be in the brand name of the manufacturer and subsidy is also paid to manufacturer only.
- vi. No. 23011/6/2015-MPR dated 05.02.2018 –This OM regulates purchase of specified grade and sources of rock phosphate for use as raw materials for SSP manufacturer under NBS scheme.
- vii. No. 15.011/20/2017-MPR dated 09.07.2019 –By this OM, guidelines for random sampling of Egyptian Rock Phosphate done by PDIL /FEDO at the port have been formulated.

10.1 NOTIFICATION ON USE OF SUBSIDIZED FERTILIZERS BY MANUFACTURERS OF MIXTURE FERTILIZERS AND CUSTOMIZED FERTILIZERS.

F. No. 17-21/2001-MSHP/MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated the 19th June, 2012

To

- 1) All Chief Secretaries of States/Union Territories.
- 2) All Agricultural Production Commissioners/ Secretaries (Agriculture)/ Commissioners/ Commissionerate/ Director (Agriculture)/ Directorate of Agriculture of the State Governments/UTs.

Sub: Use of subsidized fertilizers by manufacturers of mixture fertilizers and customized fertilizers - regarding

In pursuance to decision taken during the meeting held on 3.4.2012 under the chairmanship of Secretary (Fertilizers) with the representatives of State Governments and fertilizer companies, the undersigned is directed to convey the following in respect of Mixture and Customized fertilizers:

It is reiterated that -

- (i) mixture/customized fertilizer manufacturers shall be allowed to source the subsidized P&K fertilizers and Urea directly from the manufacturers/ importers only after it is received in the district. In no case the mixture/customized fertilizers should be allowed to source subsidized fertilizers from dealers/retailers.
 - (ii) In order to monitor usage of subsidized fertilizers in the manufacture of Mixture & Customized fertilizers, Department of Fertilizers will register all mixture/customized fertilizer manufacturers in Fertilizer Monitoring System (FMS) as it is done in case of dealers in a time-bound manner.
 - (iii) Mixture/customized fertilizer manufacturers will have to send the report of receipt of subsidized fertilizers through mobile FMS (mFMS). After receipt of information from mixture/customized fertilizer manufacturers, the balance payment of subsidy shall be released to the manufacturers/importers of subsidized fertilizers by DoF.
2. Director (Fertilizer Accounts), Dept. of Fertilizers will take necessary follow up action in respect of points (ii) and (iii) above and may issue necessary guidelines in this respect. All manufacturers of mixture/customized fertilizers may be directed to get in touch with the office of Director (Fertilizer Accounts) (Tel. No. 011-23062608; e-mail: dirfa-fert@nic.in) for guidance, if required, in this regard.

(P.B. Sahu)

Under Secretary to the Government of India
Tele: 011-23387492

Copy to:-

- 1) Secretary, Department of Agriculture & Cooperation, Krishi Bhavan, New Delhi.
- 2) Joint Secretary (INM), Dept. of Agriculture & Cooperation, Krishi Bhavan, New Delhi.
- 3) Executive Director, FICC, Department of Fertilizers, New Delhi.
- 4) Director (FA), Department of Fertilizers.
- 5) Director General, Fertilizer Association of India (FAI).
- 6) All manufacturers & Importers of subsidized fertilizers.
- 7) All SSP manufacturers.
- 8) Fertilizer Mixture Manufacturers Association of India (R).
- 9) NIC, DoF for uploading it on website

10.2 NOTIFICATION ON APPLICABILITY OF NUTRIENT BASED SUBSIDY (NBS) RATES ON YEAR-END STOCK OF P&K FERTILIZERS.

No.23011/5/2013-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi.
Dated the 28th May 2015

OFFICE MEMORANDUM

Subject: Applicability of Nutrient Based Subsidy (NBS) rates on year-end stock of P&K fertilizers.

The undersigned is directed to state that the Nutrient Based Subsidy (NBS) Policy for decontrolled P&K fertilizers has been under implementation w.e.f 1st April 2010 vide Notification dated 4th March 2010. Under the Policy, a fixed amount of subsidy decided on annual basis is announced on each grade of these fertilizers based on their nutrient content. The MRPs of these fertilizers are fixed by the fertilizer companies at reasonable level.

2. The new subsidy rates announced by the Government are normally made applicable from the first day of the following financial year. The subsidy is paid based on the date of receipt/sale of fertilizers in the District HQ/dealer or retailers. The subsidy rates which are decided and announced by the government may vary and could be either more or less than those of previous year. At the time of announcement of new subsidy rates, the companies might have some stocks of finished fertilizers. The present NBS policy is silent on the applicability of subsidy on the year end closing stock of finished fertilizers.

3. The issue has been considered and it has been decided to deal with the closing stocks of fertilizers as under for the purpose of subsidy:-

- (i) In case of an increase in the rates of subsidy, stocks of all the finished fertilizers held by the company as well as finished fertilizers in transit but not received at the district headquarters as on the day preceding the effective date of the applicability of the revised rates of the subsidy shall be treated as closing stock at the end of previous year and shall be eligible for the subsidy rates of previous year.
- (ii) Conversely, whenever there is a reduction in the rate of subsidy, the closing stock of a particular grade of fertilizer on the date from which the revised rates become effective, shall be eligible for the revised rate of subsidy.

4. This issues with the concurrence of IFD vide diary No.215/SS&FA dated 25th May 2015 and approval of the competent authority.

Sd/-

(Anilkumar V Patil)
Director
Tel: 2338 2552

1. Secretary (Agriculture), DAC, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
3. Secretary (Planning Commission), Yojana Bhawan, New Delhi.
4. Secretary, Min. of Petroleum and Natural Gas, Shastri Bhawan, New Delhi
5. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
6. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
7. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
8. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
9. Director, PMO, South Block, New Delhi
10. Executive Director, FICC, Department of Fertilizers, New Delhi.
11. Director (Fertilizer Accounts), Department of Fertilizers, Udyog Bhawan, New Delhi.
12. DS (Finance)/DS (Budget), Department of Fertilizers, New Delhi.
13. Director General, FAI, New Delhi.
14. All Urea Manufacturers and P&K Fertilizer Manufacturers & importers.

Copy to:

1. Chief Secretaries/ All Agriculture Production Commissioners/ Secretaries (Agriculture) of the State Governments/ UTs.
2. Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

Copy also to:

PS to Minister (C&F)/PS to MOS for C&F/PPS/PS to Secretary (Fertilizers)/ SS & FA/ JS(HLS) / JS(SLG) / JS(SKL) / Economic Advisor / Controller of Accounts / P&AO / US (Concession Wing) / Sr. AD (Accounts) FA Wing / AD (OL for translation in Hindi) / All Sections in DOF/Guard File/Technical Director, NIC for uploading the same on the Department's website.

10.3 NOTIFICATION ON REMOVAL OF THE MINIMUM CAPACITY UTILIZATION CRITERIA FOR SSP MANUFACTURING UNITS TO BE ELIGIBLE FOR SUBSIDY UNDER NBS SCHEME.

No.23011/11/2013-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi.
Dated the 18th March, 2016

OFFICE MEMORANDUM

Subject: Removal of the minimum capacity utilization criteria for Single Super Phosphate (SSP) Manufacturing Units to be eligible for subsidy under Nutrient Based Subsidy (NBS) Scheme.

