



No. 11017/29/2021-PMI-II (Part-1) (e-34602)

भारत सरकार/Government of India

रसायन और उर्वरक मंत्रालय/Ministry of Chemicals & Fertilizers

(उर्वरक विभाग/Department of Fertilizers)

शास्त्री भवन/Shastri Bhawan,

नई दिल्ली/ New Delhi-1

दिनांक/Dated: 20th September, 2023

कार्यालय ज्ञापन/OFFICE MEMORANDUM

Subject: Guidelines on Market Development Assistance (MDA) for Promotion of Organic Fertilizers - Regarding

Organic fertilizers are decomposed derivatives of plant and animal sources such as agri-waste, cattle dung, poultry droppings and domestic sewage. They help in improving the soil texture, increase carbon content of soil, enhance water holding capacity of soil and increase the bacterial and fungal activity inside the soil. Increased use of organic fertilizers will help in balanced use of nutrients thereby reducing excess use of chemical fertilizers which is one of the key elements for sustainable agriculture.

II Fermented Organic Manure (FOM), Liquid Fermented Organic Manure (LFOM) and enriched Phosphate Rich Organic Manure (PROM) are organic fertilizers which are by-products of Bio-Gas (BG) and Compressed Bio-Gas (CBG) plants established under umbrella of Galvanizing Organic Bio-Agro Resources Dhan (GOBARdhan) initiative. Government of India has approved the Market Development Assistance Scheme for promotion of FOM/LFOM/PROM produced in the BG/CBG units under GOBARdhan with a budget outlay of ₹1451.82 Crore for 3 years, i.e., from FY 2023-24 to FY 2025-26.

III The detailed guidelines for Market Development Assistance (MDA) are as follows:

1. Eligibility Criteria:

1.1 The Market Development Assistance @ ₹1,500/MT will be provided for the sale of FOM/LFOM/PROM produced at BG/CBG plants established under umbrella Galvanizing Organic Bio-Agro Resources Dhan (GOBARdhan) initiative only. These GOBARdhan units are supported under Sustainable Alternative Towards Affordable Transportation (SATAT) scheme of Ministry of Petroleum & Natural Gas (MoP&NG), 'Waste to Energy' programme of Ministry of New & Renewable Energy (MNRE), Swachh Bharat Mission (Grameen) of Department of Drinking Water & Sanitation (DDWS), etc.


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- 1.2 Registration of the BG/CBG units with the GOBARdhan portal of the Department of Drinking Water & Sanitation is the pre-requisite condition for availing Market Development Assistance (MDA).
2. **Marketing Strategies:**
 - 2.1 The manufacturing units registered under Unified GOBARdhan portal will have the option to market FOM/LFOM/PROM through Fertilizer Marketing Companies in packed form or they can market themselves either in packed form or in bulk or both.
 - 2.2 **Marketing of Packed Fertilizers:** Marketing of FOM/LFOM/PROM should be done in packed form by Fertilizer Marketing Companies and/or by manufacturing plants.
 - 2.3 **Bulk Sale:** Marketing of FOM/LFOM/PROM in bulk/loose form by manufacturing plants is allowed for two quarters (October, 2023 to March, 2024) on experimental basis, subject to necessary notification by the Department of Agriculture & Farmers Welfare (DA&FW) and maintaining of quality standards of Fertilizer Control Order (FCO), 1985, as amended from time to time. On the basis of sustained supply and certified quantity during experimental period, appropriate decision will be taken regarding bulk sale.
 - 2.4 **Conformity to FCO Specifications:** FOM/LFOM/PROM should be in conformity to the specifications mentioned in Fertilizer Control Order (FCO), 1985, as amended from time to time.
 - 2.5 **Quality Assurance for Packed/Bulk Fertilizers:** Quality testing shall be ensured at Government notified laboratories/NABL accredited private laboratories. The quality test report is to be validated by State Agriculture Department or State Energy Development Agency, before issuing 'B2-MDA' Certificate.
 - 2.5.1 **Packed Sale:** In case of marketing in packed form, batch-wise quality test should be done.
 - 2.5.2 **Bulk Sale:** In case of bulk sale, sampling and quality testing will be done for every dispatch.
 - 2.6 Primary Agricultural Cooperative Societies (PACS) may be engaged as aggregator by the Fertilizers Marketing Companies/manufacturers, wherever feasible.


