## F.No.19011/25/2010-MPR Government of India Ministry of Chemicals & Fertilizers Department of Fertilizers

Shastri Bhawan, New Delhi The 16<sup>th</sup> September, 2011

## Office Memorandum

Subject:

Purchase of the SSP unit of Jairam Phosphates Limited (Unit II), Village: Farhad (Somani), Distt. Rajnandgaon, Chhattisgarh by M/s Khaitan Chemicals & Fertilizers Ltd., Indore, Madhya Pradesh vide agreement dated 21.9.2010.

The undersigned is directed to say that the SSP unit of M/s Jairam Phosphates Limited (Unit II), Chhatisgarh, with the annual installed capacity of 66000 MTs, has been claiming payment of concession under the concession scheme for decontrolled phosphatic and potassic fertilizers. This unit has not been in production activity since long and now it has been taken over by M/s Khaitan Chemicals & Fertilizers Ltd., (KCFL) Indore. Based on the information submitted by M/s Khaitan Chemicals & Fertilizers Ltd. in this regard, PDIL was requested by Department of Fertilizers as per the guidelines, to conduct first time technical inspection in order to ascertain as to whether the unit is presently technically competent to manufacture SSP of the standards laid down under the FCO. PDIL made inspection of the unit on 15.3.2011 and reported that the unit is technically competent to manufacture SSP under FCO with the annual installed capacity of 66000 MTs per annum. Further, Chhattisgarh Environment Conservation Board has also granted renewal of the consent to operate to the above mentioned SSP unit located in Chhattisgarh under Section 25/26 of the Water (Prevention and control of Pollution) Act 1974 till 30.4.2012.

- Department of Fertilizers has examined the report of PDIL as well as the permission granted by Chhattisgarh Environment Conservation Board. Department of Fertilizers has also examined the present status of unadjusted on-account payment of concession in respect of the sales of SSP made by the erstwhile Company i.e. M/s Jairam Phosphates Limited (Unit II), Chhattisgarh, prior to the sale of its unit to M/s Khaitan Chemicals & Fertilizers Ltd. Accordingly, Department of Fertilizers has taken on record the purchase of the SSP unit of M/s Jairam Phosphates Limited (Unit II), Chhattisgarh by M/S Khaitan Chemicals & Fertilizers Ltd. Accordingly, the production/sale of SSP out of the above said unit shall be claimed by M/s Khaitan Chemicals & Fertilizers Ltd. under the Nutrient Based Subsidy Policy w.e.f. 1.3.2011. Further, the balance payment of subsidy in respect of sale of SSP made by the erstwhile M/s Jairam Phosphates Limited (Unit II) shall be released to M/s Jairam Phosphate Ltd. based on Proforma 'B' submitted by the State Governments after adjusting the unadjusted on-account payment of concession received by the erstwhile company. M/s Khaitan Chemicals and Fertilizers Ltd. shall be responsible for any unadjusted onaccount payment of concession received earlier by M/s Jairam Phosphates Ltd. (Unit-II) prior to 1.3.2011 as per the undertaking given by this company on 2.8.2011 and 5.8.2011.
- This issues with the approval of the competent authority. 3.

(Varinder Gupta) Under Secretary to the Government of India Tel. & FAX No. 23388536

Director (FA), Department of Fertilizers. Udyog Bhawan, New Delhi

Copy to:

CA/P&AO/Director (Finance)/AFA/SO (Finance)/Director (Movement)/US (CW)/Sr. AD (CW) (i) M/s Khaitan Chemicals & Fertilizers Ltd., (iii)

M/s Jairam Phosphates Limited (Unit II) (iiii)

The Managing Director, PDIL (iv)

(v) DG, FAI

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Copy also to: Director (Agriculture) of all State Governments.