The undersigned is directed to refer to this Department letter No. 22011/04/2007-MPR (I) dated 13th August, 2009 where among other provisions, it was provided that ad-hoc concession for SSP w.e.f. 1st October, 2009 will be provided to those eligible SSP units only, which have either annual capacity utilization of at least 50% or annual production of 40,000 MT of SSP. Now the Government has decided as under:

- (i) To do away with the provision of mandatory 50% capacity utilization or minimum annual production of 40000 MT for SSP units to be eligible for subsidy; and accordingly;
- (ii) To make all SSP units, registered under NBS Scheme, eligible for subsidy in respect of its SSP produced and sold for agriculture purpose irrespective of quantity of SSP produced, from the date of issue of notification with a provision that those units which are unable to meet the minimum production criteria on the date of issue of notification will have the option of fulfilling this criteria till the end of the current production cycle (upto 30th April 2016).

Sd/-

(P.B. Sahu)

Under Secretary to the Govt. of India
Telefax: 23387492

To

1. Chief Secretaries / Agriculture Production Commissioners / Secretaries (Agriculture) all the State/Union Territory Governments.
2. Joint Secretary(INM) Deptt. Of Agriculture, Cooperation and Farmers Welfare, Krishi Bhawan, New Delhi.

3. Joint Secretary(PF-II), Deptt. Of Expenditure, North Block, New Delhi.
4. Joint Secretary, PMO, South Block, New Delhi.
5. Director(FA), Department of Fertilizers Udyog Bhawan, New Delhi.
6. Deputy Secretary, Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
7. Directors, Directorate of Agriculture of the State/Union Territory Governments.
8. All SSP Manufacturers/Marketers under the NBS Scheme.
9. Controller of Accounts, Department of Fertilizers, Govt. Of India, New Delhi.
10. Director General, Fertilizer Association of India(FAI), New Delhi
11. ADG(Process), PDIL, PDIL Bhawan, NOIDA
12. ADG(Process), FEDO, Udyogmandal, Cochin.

10.4 NOTIFICATION ON MODIFIED GUIDELINES IN RESPECT OF REGISTRATION OF IMPORTERS OF P&K FERTILIZERS AND THEIR ELIGIBILITY FOR SUBSIDY UNDER NBS SCHEME.

No.23011/6/2014-MPR
Government of India
Ministry of Chemicals and Fertilizers
Department of Fertilizers

Shastri Bhavan, New Delhi
Dated the 21st September 2017

OFFICE MEMORANDUM

Subject: Modified guidelines in respect of registration of importers of P&K fertilizers and their eligibility for subsidy under NBS Scheme.

In partial modification of guidelines regarding registration of importers of P&K fertilizers and their eligibility for subsidy under NBS Scheme issued vide O.M.No.19011/11/2009-MPR dated 17.8.2009, No.19011/11 /2009-MPR dated 13th October 2010 and No.23011/06/2014-MPR dated 3rd March 2015, the undersigned is directed to issue a modified guidelines relating to registration of importers of P&K fertilizers and their eligibility/procedure of release of subsidy as under:

(A) Procedure for inducting the companies into NBS as importer of P&K fertilizer: -

- a) Any company/importer, intending to register itself as an importer of P&K fertilizers, has to make an application in its letter head to DOF with following documents:
 - (i) Copy of valid Registration Certificate under FCO.
 - (ii) Copy of the Memorandum of Association and Articles of Association of the Company along with the copy of the latest Audited Annual Report.
 - (iii) Copy of the Certificate of Incorporation issued by the Registrar of Companies.
 - (iv) The details of fertilizers to be imported, action plan for fertilizer business and area of operations for fertilizer business alongwith source of funding, dealership network, if any, plan for selling the imported fertilizers and any other document specifically asked for by DOF.

- b) Based on the examination of the above-mentioned documents, the Department will consider induction of the applicant into Nutrient Based Subsidy Policy after approval of Competent Authority.

(B) Registration in Fertilizer Monitoring System.

After induction in the NBS Scheme, the fertilizer company will get registered in the FMS/mFMS/iFMS, as the case may be, for making entries of invoice, load port analysis, bill of lading, bill of entry etc. as required under the provisions. In this regard, the applicant will make an application to Director (FA), Dept. of Fertilizers, Udyog Bhawan, New Delhi. The newly inducted company is also required to make an application to Director (Movement), Dept. of Fertilizers, Shastri Bhawan, New Delhi to get its supply/ movement plan for its imported fertilizers before movement of fertilizers for sale.

(C) Procedure for releasing payment of subsidy under Nutrient Based Subsidy:

a) Existing Importers:

- (i) 85% 'on account' payment (90% if Bank Guarantee is given) on claim by the importers on receipt of the fertilizers in the district.
- (ii) Balance (15% or 10% as the case may be) on receipt of claim by the importers certified by their Statutory Auditor that the fertilizer so received in the district has been sold to Dealers/ Cooperatives/ Manufacturers of mixture fertilizers and customized fertilizers/marketing federations of State Government/ Institutional agencies.
- (iii) Certification of the concerned State Govt. within 30 days of the claim certifying receipt of fertilizers in the district is required to reconcile the payment.
- (iv) For entitlement of subsidy for imports by an importer, the Bill of lading or bill of entry should bear the name of the concerned importer.

b) New Importers/ Re-inducted Importer.

- (i) After induction/recognition, a new importer will be eligible to receive full amount (100%) of subsidy only after certification of sales by the concerned State Governments in proforma 'B' and also retailer acknowledgement in mFMS/iFMS.
- (ii) A new importer is eligible for 'on account' subsidy payment at par with other P&K fertilizer companies on completion of two years from the date of first import subject to the condition that the company should have imported at least a minimum quantity of 30000 MT in two (2)

years, out of which a minimum of 15000 MT is in any one year and obtained Proforma-B certificate for the imported quantity from the State Government.

- (iii) However, the provision b (ii) will not apply to the new/re-inducted importers which are also indigenous Urea/P&K manufactures (except SSP) covered under New Urea Policy/NBS Policy. These importers will get the “On Account” payment of subsidy on the receipt of the fertilizers in the district as per the provision at Para (C) (a) (i) to (iv).
- (iv) The period of two years for eligibility for 85% ‘on account’ subsidy to new exclusive importers will be relaxed, if the importer is willing to offer Bank Guarantee against 100% payment of the subsidy claim under the NBS Scheme. In that case, the balance 15% subsidy would be released to the importer on certification of sales by State Government in Proforma ‘B’ and also retailer acknowledgement in mFMS/iFMS.
- (v) For entitlement of subsidy for imports by an importer, the Bill of lading and bill of entry should bear the name of the concerned importer.
- (vi) The provisions at Para (C) (b) (i) to (iv) will also be applicable to those importers who have been permitted to import P&K fertilizers in the preceding two years from the date of issuance of this guidelines.

(D) Cancellation of registration and re-registration:

- i. If any new company after induction into the subsidy scheme fails to import any subsidised P&K fertilizer continuously for 2 years or any existing company fails to import/does not import any subsidised P&K fertilizer during two continuous financial years, the registration of the importer may be deemed to be cancelled. For becoming eligible for subsidy the company shall require to get re-registered in the subsidy scheme, for which it shall submit a request alongwith a contract signed with a supplier/trader of fertilizers for purchase of importer fertilizers, to the DOF with reasons for not importing the P&K fertilizer in the preceding period. The Department will consider such requests based on the facts and justification given by the company.
- ii. After re-registration/re-induction, the company is required to follow the procedure as explained under (B) above.