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3. **Application for Market Development Assistance (MDA):**

3.1 **Marketing through Fertilizer Companies:**

3.1.1 **EoI, Tender and MoU Process:** In case of marketing through Fertilizer Marketing Companies, the Fertilizer Marketing Companies will float an Expression of Interest (EoI) inviting tenders from the manufacturers of FOM/LFOM/PROM and thereafter, marketing arrangements, including base price for procurement, packaging and transportation may be finalized mutually through MoU. The modalities for transfer of MDA amount is to be decided through mutual consent.

3.1.2 **Setting up of manufacturing facilities for PROM:** Fertilizer Marketing Companies will explore the feasibility for setting up of PROM manufacturing facilities units in / near the premises of CBG plants for enrichment of the FOM/LFOM and marketing the enriched product. There will be a Committee consisting of members from NFL, RCF, FACT, HURL & IFFCO to study and suggest modalities of setting up PROM manufacturing facilities units in/near the premises of CBG plants for enrichment of the FOM/LFOM, including costs involved.


3.1.3 **Intimation of willingness to market - Application to DoF:** The Fertilizer Marketing Companies interested to market FOM/ LFOM/PROM are required to submit a letter intimating their willingness to market the FOM/LFOM/PROM along with details of registered manufacturers, with whom purchasing agreement for supply of FOM/LFOM/PROM has been made and other information as per **Annexure-I**, to the Department of Fertilizers (DoF) for approval.

3.1.4 **Uploading data on iFMS:** The Fertilizer Marketing Companies which are already having iFMS ID will upload the details regarding quantity of FOM/LFOM/PROM purchased from the manufacturers and quantities sold, MRP, etc. as per existing procedure.

3.2 **Marketing by Manufacturers:**

3.2.1 **Intimation of willingness to market - Application to DoF:** The manufacturers interested to market FOM/LFOM/PROM in packed form or in bulk/loose form are required to submit a letter intimating their willingness to market FOM/LFOM/PROM along with details of manufacturing unit and other information as per **Annexure-II**, to the Department of Fertilizers (DoF) for approval.

3.2.2 **New Module for capturing data:** A new module will be introduced on iFMS portal for registering manufacturing companies intending to market their products, either in packed or bulk form. DoF will allot an ID to the manufacturing units to enable them to upload the quantity of FOM/LFOM/PROM produced, data relating to sales, MRP, remaining stock, quality certificate, 'B1-MDA' & 'B2-MDA' forms, etc. on the new module. Adequate safeguards will be introduced in the system to ensure quality of FOM/LFOM/PROM.


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3.2.3 The production/sale data and quality certificate are to be verified regularly by State Agriculture Department/State Energy Development Agency.

4. **Packaging Regulations:**

4.1 All packaged commodities rules are to be adhered to by the marketing companies. The marketing entities will be required to print Maximum Retail Price (MRP) along with applicable Market Development Assistance (MDA) on the bags clearly. Any sale above the printed Net MRP will be punishable under the EC Act/Relevant Act.

4.2 Apart from Market Development Assistance given by the Department of Fertilizers, in case any State provides subsidy on FOM/LFOM/PROM, the MRP will be reduced by the marketing entities to that extent and the subsidy so passed will also be passed on to the farmers in terms of lower MRP.

4.3 Each bag of FOM/LFOM/PROM should display its constituents as given in FCO, the marketing entities names, the manufacturers' name, shelf-life and other facts as per relevant rules.

5. **Monitoring:** A Steering Committee chaired by Secretary (Fertilizers) and comprising of at least Joint Secretary level officers from the Department of Expenditure, NITI Aayog, Department of Agriculture & Farmers Welfare, Department of Drinking Water & Sanitation, Ministry of New & Renewable Energy, Ministry of Housing & Urban Affairs, Ministry of Petroleum & Natural Gas, and Department of Animal Husbandry & Dairying will oversee operational aspects and detailed guidelines for Market Development Assistance including packaging size, retail price, manner of disbursement of MDA, subject to the approval of Hon'ble Minister of Chemicals & Fertilizers on the recommendations of the Steering Committee.

