

कार्यालयज्ञापन/OFFICE MEMORANDUM

Subject: Guidelines on Market Development Assistance (MDA) for Promotion of Organic Fertilizers - Research & Development-reg.

1. **Background:** In the budget speech of 2023-24, fiscal support for distribution of biomass produced under Galvanizing Organic Bio-Agro Resources (GOBARdhan) initiative was announced. In compliance, Market Development programme (MDA) has been approved with a budget out lay of Rs 1,451.84 Crore including a corpus of Rs 360 Crore as a gap funding for research, technology demonstration etc., for the period 2023-24 to 2025-26.
2. **Eligible Institutions:** All government institutions including Central and State institutions including ICAR institutions, Agro Economic Research Centres (AERCs), Krishi Vigyan Kendras (KVKs), State Agriculture Universities (SAUs), non-private cooperatives will be eligible to undertake the *research/development/promotion* on issues related to MDA.
3. **Nature of funding:** This will be in the form of grant to the institutions for which utilization certificates will be provided by the concerned institutions from time to time.
4. **Objective:** R&D in the related fields to promote integrated nutrient management, reduce overuse of chemical fertilizers, ensure sustainability, soil health, better use efficiency, besides affordability of FOM/LFOM/PROM by the farmers.
5. **Possible areas for Grant:** The areas related to
 - i. Development of efficient & cost effective technologies for increasing the efficacy of FOM/LFOM/PROM
 - ii. Field demonstrations of FOM/ LFOM/PROM on different cropping systems in different agro climatic zones to finalise the recommended doses i.e., development of Package of Practices (PoPs)
 - iii. Development of cost effective pilot models for supply of LFOM from CBG units to farmers' field through pipelines/pumping stations for LFOM



- iv. Research on feasible models for setting up of FOM/LFOM/PROM units at CBG plants
- v. Development of entrepreneur model for promotion and marketing of FOM/ LFOM/PROM
- vi. Development of start ups for promotion and marketing of FOM/ LFOM/PROM
- vii. Research on possible value addition to FOM/LFOM/PROM (PROM PLUS)
- viii. Extension services for FOM/LFOM/PROM through agriculture graduates by Fertilizer PSUs

6. **Proposal approval mechanism:** A Committee under the Chairpersonship of the Special Secretary, Department of Fertilizers (DoF) was constituted vide O.M. dated 21st November, 2023, to assess/evaluate the study proposals and recommend budgetary support, comprising following Members:

- i. Joint Secretary (INM), Department of Agriculture & Farmers Welfare (Ministry of Agriculture & Farmers Welfare)
- ii. Economic Adviser, Department of Fertilizers (Ministry of Chemicals & Fertilizers)
- iii. Director, National Centre for Organic Farming (NCOF), Department of Agriculture & Farmers Welfare (Ministry of Agriculture & Farmers Welfare)
- iv. Director, Indian Institute of Soil Science (IISS), Bhopal
- v. Additional Director General (ADG) NRM, ICAR or Representative, Indian Council of Agriculture Research

6.1 The *research/development/promotion* proposals received from eligible institutions will be assessed/examined by the Committee and it will recommend budgetary support for conducting the *research/development/promotion*.

7. **Fund flow:** Projects & Development India Limited (PDIL), NOIDA has been nominated as the Central Nodal Agency (CNA) for the Central Sector Scheme of "Promotion of Organic Fertilizer (Research & Development)". An agreement is to be made between the Department of Fertilizers and Research Agencies/Universities for carrying out a study on their proposals as recommended by the Committee.

8. PAYMENT TERMS

- A. Payment is subject to release of funds from D/o Fertilizers to CNA and also subject to release of funds as per the extant guidelines issued by M/o Finance from time to time regarding flow of funds to/from Central Nodal Agencies. Payment shall be released within 30 days of submission of invoice after completion of activities for

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each milestone schedule indicated below on submission of the required deliverables/documents/reports duly certified by the Officer in DoF as per payment schedule detailed below:

- i. 25% advance payment on award of contract/signing of MoU;
 - ii. 15% payment after submission of first draft of evaluation, analysis, recommendations and report of invoice;
 - iii. 15% payment after submission of second draft report incorporating all comments on the first draft report;
 - iv. 20% payment after submission of final report incorporating all comments on draft report;
 - v. Balance 25% after approval of the Report by PDIL and DoF;
- B. Payment would be released through RTGS/NEFT to the Bank Account of the Institute/University
- C. Central Nodal Agency (CNA) to ensure that grants have been utilized for the purpose for which it was sanctioned and the Statement of Expenditure and Utilization Certificate are submitted in the prescribed format as stipulated in GFR 2017 and as per Government Guidelines issued vide D/o. Expenditure Office Memorandum No.1(18)/PFMS/FCD/2021 dated 09.03.2022 and subsequent amendments made from time to time.
- D. Separate CNA accounts are to be maintained by each Research Agency/University with regard to grants released.
- E. The Accounts of the grantee organization shall be open to audit at any time by the Comptroller and Audited General of India or their nominee at their discretion.
- F. The grantee organization shall submit, Utilization Certificate and a Statement of Expenditure audited by the Chartered Accountant and signed by the competent authority, stating the expenditure incurred on the approved project and indicating the utilization of the Government grant as per the extant guidelines. If the Utilization Certificate is not submitted within the prescribed period, the grantee shall arrange to refund immediately the whole amount of the grant received together with interest thereon at the prevailing borrowing rate of the Government of India unless specially exempted by the Government.
- G. The Grantee organization will be open to review by appointing a committee or in any other manner decided as and when deemed necessary by the Government.

9. **TIME SCHEDULE**

The assignment shall be completed within the stipulated time schedule as specified in the Letter of Intent or Work Order/MoU.



10. **Price Reduction**

Timely preparation and submission of correct report shall be essential. In the event of delay in delivery period beyond seven days, as indicated in the work order, price reduction @0.5% per week or part thereof subject to maximum of 10% of total work order shall be made from the Consultant. However, this can be waived of by the DoF, if suitable justification is provided for delay.

11. **OPERATION OF CONTRACT**

Contractor shall nominate a coordinator from his side who will coordinate all activities of the assignment. The invoice for payment shall be submitted to the DoF for arranging payment.

12. **BREACH OF CONTRACT**

In case the Consultant fails to execute the order, DoF reserves the right to get the same work done through any other means/agency at Consultant's risk and cost.

13. **ARBITRATION**

All cases of dispute arising during execution of contract shall be resolved by mutual discussion of parties operating the contract. However, in the event of failure to do so, matter shall be referred to DoF which shall be sole arbitrator and its decision shall be binding on both parties operating the contract.

14. **JURISDICTION**

All suits in respect of the contract shall be subject to the jurisdiction of the courts in Delhi and venue of arbitration shall be Delhi.

15. **DoF's Right**

Notwithstanding the above, DoF shall reserve exclusive discretion to accept or reject any offer without assigning any reason. The dispute(s) regarding not awarding of work to any particular Contractor shall not be arbitrable in terms of Clause 13 above.

16. The award or work shall not be assigned, transferred or sub-delegated to other Contractors except with the written approval of DoF.

17. The above guidelines have the approval of Competent Authority.

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(Shyam Sundar Agrawal)
Director (Non-Chemical Fertilizers)
Tel. 26100203

To

- i. Secretary, Department of Agriculture & Farmers Welfare (Ministry of Agriculture & Farmers Welfare), Krishi Bhawan, New Delhi.

- ii. Secretary, (DARE) & DG (ICAR), Ministry of Agriculture & Farmers Welfare, KrishiBhawan, New Delhi.
- iii. Secretary, Ministry of Drinking Water & Sanitation, Pt. Deendayal 'Antyodaya' Bhawan, CGO Complex, Lodhi Road, New Delhi.
- iv. Secretary, Ministry of Petroleum & Natural Gas, Shastri Bhawan, New Delhi.
- v. Secretary, Department of Expenditure (Ministry of Finance), North Block, New Delhi.
- vi. Chief Secretaries of all States/UTs.
- vii. Joint Secretary (INM), Department of Agriculture & Farmers Welfare, KrishiBhawan, New Delhi.
- viii. Economic Adviser, Department of Fertilizers, ShastriBhawan, New Delhi.
- ix. Principal Secretary/Commissioner/Director (Agriculture) of all States/UTs.
- x. Director, National Centre of Organic Farming (NCOF), Sector-19, Kamla Nehru Nagar, Ghaziabad, U.P.
- xi. Director, Indian Institute of Soil Science (IISS), Bhopal, Madhya Pradesh.
- xii. All Officers of Department of Fertilizers.
- xiii. Deputy Secretary (IT), Department of Fertilizers- for uploading on website.
- xiv. Assistant Director (OL), Department of Fertilizers- for Hindi version.

Copy to:

- i. PPS to Secretary, Department of Fertilizers
- ii. PPS to Special Secretary, Department of Fertilizers
- iii. PSS to Senior Economic Adviser, Department of Fertilizers
- iv. Sr. PPS to Joint Secretary & Financial Advisor, Department of Fertilizers.

24/11 13/06/24.
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