2. This issues with the concurrence of IFD vide diary No 493 dated 08.09.17 and the approval of Hon'ble Minister (C&F).

Sd/-
(D. P. Srivastava)
Director
Tel. No. 2338 9839

To

1. All State Agriculture Secretaries/Directors
2. Director (FA), DOF, Udyog Bhawan, New Delhi.
3. Director (Movement), DOF, Shastri Bhawan, New Delhi.
4. Director (Finance), DOF, Shastri Bhawan, New Delhi
5. DG, FAI, New Delhi
6. Director (NIC) for uploading in website.
7. Hindi Section w.r.t. provide Hindi version.

10.5 NOTIFICATION ON STREAMLINING OF POLICY RELATING TO SSP –THE POLICY FOR MARKETING ARRANGEMENT OF SSP UNITS WITH OTHER FERTILIZER COMPANIES.

No. 23011/10/2014-MPR

(भारत सरकार)

Government of India

(उर्वरक विभाग)

Department of Fertilizers

Shastri Bhawan, New Delhi

Dated the 12th January, 2018.

OFFICE MEMORANDUM

Sub: Streamlining of Policy relating to SSP-the policy for marketing arrangement of SSP units with other fertilizer companies.

The undersigned is directed to state that Department of Fertilizers is allowing the SSP manufacturers to enter into marketing arrangement with indigenous urea producers registered under NPS and P&K Fertilizers manufacturers/importers registered under NBS policy to sell their SSP through the marketing network of the registered fertilizer companies with the purpose to promote the use of SSP. The Department has received various representations from the industry for the change in the present marketing policy of the Department. The representations have been examined in the Department in light of the meetings held with the industry and the impact of GST on the provisions of the existing policy, it has been decided by the Competent Authority to revise the existing policy, in supersession to the OMs of even number dated 29.12.2014, 02.06.2016 and 11.08.2017 as under: -

- i. An SSP unit shall be eligible for sale of its product by entering marketing arrangement with any one or more urea manufacturers or P&K fertilizer companies (both manufacturers/importers), which are registered under NPS or NBS Scheme with the approval of the Department of Fertilizers.
 - ii. In case of marketing arrangement with registered Fertilizer Company, product should be in the brand name of the manufacturer and the subsidy will be eligible for the SSP unit itself. The SSP unit shall be liable for fulfilment of all the conditions such as quality of the product, uploading/entering of data of production, sale, dispatch, etc.
 - iii. The name of Manufacturer should be prominently displayed on the bags of SSP sold under the marketing arrangements issued by the Department of Fertilizers. The font size of the name of manufacturer on the bag shall not be smaller than 35 Arial black. The font size of the name of marketer shall not exceed the font size of 25 Arial black.
 - iv. Sale of SSP under the marketing arrangement is permissible with the approval of Department of Fertilizers, any sale under marketing arrangement without approval of DoF shall not be eligible for subsidy under NBS Scheme.
2. The above changes will be applicable w.e.f. 01.04.2018.

-2-

3. This has concurrence of IFD vide diary No 704 dated 03.01.2018 and the approval of Hon'ble Minister (C&F and PA).


(Kulwant Rana)

Under Secretary to the Govt of India
Tel: 23387197

To,

1. All SSP manufacturers under NBS Scheme.
2. All Urea and P&K manufacturers/importers.
3. CCA, PAO, DoF, Janpath Bhawan, New Delhi.
4. Director of Agriculture, All States.
5. Director (FA)/ Director (Finance), DoF, Shastri Bhawan, New Delhi.
6. DS(INM), DAC&FW, Krishi Bhawan, New Delhi
7. Addl GM (SSP & QC), PDIL, PDIL Bhawan, A-14, Sector 1, Noida.
8. GM(Process), FEDO, Udyogmandal, Cochin.
9. Hindi Section to provide Hindi version.
10. NIC for uploading the same on the website of DoF.

10.6 NOTIFICATION ON MODIFIED GUIDELINES FOR PURCHASE OF SPECIFIED GRADE AND SOURCES OF ROCK PHOSPHATE FOR USE OF RAW MATERIALS BY MANUFACTURERS OF SSP UNDER NUTRIENT BASED SUBSIDY (NBS) POLICY.

No. 23011/6/2015-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Dated 05th February, 2016

OFFICE MEMORANDUM

Subject : Modified guidelines for purchase of specified grade and sources of rock phosphate for use of raw materials by manufacturers of SSP under Nutrient Based Subsidy (NBS) policy.

I am directed to refer to guidelines issued by this Department vide OM No. 23011/25/2013-MPR dated 24.07.2014 regarding purchase of Rock Phosphate from specified sources and to state that the said guidelines have been modified by the Competent Authority. The modified guidelines are as under:

1. All the SSP manufacturing units are required to use only specified grades of rock phosphate for production of SSP and the said grades of rock phosphate are to be imported or purchased in India as per details below to be eligible for subsidy under NBS:
 - (i) Import /purchase of rock phosphate should be made directly from the suppliers duly supported by original Bill of lading in the name of SSP manufacturers as direct importer.
 - (ii) Purchase of rock phosphate/BRP from RSMML, HZL and approved BRP manufacturers in India duly supported by vouchers issued by the seller companies.
 - (iii) Purchase of rock phosphate from other importers subject to:
 - (a) The Bill of Lading is endorsed in favor of concerned SSP manufacturer, or
 - (b) The Bill of Entry should be in the name of SSP manufacturer.
2. Transfer of Rock Phosphate from one NBS registered unit to other NBS registered unit on loan basis only may be permitted subject to prior approval of D/o Fertilizers.
3. Any purchase of rock phosphate from sources other than the approved sources as mentioned above will not qualify for reckoning as raw material for production of SSP and the SSP so produced from such rock phosphate will not qualify for subsidy under the NBS Scheme.
4. This issues with the approval of Competent Authority and above guidelines are valid from immediate effect.



(Kulwant Rana)
Under Secretary to the Govt. of India
Ph. No. 011 23387197

To,
All SSP companies under NBS Scheme.

Copy to:

- (i) PDIL Noida / FEDO Udyogmandal
- (ii) DG-FAI, New Delhi
- (iii) Dir (Agriculture) of All States
- (iv) Dir (FA) / Dir (Fin) / PAO / AC (Shipping) / AC (Movt)

10.7 NOTIFICATION ON RANDOM SAMPLE ANALYSIS OF EGYPTIAN ROCK PHOSPHATE-GUIDELINES REGARDING

**No. 15011/20/2017-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers**

**Shastri Bhawan, New Delhi
Dated the 09th July, 2019**

OFFICE MEMORANDUM

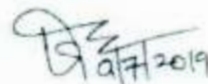
Sub: Random sample analysis of Egyptian Rock Phosphate – Guidelines reg

The undersigned is directed to refer to this Department's letters dated 16.12.2011, 30.12.2011, 16.04.2012, 10.10.2012, 05.06.2013, 14.11.2013 and 10.09.2014 regarding pre-analysis of Egyptian Rock Phosphate and to convey the approval of the Competent Authority for continuance of present system of pre-testing of Egyptian Rock Phosphate till a better mechanism for quality checking of fertilizers is formulated. Further, with regards to random sampling of Egyptian Rock Phosphate, following has been decided with immediate effect.