6. **General Payment Procedure for claiming Market Development Assistance (MDA):**

6.1 The marketing entities of FOM/LFOM/PROM are allowed to claim MDA from DoF for the quantity sold through PoS based on the requisite information provided by them in prescribed Proforma 'B1-MDA' duly certified by the State Agriculture Department/State Energy Development Agency.

6.2 State Agriculture Department/State Energy Development Agency is required to issue Quality Certificate (Proforma 'B2-MDA').

6.3 The marketing entity is required to submit a copy of Quality Certificate issued by the Government approved laboratory/NABL accredited private laboratory duly certified in Proforma 'B-2 MDA' by State Agriculture Department/ State Energy Development Agency, along with the claim for MDA payment for that particular month.


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- 6.4 DBT claims shall be generated through iFMS portal by the marketing entities (**Annexure**). The claims will be processed in the Department of Fertilizers and the Market Development Assistance will be released to the marketing entities. The marketing entities are required to claim MDA within two months from the month of sale of FOM/LFOM/PROM.
7. **Documentation/Submission of Records:** The marketing entities/manufacturers are required to maintain the records of permanent nature in continuity year after year and which may be made available to the DoF or Fertilizer Flying Squad of DoF or any agency authorized by DoF for audit/verification at the time of inspection or whenever otherwise called for as specified at **Annexure-III**.
8. **Research & Development proposals:** The detailed proposals on Research & Development are invited from Central/State Research Institutes and non-private fertilizer cooperatives, for seeking financial support from DoF.
9. The guidelines on procedure for submission and processing of claims for payment of Market Development Assistance (MDA) of ₹1,500/MT on sale of organic fertilizers/manures produced at plants under umbrella GOBARdhan initiative shall be applicable with effect from the date of actual sales captured on iFMS.
10. The Department of Fertilizers may, from time to time, call for any additional information from marketing entities as deemed fit for the smooth and efficient implementation of the scheme.
11. The above guidelines have the approval of Hon'ble Minister of Chemicals & Fertilizers.
12. These guidelines have been placed in the website of the Department of Fertilizers, <https://www.fert.nic.in>.


(मनोज कुमार/MANOJ KUMAR)

Deputy Secretary to the Government of India
[E-mail: manojkumar1616@nic.in]
011-2338 7612


To

- (i) Secretary, Department of Agriculture & Farmers Welfare, Krishi Bhawan, New Delhi.
- (ii) Secretary, Ministry of Drinking Water & Sanitation, Pt. Deendayal 'Antyodaya' Bhawan, CGO Complex, Lodhi Road, New Delhi.
- (iii) Secretary, Ministry of Petroleum & Natural Gas, Shastri Bhawan, New Delhi.

- (iv) Secretary, Ministry of New & Renewable Energy, Atal Akshay Urja Bhawan, CGO Complex, Lodhi Road, New Delhi.
- (v) Secretary, Department of Expenditure (Ministry of Finance), North Block, New Delhi.
- (vi) Senior Adviser, NITI Aayog, NITI Bhawan, Sansad Marg, New Delhi.
- (vii) Secretary, Ministry of Housing & Urban Affairs, Nirman Bhawan, New Delhi.
- (viii) Secretary, Department of Animal Husbandry & Dairying (Ministry of Fisheries, Animal Husbandry & Dairying), Krishi Bhawan, New Delhi.
- (ix) Secretary, Department of Agriculture Research & Education (DARE) and Director General, Indian Council of Agricultural Research (ICAR), Krishi Bhawan, New Delhi.
- (x) Chief Secretaries of all States/UTs.
- (xi) Director (FS), Department of Fertilisers, Udyog Bhawan, New Delhi.
- (xii) Director (Agriculture)/Commissioner (Agriculture) of all State Governments/UTs Administration.
- (xiii) Chief Executive, State Energy Development Agencies.
- (xiv) CMD/MD of all Fertiliser Marketing Companies.
- (xv) CMD/MD of CBG Operators.
- (xvi) All Officers of Department of Fertilisers.
- (xvii) Director (NIC), Department of Fertilizers.
- (xviii) Deputy Secretary (IT), Department of Fertilizers - for uploading on website.
- (xix) Assistant Director (OL), Department of Fertilizers - for Hindi version.

