

Office Memorandum

Subject : Acceptance of Bank Guarantee through M/s Industrial Development Bank of India Ltd. (IDBI) for claiming 90% "On Account" payment of subsidy under the Nutrient Based Subsidy Policy for P&K fertilizers .

The undersigned is directed to say that the procedure for claiming 90% "On Account" payment of concession under the concession scheme/Nutrient Based Subsidy Policy is governed under the guidelines dated 5.8.2002 w.e.f. 1.8.2002. As per these guidelines, the manufacturers/importers of P&K fertilizers are allowed to get 90% (instead of 85%) "On Account" payment of concession/subsidy on submission of Bank Guarantee on a stamp paper of Rs. 100/-, from any nationalized bank including any associate bank of State Bank of India to the competent authority of Department of Fertilizers.

2. Now, Department of Fertilizers has decided to include M/s Industrial Development Bank of India Ltd. among the other nationalized banks for the purpose of accepting Bank Guarantee for the purpose of claiming 90% "On Account" payment of concession/subsidy under the Nutrient Based Subsidy Policy for P&K fertilizers with immediate effect.

3. This issues in concurrence with IFD vide Dy. No.166/AS&FA dated 28.4.2011.


(Varinder Gupta)

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Copy to :

1. Director (Agriculture) of all State Governments.
2. Fertilizer Association of India
3. All manufacturers/importers of P&K fertilizers
4. All manufacturers/marketers of SSP
5. CA/P&AO
6. Director (Finance)/AFA/SO(Finance)
7. Director (Movement)/AC(M)/AD(M)
8. US(Concession Wing)/AD(FA)/AD(Concession Wing)
9. Guard File.
10. NIC for uploading on the Department's website (fert.nic.in)
11. M/s IFFCO with reference to their letter dated 5.4.2011.
12. M/s Industrial Development Bank of India Ltd.