- (a) PDIL/FEDO would draw the sample at the arrival port only.
- (b) Companies will have to intimate PDIL/FEDO 30 days in advance for arrival of their consignment. Their representatives would be in close liaison with PDIL/FEDO to intimate exact arrival at the port.
- (c) The sample would be taken 'In-camera' during the time of unloading at the arrival port.
- (d) PDIL/FEDO would deploy their manpower in such a manner that all samples are taken at port only and during the unloading process only, within 7 days of arrival of the consignment at the port.
- (e) After 7 days, the consignment may be moved out of the port.

- (f) In the extreme case of the sample not taken from the port, PDIL/ FEDO will have to explain DoF, the specific reasons for not drawing sample at the port. In such case, the sampling would be done at the plant and simultaneously, 20% of the analysis fees payable to PDIL/FEDO would be deducted by the concerned units.

2. This issues with the approval of Hon'ble Minister (C&F).
3. Hindi version will follow.



(Vinay Kumar Pandey)
Director
Tele: 011-2338 9839

To,

1. All SSP units registered under NBS.
2. DG-FAI, New Delhi
3. CMD/MD – PDIL & FEDO.
4. Dir (A/cs)/Dir (Fin)/Dir (FM)/tech Dir (NIC)
5. Web-portal of D/o Fertilizers

Chapter 11

POLICY ON PROMOTION OF CITY COMPOST.

OVERVIEW

The Hon'ble Prime Minister in his Independence Day speech on 15th August, 2014 emphasized the need for improving general hygiene and cleanliness in the cities and villages. The processing and use of city waste as compost fully complements the "SWACHH BHARAT ABHIYAN" campaign of Government of India. Composting can reduce the volume of waste to landfill/dumpsite by converting the waste into useful by-products. This also prevents production of harmful greenhouse gases (especially methane) and toxic material that pollutes groundwater apart from polluting the Environment City Waste composting would also generate employment in urban areas. The policy on promotion of city compost has been approved by the Cabinet which has been notified by the Department of Fertilizers on 10.2.2016 wherein Market development assistance of Rs. 1500/P.M. in the form of subsidy has been provided for scaling up production and consumption of the city compost.

As per the notified policy, the co-marketing of city compost is to be done by the fertilizer marketing companies along with chemical fertilizers for which a provision of Rs. 1500/- P.M. per tonne as Market Development Assistance has been made. In order to increase the volume of sale and to make the compost available at affordable price to farmers, in addition to existing marketing arrangement, provision within the policy framework has been made allowing compost producers/manufacturers to market their product directly to farmers and claim Market Development Assistance of Rs. 1500 per tonne on sale of city compost.

11.1 NOTIFICATION ON POLICY ON PROMOTION OF CITY COMPOST.

F. No. 11026/14/2015-M&E
Government of India
Ministry of Chemical & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
 Date: 10th February 2016

OFFICE MEMORANDUM

Subject: Policy on Promotion of City Compost - regarding

The undersigned is directed to convey the approval of Government of India for Policy on Promotion of City Compost as given below:

- i. Market development assistance in the form of fixed amount of Rs. 1500 per tonne of City Compost will be provided for scaling up production and consumption of the product.
- ii. Initially, marketing and promotion of city compost will be done through the existing fertilizer companies. In due course, compost manufacturers and other marketing entities recognized by the concerned State Government may also be included for the purpose with the approval of Department of Fertilisers. The market development assistance shall be routed through the entity which is marketing it.
- iii. The Fertilizer marketing companies shall be eligible for on account payment up to 50% only on the basis of first point sale (to the dealer/retailer) at the district level. The balance shall be released on receipt of retailer's acknowledgement in mFMS as well as issue of required certificates relating to quantity and quality issued by the respective State Governments in prescribed forms. In case of other marketing entities including compost manufacturers, if they are involved in promotion and sale of city compost and are duly recognized by concerned State Governments, the modalities for release of subsidy to them may be decided by Department of Fertilisers.
- iv. Fertilizer companies and marketing entities will also co-market City Compost with chemical fertilizers through their dealers' network. The mechanism, extent and mode of implementation of such co-marketing depending on levels of compost production, demand generation and other relevant factors shall be decided by the Department of Fertilizers. The provision of Market Development Assistance as proposed in para (i) to (iii) above, shall, however, not be linked to the issue of co-marketing mentioned above.
- v. The companies will also adopt villages for promoting the use of compost.
- vi. Government Departments and Public Sector undertakings will also use City Compost to the extent possible for their horticulture and related use.

vii. Department of Agriculture, Cooperation and Farmers Welfare will carry out IEC campaigns to educate farmers on the benefits of city compost. The Agricultural Extension Machineries including KVKs of ICAR will also make special efforts in this regard. Agriculture Universities and KVKs will also take up field demonstration activities to the extent possible using City compost to make it popular amongst the farmers. Department of Agriculture, Cooperation and Farmers Welfare will assign targets to the KVKs in this regard.

viii. Ministry of Urban Development will take steps to increase setting up of compost plants across all States.

ix. An appropriate BIS standard/ Eco-Mark will also be developed in consultation with BIS for enabling better market acceptance. It shall be branded appropriately in a way that reflects clearly that particular initiative is part of Swachh Bharat Mission.

x. A joint mechanism will be set up by Department of Fertilizers, Ministry of Urban Development and Department of Agriculture to monitor and facilitate availability of adequate quantity of City Compost at terms mutually agreeable between compost manufacturers and Fertilizer Marketing companies. They will also be authorised to resolve any co-ordination related issue that may arise.

xi. The expenditure towards market development assistance for scaling up production and consumption of City Compost will be met out from the budget provisions for Department of Fertilisers.

2. The policy will be effective from the date of issue of the O.M.


(D P Srivastava)

Director to the Government of India
Tel No.:011- 23389839

- i. All Secretaries of the Central Ministries/Departments
- ii. All Chief Secretaries of the State Government
- iii. Director General, Bureau of Indian Standard, Manak Bhawan, ITO, New Delhi
- iv. Director General, Fertilizer Association of India, 10-Shaheed Jit Singh Marg, New Delhi – 110067
- v. President, Waste Management Association, 4th Floor, Gopal Das Bhawan, 28, Barakhamba Road, New Delhi
- vi. All fertilizer Companies
- vii. All Officers/Sections in the Department of Fertilizers and Office of FICC, RK Puram, New Delhi.
- viii. Director (NIC)

Copy to: Shri Anurag Jain, Joint Secretary, Prime Minister's Office, South Block,
New Delhi

11.2 NOTIFICATION ON DIRECT SALE OF CITY COMPOST BY PRODUCERS TO FARMERS.

F.No. 11026/44/2016-M&E
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhavan, New Delhi.

Dated: 28.09.2016

OFFICE MEMORANDUM

Subject: Direct sale of City Compost by Compost Producers to farmers.

Consequent upon approval by CCEA on 20.01.2016, the Department notified a Policy on Promotion of City Compost on 10.02.2016. As per the notified policy the co-marketing margin of city compost is being done by the fertilizer marketing companies along with chemical fertilizers for which a provision of Rs. 1500 per tonne as Marketing Development Assistance (MDA) has been made.