Copy to:

- (i) PS to Hon'ble Minister of Chemicals & Fertilizers.
- (ii) PS to Hon'ble Minister of State for Chemicals & Fertilizers.
- (iii) PPS to Secretary, Department of Fertilizers.
- (iv) PPS to Additional Secretary, Department of Fertilizers.
- (v) PPS to Joint Secretary & Financial Advisor, Department of Fertilizers.


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(मनोज कुमार/MANOJ KUMAR)

Deputy Secretary to the Government of India

Details of Fertilizer Marketing Companies

1. Name of Fertilizer Marketing Company:
2. Address of Plant:
3. Address of registered office of Fertilizer Marketing Company:
4. TIN No. of Fertilizer Marketing Company:
5. PAN No. of Fertilizer Marketing Company:
6. Quantity intended for marketing:
7. Brand name of organic fertilizer:
8. GOBARDhan Portal Registration No.
(of Manufacturing unit)
9. Bank account details like Account No., IFSC Code, Name of account holder,
address of the bank

Date:

Place:

Signature of the Authorized Signatory of the Company
(Name, Designation with Seal)

Details of Organic Fertilizer Manufacturer

1. Name of organic Fertilizer Manufacturing Company:
2. Address of Plant:
3. Address of registered office of manufacturer:
4. TIN No. of manufacturer:
5. PAN No. of manufacturer:
6. Installed capacity (Annual in MT):
7. Quantity intended for marketing:
8. Brand name of organic fertilizer:
9. GOBARdhan Portal Registration No.
10. Bank account details like Account No., IFSC Code, Name of account holder, address of the bank

Date:
Place:

Signature of the Authorized Signatory of the Company
(Name, Designation with Seal)

List of documents to be maintained by manufacturers:

- Stock registers showing for each day opening balance, production, quantity dispatched and closing balance.
- Daily report of production and stock of each product duly authenticated by Manager (Production).
- Dispatch/stock transfer advice, serially numbered and signed by Manager (Sales).
- Dispatch instructions issued from Headquarters or other controlling entities.
- Gate passes, bearing printed serial numbers together with a register of gate passes issued, showing number and date of the gate pass issued each day and the quantities moved out of the factory on the basis of gate passes (i.e., the daily recapitulation statement).
- Register of dispatches giving the full particulars of gate pass numbers, date, dispatch/stock transfer advice and the number and date of the letter containing the dispatch instructions, against each entry in the register.
- Sales invoices should be serially numbered and supported by warehouse delivery note/orders.
- Sales day book.
- Delivery Challan issued from headquarter/company's godown or any entities controlling stocks, as also copies of Delivery Challan duly signed by the receiver in confirmation of receipt of consignment.
- Stock Register of raw materials purchased and consumed, separately for indigenous and imported raw materials. Registration/license details obtained from the concerned authorities.
- The marketing entities may ensure that the RG-1 register, stock register, gate pass register, raw material register and all other connected records are duly authenticated by the statutory auditors/chartered accountants with name, date, designation and stamp. These records shall also to be signed by the authorized officer of the company. The cuttings, over-writings and insertion of figures in the above records shall be attested by the authorized officer.

Proforma 'B1-MDA'

(Quantity Certificate for Organic Fertilizers)

Government of (_____)
Commissionate/Directorate of Agriculture (_____)

QUANTITY CERTIFICATE

No. _____ Dated: _____

To
Joint Secretary/Additional Secretary,
Department of Fertilizers,
Ministry of Chemicals & Fertilizers,
Government of India, New Delhi.

