

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

Shastri Bhawan, New Delhi  
Dated the 25<sup>th</sup> 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 15<sup>th</sup> 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.



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