2. Though, co-marketing of city compost along with chemical fertilizer has already been started as per the above notification, it is felt that in order to increase volume of sale and to make the compost available at affordable price to farmers, in addition to the existing marketing arrangement, provision can be made within the existing policy framework so that compost producers could also market their product directly to farmers and claim Market Development Assistance of Rs. 1500 per tonne on its sale. The broad outline of the revised guidelines will be as follows: -

- i) The compost manufacturer willing to claim MDA will apply to Department of Fertilizers through concerned Municipality of the State in a prescribed Proforma to be designed by the Department of Fertilizers.
- ii) A separate portal in DoF will be developed for payment of MDA to compost manufacturer on recommendation of concerned Municipal Corporations. The portal will also capture the details of the consumers to whom the City Compost has been sold by the manufacturer.
- iii) The on account payment as per notification (upto 50%) shall be released to Compost manufacturer after sale based on the quantity certification (Proforma-B1) by the Municipality.

- iv) The Balance payment shall be released after receipt of the quality certification (Proforma B2) from the concerned State Government that the quantity sold is as per FCA specification.
3. The detailed operational guidelines for implementation of the above will be issued separately.


 (D P Srivastava)
 Director(E&S)
 Tel.No.:011-23389839
 Email: dprasad.s@nic.in

To

- i) Principal Secretaries, Urban Development/Agriculture of all the States.
- ii) CMD/MD of all Chemical Fertilizer Companies.
- iii) CMD/MD of all Compost Manufacturers
- iv) All Municipal Commissioners
- v) DG, Fertilizer Association of India

Copy to:

- i) Sr. PPS to Secretary, D/o Fertilizers, Shastri Bhawan, New Delhi
- ii) Sr. PPS to Secretary, M/o Urban Development, Nirman Bhawan, New Delhi
- iii) Sr. PPS to Secretary, D/o Agriculture, Cooperation and Farmers Welfare, Krishi Bhawan, New Delhi
- iv) NIC.

Chapter 12

SUBSIDY ON FERTILIZERS UNDER DBT

OVERVIEW

In order to make available fertilizers to farmers at an affordable price, Government is paying subsidy to manufacturers and suppliers of fertilizers on the basis of sales made by them. In order to streamline the payment procedures of subsidies, payment procedures have been notified from time to time by the department of fertilizers. Payment in the Pre-DBT period is released on account from 85% to 90% as per NBS rates on the quantity received in the districts and balance claim is released after the retailers acknowledge the stock in ifms (mfms). In the DBT system, 100% payment is made on weekly sales basis on the quantity of fertilizer sold through PoS devices installed at retail outlets. Notifications on payments procedures are:

- 1) F. No. D(FA)/CCEA/2011, dated 25.10.2012
- 2) F. No. D(FA)2016/DBT, dated 15.03.2017
- 3) F. No. 15011/8/2017-DBT, dated 23.05.2018
- 4) F. No. 15011/05/2018-DBT, dated 06.12.2018

12.1 NOTIFICATION ON MODIFICATION IN THE PROCEDURE FOR RELEASE OF FERTILIZER SUBSIDY BY THE DEPARTMENT OF FERTILIZERS WITH THE INTRODUCTION OF MOBILE FERTILIZERS MONITORING SYSTEM FOR ALL FERTILIZERS.

MOST IMMEDIATE

F. No. D(FA)/CCEA/2011
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Room No. 221, Shastri Bhawan
New Delhi-110001
Dated: 25.10.2012

To

All Chief Secretaries of States/Union Territories
All Agricultural Production Commissioners/Secretaries/Director (Agri.)
All fertilizer companies (as per list attached)

Subject: - Modification in the procedure for release of fertilizer subsidy by the Department of Fertilizers with the introduction of Mobile Fertilizer Monitoring System (m-FMS) for all fertilizers.

Sir/Madam,

I am directed to refer to the above subject and to convey the approval of the Government for modification of the procedure for release of Fertilizer Subsidy with the introduction of Mobile Fertilizer Monitoring System (m-FMS) for supply of all fertilizers from the month of November 2012 onwards, in the following manner:-

1. **P&K Fertilizers**- The existing procedure of subsidy payment will continue for 85-90% 'on account' payments, i.e., on the basis of receipt of fertilizers in the district based on certificate by Statutory Auditor of the Company. The "balance" 10-15% claim will be released subject to State government's certification of quantity in m-FMS as well as fertilizer receipt confirmation by retailers through mobile Fertilizer Monitoring System (m-FMS). The state certification of quantity will be given within a period of 30 days from the date of receipt otherwise, it will be deemed to have been received. State certification of quality will be given within 180 days.
2. **SSP**- In case of sale of SSP, the existing procedure of subsidy payment will continue for 85-90% 'on account' payments, i.e., on the basis of first point sale based on certificate by Statutory Auditor of the Company. The "balance" 10-15% claim will be released subject to State government's certification on quantity and quality in m-FMS as well as fertilizer receipt confirmation by retailers through m-FMS. The State certification of quantity will be given within a period of 30 days from the date of receipt.
3. **Urea** - Instead of 100% payment of "Regular Claim" in Urea, DOF will release 95% of subsidy to the manufacturers on the basis of receipt of fertilizers in the districts. Balance 5% claim will be released subject to State government's certification on quantity in m-FMS as well as fertilizer receipt confirmation by retailers through m-FMS. The state certification of quantity will be given within a period of 30 days from the date of receipt. Otherwise it will be deemed to have been received. State certification of quality will be given within 180 days.
4. **Enforcing Retailer acknowledgement**- Manufacturers shall ensure receipt acknowledgement by retailers within a period of 6 months, failing which, the Manufacturers may restrict supply of fertilizers to defaulting retailers who will not

send information regarding receipt in m-FMS. Further DOF will recover On Account payments from Manufacturers on account of default in retailer receipt acknowledgments in m-FMS. In exceptional cases, where some of the retailers fail to acknowledge the receipt of fertilizers in m-FMS even in 6 months time, Secretary (Fertilizers) would be competent to decide on case to case basis for release of subsidy on merits of each case.

5. **Providing Incentives to the retailers**- An incentive of Rs. 50 PMT will be given to the retailer for acknowledging the receipt of fertilizers in the m-FMS and for implementation of entire cash transfer scheme in future which may include network/ SMS cost etc. by increasing the MRP. This increase in MRP will be effective from 1st November, 2012 only. The incentive may be given in the following manner:

5.1 For P&K & SSP Fertilizers: The incentive of Rs. 50/- PMT to the retailer will be provided by increasing the MRP of P&K and SSP fertilizers by Rs. 2.50/- per bag (Rs. 50/- PMT), which will be borne by the farmers. The retailer margin may be increased by Rs. 50 PMT, which will be paid to retailers acknowledging the receipt and reporting the stock and for implementation of entire cash transfer scheme in future which may include network/ SMS cost etc. as additional incentive in the retailer margin.

5.2. For Urea: The incentive of Rs.50/- PMT to the retailer will be provided by increasing the MRP of urea by Rs.2.50 per bag (Rs.50/- PMT) which will be borne by the farmers. The retailer margin may be increased by Rs. 50 PMT, which will be paid to retailers acknowledging the receipt and reporting the stock and for implementation of entire cash transfer scheme in future which may include network/ SMS cost etc. as additional incentive in the retailer margin.