(Kind Attention: Director (FS), Department of Fertilizers, Room.473, 'E' Wing,
Udyog Bhawan, New Delhi)

1. Name of the Claimant with full address: (_____)
2. Name of the State/UT/District where product(s) verified: (_____)/(_____)
3. Claim for the month in which product(s) verified in State/UT/District:
(Month)/(Year)
4. Report on the verification of fertilizers: (Quantity in MTs)

S. No.	Product	Brand	Total Quantity verified by the State	Sub-standard/ Short Quantity during the month	Net Quantity eligible for MDA
(1)	(2)	(3)	(4)	(6)	(6=4-5)
1.					

5. It is certified that the above statement is correct with regard to verification of (_____) fertilizer by State, exclusively for supply of the same to farmers, either directly or through the approved (marketer/retailer) for agriculture use only.

Place:

Date:

Director of Agriculture
(With Name and Seal)

Copy to: (Company's name)

Note: In case, the State Government /UT Administration is not able to certify the quality of fertilizer within stipulated period of one month, the same should be certified within a maximum period of three month and suitable action will be taken by the DoF accordingly.

Proforma 'B2-MDA'

(Quality Certificate for Organic Fertilizers)

Government of (_____)
Commissionate/Directorate of Agriculture (_____)

No. (_____)
Ref. No. of 'B1-MDA': (_____)

QUALITY CERTIFICATE

To
Joint Secretary/Additional Secretary,
Department of Fertilizers,
Ministry of Chemicals & Fertilizers,
Government of India, New Delhi.

(Kind Attention: Director (FS), Department of Fertilizers, Room. 473, 'E'
Wing, Udyog Bhawan, New Delhi)

1. Name of the Claimant with full address:
(Company's Name and address)
2. Name of the State/UT/District where product(s) received: (Name of State Government)
3. Claim for the month in which product(s) received in State/UT/District:
(Month, Year)
4. Report on the verification of quantity of fertilizers by the State: (Quantity in MT)

1	Name of State/UT		
2	Name of Manufacturers & Location		
3	Office of the Brand(s)		
4	Month and Year for which Quality Certificate is being issued		
5	It is Certified that the samples have been tested in a notified laboratory as per Fertilizer Control Order (FCO) and following samples were declared non-standard and therefore are not eligible for MDA.		
S. No.	Product	No. of samples failed	Total quantity not eligible for MDA (in MTs)

Director of Agriculture
(With Name and Seal)

Place:
Date:

Copy to: (Company's Name)

Annexure

**Proforma for claiming Payment of Market Development Assistance (MDA)
by manufacturer/marketers for Organic Fertilizers under DBT**

Claim under Notification No. (____) dated (____)
Bill No. (____)
Date: (____)

To
Director (FS)
Department of Fertilizers,
New Delhi

Sir/Madam,

We hereby submit the claim for payment of MDA as per details given below:

1. Name of Claimant with full address: (____)
2. Claim for the week ending: __/---/-----
3. Details of the Claim:

S. No.	Product	State	Opening Balance (MTs)	Supply Received (MTs)	Availability (MTs)	Quantity Sold (MTs)	Closing Balance (MTs)	Quantity Eligible (MTs)	Rate of MDA (Rupees/MT)	Total MDA payable (Rupees)
1	2	3	4	5	6 (4+5)	7	8	9	10	11(9*10)
1.										
2.										
3.										

4. Certified:
 - a. That the statement given above is correct to the best of my knowledge and belief.
 - b. That I/We undertake to refund the over payment due to quality issue or any other issue from future bills along with penal interest.
 - c. That the quantity claimed in the above bill will not be claimed in the future claims(s).
 - d. That the quantity sold and claimed has been used for agriculture purpose only.

Please pay by crediting Current Account No. (____) with (---Bank---), (Bank Address), (IFSC Code) (MICR Code)

(Digital Signature of CA/Auditor/Statutory Auditor of Company)

(Digital Signature of Authorised Officer of Company)

Passed of Rs. (Amount in figures)
(Amount in words)

DDO

(Digital Signature of DDO)