6. **State Certification for Quantity** - States shall send certificate w.r.t. the quantity (as per Proforma B1) and quality (as per Proforma B2), with the proviso that quantity will be certified on line within 30 days on the IT enabled system, and quality, when once tested within six months. Short and sub-standard quantity as reported by the State will not be eligible for subsidy and the subsidy paid will be recovered from the companies. A 30 day window will be made available for the States on the transparency portal to report any discrepancies in the quantity of Fertilizers. In case State certification for quantity for P&K and Urea is not submitted within 30 days, it shall be deemed as no discrepancies on quantity reported by State agencies and the payments will be processed for manufacturers'/importers' balance claims. Proforma-B1 and Proforma-B2 will be sent shortly.
7. **State Certification for Quality** – Currently Proforma-B is required for P&K and SSP for quality certification from States. Now, two sets of Proforma i.e. B1+B2 will be used for all subsidized fertilizers. Considering the delays in getting requisite Proforma from States, a 180 day window will be made available for the States on the transparency portal to report any discrepancies in the quality of Fertilizers reported. The State Government/Union Territories concerned will have to certify the receipt of fertilizers within the stipulated time. In case they do not certify, the alert will be sent to the State Governments that the Proforma 'B2' certification has not been received and no allocation as per the supply plan for respective State Government/Union Territory for subsequent month will be made in the Fertilizer Monitoring System.

8. The balance claim in r/o P&K fertilizers, SSP and urea will be settled in two parts. In case of acknowledgement of the quantity by the retailers in mFMS is less than the receipts in the State / Districts indicated at the time of 'On Account' claim, the balance claim will be processed for payment on the basis of lesser quantity. However, later on, the retailer acknowledges the receipt of the remaining quantity in mFMS, the balance claim will be processed for payment taking into a/c the quantity indicated at the time of 'On Account' claim and quantity on which balance payment has already been claimed / released.
9. All other payments towards cost of imported urea as well as freight subsidy for all fertilizers shall also continue to be paid as per extant Freight subsidy policy and claim process at the time of processing claims. Recoveries from companies on account of short/sub-standard fertilizers will continue to be recovered from any bill of the company pending with the Department or through cheque / DD from the companies.
10. The existing payment procedure and new system is given in Annexure-I. Details of modifications to be made in the existing payment procedure as well as the system developed for bill generation in the FMS will be intimated shortly.
11. All companies are directed to ensure that unsold closing stock at each stocking point, as on 31st October 2012 (after receipt in the district, wholesalers, and retailers) is given to the Department for stock reconciliation by 10th of November 2012 so that the quantum of receipt by the retailer can be reconciled accordingly. Unless this is given, it will not be possible to generate the balance claims for the month of November 2012.
12. Companies are also directed to ensure that their internal systems are in place for the bags to be printed with the additional MRP of Rs 50 PMT to be used as incentive to retailers in respect of all fertilizers.

This issues with the approval of the Competent Authority.

Yours faithfully,



(Satish Chandra)
Joint Secretary to the Govt. of India
Tel. No. 23386800

Copy to:

- I. Secretary, Dept. of Expenditure,
- II. Secretary, Deptt. of Agriculture,
- III. DG, UIDAI,
- IV. DG, Fertilizers Association of India,
- V. Director, PMO,
- VI. Director, Cabinet Secretariat,
- VII. DG, NIC,
- VIII. All Officers/Sections of Deptt. of Fertilizers and FICC,
- IX. M/S Lateral Praxis.



(Satish Chandra)

Joint Secretary to the Govt. of India

Annexure - I

The changes in the payment procedure are as under:-

Fertilizer Type	Existing Procedure		New Procedure	
	Subsidy Payment	Certifications Required	Subsidy Payment	Certifications Required
P&K	<ul style="list-style-type: none"> 85% (90% with Bank Guarantee) On Account payment on receipt in districts. Balance 10-15% is released on the first point sale to wholesaler/retailer 	<ul style="list-style-type: none"> Certification from Company's Statutory Auditor on receipt of fertilizers in the districts. State Govt. Certify the receipt in Proforma B separately and online in the Fertilizer Monitoring System. While this is not mandatory for payment of subsidy, it is used for verifying short/sub-standard quantity and recovery of subsidy, if any. 	<ul style="list-style-type: none"> 85% (90% with Bank Guarantee) On Account payment on receipt in districts. Balance 10-15% to be released on receipt confirmation by retailers in mFMS. 	<p>For 'On account' payments:</p> <ul style="list-style-type: none"> Certification from Company's Statutory Auditor on receipt of fertilizers in the districts. <p>For "balance payments":</p> <ul style="list-style-type: none"> Certification from Company's Statutory Auditor on sale of fertilizers in the districts State Certification for quantity within 30 days* (Proforma B1) State Certification for quality within 6 months.(Proforma B2)
SSP	<ul style="list-style-type: none"> 85% (90% with Bank Guarantee) On Account payment on first point sale to wholesaler/retailer Balance 10-15% to be released based on Sales Certificates issued by the State Governments 	<p>First Point Sale in state, based on certification from Company's Statutory Auditor</p> <p>For balance payments:</p> <p>Proforma 'B' from State Governments</p>	<p>85% (90% with Bank Guarantee) On Account payment on first point sale of fertilizers for agricultural purposes</p> <p>Balance 10-15% to be released on the state certification on quantity as well as quality and receipt confirmation by retailers in mFMS.</p>	<p>For 'On account' payments:</p> <ul style="list-style-type: none"> Certification from Company's Statutory Auditor on first point sale of fertilizers in the districts. <p>For balance payments:</p> <ul style="list-style-type: none"> State Certification for quantity within 30 days. (Proforma B1) State Certification for quality within 6 months. (Proforma B2)

*In case state certification for quantity is not submitted within 30 days, it shall be deemed as no discrepancies reported by state agencies and the payments will be processed for manufacturer balance claims.

Cont.../-

Annexure – I Contd.

Fertilizer Type	Existing Procedure		New Procedure	
	Subsidy Payment	Certifications Required	Subsidy Payment	Certifications Required
Urea (Indigenous)	<ul style="list-style-type: none"> 100% of Regular Claim paid on receipt of urea in district Residual claims are paid when the goods are received later than the month of dispatch. 	<ul style="list-style-type: none"> Certification from Company Cost Accountant/ Chartered Accountant/ annual certification by Statutory Auditor on receipt of urea in the States. 	<ul style="list-style-type: none"> 95% On Account payment on receipt of urea in district Balance 5% to be released on the receipt confirmation by retailers in mFMS. 	<ul style="list-style-type: none"> Certification from Company's Statutory Auditor /Chartered Accountant/cost Accountant on receipt of urea in the districts. State Certification for quantity within 30 days* (Proforma B1) State Certification for quality within 6 months. (Proforma B2)
*In case state certification for quantity is not submitted within 30 days, it shall be deemed as no discrepancies reported by state agencies and the payments will be processed for manufacturer balance claims.				

12.2 NOTIFICATION ON MODIFICATION IN THE PROCEDURE FOR RELEASE OF FERTILIZER SUBSIDY BY THE DEPARTMENT OF FERTILIZERS WITH THE INTRODUCTION OF DIRECT BENEFIT TRANSFER (DBTs) SYSTEM FOR VARIOUS FERTILIZERS.

F. No. D(FA)/2016/DBT
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

New Delhi, 15th March, 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 the above subject and to convey the approval of the Government for modification of the procedure for release of fertilizer subsidy with the introduction of Direct Benefit Transfer (DBTs) System w.e.f. 01.10.2016 (or the effective DBT Go Live date whichever is applicable) for various fertilizers in the following manner:-

The fertilizers covered under this system are: indigenous and imported Phosphatic and Potassic (P&K) fertilizers, Single Super Phosphate (SSP), indigenous urea and City compost. The proposed procedure for the payment of fertilizer subsidy under DBT system is as follows:

I. **Month-wise Budget provision on the basis of supply plan/actual sales** -The Programme Division will prepare an estimate of the monthly expenditure for the disbursement of subsidy on the basis of information provided by the Movement Division, Supply Plan for previous month and/or supply plan for corresponding month of previous year or actual sales with a variation of +/- 10%. The provision of budget will be under the following heads of account:

- a. Indigenous P&K (including SSP)
- b. Indigenous Urea
- c. Imported P&K
- d. City compost

II. **Approval/Sanction of the Competent Authority:** Sanction of Competent Authority would be obtained by the Programme Division with the concurrence of IFD for the estimated monthly expenditure. This is an advance sanction (Master Sanction/Mother sanction) for the release of subsidy payments during the month.

III. **DBT System:** The DBT system entails 100% payment of subsidy to the fertilizer manufacturing/importing companies on the basis of actual sales by the retailer to the beneficiary. The farmers or buyers identity is verified through Aadhar based biometric authentication/Voter ID card/Kisan Credit Card (KCC).


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The buyers' details will be captured in the Point of Sale (PoS) machines installed at the retailer's end, having online connectivity with central server. All the Fertilizer sale transactions will be tracked online (Company wise, Plant Wise, Product Wise etc.) in the Integrated Fertilizer Management System (iFMS).

IV. After the sale of fertilizers, each company will submit an online claim through iFMS duly signed digitally by the authorized signatory on weekly basis for the quantity sold during the week. The online claims will be submitted on 8th, 16th, 24th and the last working day of the month. In case of public holiday, the claim would be submitted on the next working day. The weekly claims submitted by the companies for a particular month should be verified and certified by the Chartered Accountant/Statutory Auditor on monthly basis. Weekly claims submitted to DOF will be processed on the basis of certification by the Chartered Accountant/ Statutory Auditor of the company for the claims of previous month. The existing Payment procedure and the Payment procedure under DBT is given at Annexure-I.

V. After receipt of the online claims from the companies, the Programme Division processes the same on the next working day. The approval of the Head of Programme Division will be obtained before issue of weekly digital financial sanction by DDO to PAO along with digital bill. The PAO would process the payment through Public Financial Management System(PFMS) and credits the subsidy amount to the company's bank account. The iFMS will generate Weekly/Monthly expenditure statements for the companies and concerned divisions of DOF. The list of beneficiaries will be made available on the iFMS web portal for all the users. The release of 100% subsidy to the companies shall be made within a period not exceeding 7 working days from the date of submission of claims.

VI. Mode of reconciliation: - On 20th of every month (or the next working day if 20th happens to be a holiday), the DDO of respective programme division will generate the statement of bills paid during the preceding month and also submit the budget estimate for next month and seek concurrence of IFD as per the laid down procedure. This needs to be completed by 25th of every month.

VII. Installation of Point of Sale (PoS) Device: The retailer is an important stakeholder in the DBT system. He is the front line agency having interface with the farmer/beneficiary. The 100% payment of subsidy is triggered by the retailer sales at the field level. Therefore, it is essential that the retailers are provided with necessary infrastructure and are well trained to handle the PoS machines, the responsibility for which rests with both fertilizer companies and retailers.

VIII. As per notification No. F.D(FA)/CCEA/2011 dated 12th October, 2012 an incentive of Rs.50/- was 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 shall also be applicable for installation of PoS machines at the retailers' end.

IX. State certification for Quantity- States would continue to send certificate w.r.t. the quantity (proforma-B1), with the proviso that quantity will be certified online within 30 days on the iFMS. Short and sub-standard quantity as reported by the State(s) will not be eligible for subsidy and the subsidy paid, if any, will be recovered from the companies. A 30 day window will be made available for the states on the transparency

portal to report any discrepancies in the quantity of fertilizers reported. In case state certification for quantity is not submitted within 30 days, it shall be deemed as no discrepancies on quantity reported by State agencies. However, if any discrepancy w.r.t. quantity is reported by State(s) or any other Agency at any later stage, recoveries will be made from the pending claims of the company.

X. State certification for Quality- Currently Proforma-B2 is required for P&K Fertilizers, urea and SSP for quality certification from states. The existing provision of availability of 180 days window continues for the states to report any discrepancies in the quality of fertilizers reported. If the quality certificate (Proforma B 2) is not submitted within 180 days, it shall also be deemed as no discrepancies w.r.t. quality reported by State agencies. However, if any discrepancy w.r.t. quality is reported by State(s) or any other Agency at any stage, recoveries will be made from the pending claims of the company.

XI. All payments towards cost of imported urea as well as freight subsidy for all fertilizers shall also continue to be paid as per the existing procedure. However, the sales of imported urea and the beneficiary details will be captured in the iFMS through the PoS devices. Recoveries from companies on account of short/sub-standard fertilizers will continue to be recovered from any bill of the company pending with the Department or through cheque/DD from the companies.

XII. The payment procedure as laid down vide OM No. D(FA)/CCEA/2011 dated 25/10/2012 and as amended from time to time, will continue to be applicable for non-DBT districts/states till they are brought under DBT system.

This issue with the approval of Competent Authority.

Yours faithfully


(Dharam Pal) 17/3/17

Joint Secretary to the Government of India

Copy to:

- i. Secretary, Department of Expenditure
- ii. Secretary, Department of Agriculture
- iii. DG, UIDAI
- iv. DG, Fertilizers Association of India
- v. Director, PMO
- vi. Director, Cabinet Secretariat
- vii. DG, NIC
- viii. All Officers/Sections of Department of Fertilizers and FICC
- ix. Sr. Technical Director, NIC


17/3/17
(Dharam Pal)

Joint Secretary to the Government of India

Subsidy Payment Procedure under DBT

Fertilizer Type	Existing Procedure		Procedure for DBT	
	Subsidy Payment	Certifications Required	Subsidy Payment	Certifications Required
P&K	<ul style="list-style-type: none"> 85% (90% with Bank Guarantee) On Account payment on receipt in district Balance 10-15% to be released on receipt confirmation by retailers in mFMS 	<p>For 'On account payments'</p> <ul style="list-style-type: none"> Certification from Company's statutory auditor on receipt of fertilizers in the districts <p>For balance payments:</p> <ul style="list-style-type: none"> Certification from Company's statutory auditor on sale of fertilizers in the districts State Certification for quantity within 30 days (Proforma-B1) State Certification for quality within 6 months (Proforma-B2) 	<ul style="list-style-type: none"> 100% payment on actual sale of fertilizers by retailers/wholesalers to the beneficiaries on authentication of identity through Aadhar based biometric system/KCC/Voters ID. 	<p>Digital Certification from Company's authorized signatory for submission of online claims in iFMS on weekly basis. The weekly claims submitted by the company for a particular month should be verified and certified by the Chartered Accountant/Statutory Auditor on monthly basis.</p> <ul style="list-style-type: none"> State Certification for quantity within 30 days State Certification for quality within 150 days
SSP	<ul style="list-style-type: none"> 65% (90% with Bank Guarantee) On Account payment on first point sale of fertilizers for agricultural purposes Balance 10-15% to be released on the state certification on quantity as well as quality and receipt confirmation by retailers in mFMS 	<p>For 'On account payments'</p> <ul style="list-style-type: none"> Certification from Company's statutory auditor on first point sale of fertilizers in the districts <p>For balance payments:</p> <ul style="list-style-type: none"> State Certification for quantity within 30 days (Proforma-B1) State Certification for quality within 6 months (Proforma-B2) 	<ul style="list-style-type: none"> 100% payment on actual sale of fertilizers by retailers/wholesalers to the beneficiaries on authentication of identity through Aadhar based biometric system/KCC/Voters ID. 	—do—
Urea (Indigenous)	<ul style="list-style-type: none"> 95% On Account payment on receipt of urea in district Balance 5% to be released on receipt confirmation by retailers in mFMS 	<ul style="list-style-type: none"> Certification from Company's statutory auditor/Chartered Accountant/Cost Accountant on receipt of urea in the districts State Certification for quantity within 30 days (Proforma-B1) State Certification for quality within 6 months (Proforma-B2) 	<ul style="list-style-type: none"> 100% payment on actual sale of fertilizers by retailers/wholesalers to the beneficiaries on authentication of identity through Aadhar based biometric system/KCC/Voters ID. 	—do—

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Fertilizer Type	Existing Procedure		Procedure for DBT	
	Subsidy Payment	Certifications Required	Subsidy Payment	Certifications Required
City Compost	<ul style="list-style-type: none">• 50% On Account payment on first point sale of City Compost for agricultural purposes	For On account payments <ul style="list-style-type: none">• Certification from Company's statutory auditor on first point sale of fertilizers in the districts	<ul style="list-style-type: none">• 100% payment on actual sale of City Compost by retailers/wholesalers to the beneficiaries on authentication of identity through Aadhaar based biometric system/ KCC/Voters ID	---do---
	<ul style="list-style-type: none">• Balance 50% to be released on the state certification of quantity as well as quality and receipt confirmation by retailers in mFMS	For balance payments <ul style="list-style-type: none">• State Certification for quantity within 30 days (Proforma-B1-CC)• State Certification for quality within 6 months (Proforma-B2-CC)		
*In case state certification for quantity / quality have not submitted within 30 days/180 days respectively, it shall be deemed as no discrepancies reported by state agencies. However, if any discrepancy is reported by state government or any other agency later on, the recoveries will be made from other pending claims.				

12.3 NOIFICATION ON INTERM PROCEDURE FOR SALE OF SUBSIDIZED FERTILIZERS TO MIXTURE/CUSTOMIZED FERTILIZES MANUFACTURING UNITS UNDER DIRECT BENEFITS TRANSFER (DBT) SYSTEM.

F. No. 15011/8/2017-DBT
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers
DBT

Shastri Bhawan, New Delhi
Dated: 23 May, 2018

To,
All Chief Secretaries of States/Union Territories
All Agriculture Production Commissioners/Secretaries/Directors (Agri.)
All Fertilizer Companies

Subject: Interim Procedure for sale of subsidized fertilizers to Mixture/Customized Fertilizer Manufacturing Units under Direct Benefit Transfer (DBT) System.

Sir/Madam,

I am directed to refer to the subject mentioned above and to convey the approval of the competent authority for the interim procedure for sale of subsidized fertilizers to Mixture/Customized Fertilizer Manufacturing Units under Direct Benefit Transfer (DBT) System in the following manner:

- i) State Agriculture Departments in consultation with Lead Fertilizer Supplier (LFS) must register all licenced/authorized Mixtures/ Customized Fertilizer Manufacturers in the Integrated Fertilizer Management System (iFMS). Mixture Manufacturers would be registered as "Dealer/Retailer" under iFMS application, as the case may be.
- ii) The State Agriculture Department with the approval of State Agriculture Commissioner/Principal Secretary (Agriculture) will authorize, in writing, the type and the quantity of the subsidized fertilizers required to be purchased by each Mixture/Customized Fertilizer Manufacturing Units in the format (**Annexure-A**).
- iii) On the basis of written authorization of the Agriculture Department, Mixtures/Customized Fertilizer Manufacturing Units will authorize any of their employees (through an authorisation letter) for purchase of subsidised fertilizers as specified by the State Agriculture Department.
- iv) The authorised employee will approach any fertilizer retail outlet (preferably fertilizer company outlet) with authorization of State Government and Mixture/Customized Fertilizer Manufacturing Units. Retailer will retain the copy of the both authorization and sell the specified quantity and type of fertilizer through Point of Sale (PoS) using authorized employee's Aadhar number.



- v) Retailer will maintain a separate register detailing the quantity and type of fertilizer sold to each Mixture/Customized Fertilizer Manufacturing Units.
- vi) Licenced Mixtures/Customized Fertilizer Manufacturing Units will maintain the following stock registers:-
 - a. Purchase register indicating the quantity, type and source of subsidized fertilizers procured and details of the retail outlet from where it was procured.
 - b. Production register indicating the quantity and type of Mixtures/Customized Fertilizers produced and quantity and type of subsidized fertilizer used as input.
 - c. Sale register indicating the quantity sold by the Mixture/Customized Fertilizer Manufacturing Units to retailers/farmers.
- vii) Various registers maintained by retailers and Mixture/Customized Fertilizer Manufacturing Units will be periodically checked (once in every 3 months) by the State Agriculture Department and as per the applicable provisions of FCO.
- viii) If it comes to the notice of State Agriculture Department, that the Mixture/Customized Fertilizer Manufacturing Units could not consume the subsidized fertilizers or sell the Mixture/Customized Fertilizers to farmers within a period of say 6 months or as considered reasonable by the States, the State Agriculture Department shall send a report to the D/o Fertilizers indicating the type and the quantity of subsidized fertilizers on which subsidy needs to be recovered by D/o Fertilizers.

This interim arrangement would be valid for a period of six months w.e.f. the date of issue of notification. A long term procedure would be notified by the Department in due course. This issues with the concurrence of Integrated Finance Division of Department of Fertilizers dated 07.05.2018 and 22.05.2018.



(Dharam Pal)

Additional Secretary to the Govt. of India

Tel. No. 011-23386800

Annexure-A**Authorisation Letter for Purchase of Subsidized Fertilizers by the
Mixture/Customized Fertilizer Manufacturing Units**

Name and Address of the
Mixture/Customized Fertilizer Manufacturing Unit:

Registration Number:

Date of Issue:

Valid upto:

iFMS Registration ID:

Type of Fertilizer	Quantity

Date:

Notified Authority of State Agriculture Department



12.4 NOTIFICATION ON EXTENSION OF INTERIM PROCEDURE FOR SALE OF SUBSIDIZED FERTILIZER TO MIXTURE FERTILIZER MANUFACTURING UNITS UNDER DBT SYSTEM

**No.15011/05/2018-DBT
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers**

Udyog Bhawan, New Delhi:

Dated: 06.12.2018

To

**All India Chief Secretaries of States/Union Territories
All Agriculture Production Commissioners/Secretaries/Directors (Agri)
All Fertilizer Companies**

Sub: Extension of Interim Procedure for sale of subsidized fertilizer to Mixture Fertilizer Manufacturing Units under DBT System.

I am directed to refer to this Departments' letter no. 15011/8/2017 dated 23.05.2018 regarding the interim procedure of sale of subsidized fertilizer to mixture manufacturers and to state that the duration of interim arrangement stated in the above mentioned letter is hereby extended for a further period of one year w.e.f. 23.11.2018 or till further orders, whichever, is earlier.

A permanent procedure would be notified by the Department in due course. This issues with the approval of competent authority.

Encls :- As above



(Johan Topno)
Under Secretary to the Govt. of India
(Tel.23063587)



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Department of Fertilizers
Ministry of Chemicals and Fertilizers
Government of India