# F.No. 23011/21/2021-P&K Government of India Ministry of Chemicals & Fertilizers Department of Fertilizers

\*\*\*\*

Shastri Bhawan, New Delhi Dated the 12<sup>th</sup> July, 2022

## **OFFICE MEMORANDUM**

Subject:- <u>Guidelines relating to Potash Derived from Molasses (0-0-14.5-0) under Nutrient Based Subsidy (NBS) scheme</u>

Pursuant to the inclusion of Potash Derived from Molasses (0-0-14.5-0) at S.No. 25 of para 3 of DoF's notification No. 23011/1/2021-P&K dated 13.10.2021 under the Nutrient Based Subsidy Scheme, the following guidelines have been framed for Potash Derived from Molasses notified under NBS scheme:

#### A. Induction

- a) Manufacturers of granulated Potash Derived from Molasses shall be provided subsidy under Nutrient Based Subsidy (NBS) scheme.
- b) For the purpose of subsidy, manufacturer/company which will granulate the Potash Derived from Molasses shall be considered as manufacturer.
- c) Granulated Potash Derived from Molasses with a minimum 14.5% of K2O content as per Fertilizer Control Order (FCO) 1985 as amended from time to time will be allowed for claiming subsidy.
- d) The subsidy on Potash Derived from Molasses will be inclusive of the freight subsidy.
- e) Reasonability of MRPs of Potash Derived from Molasses shall be assessed by DoF as per guidelines formed by DoF from time to time
- f) The company has to submit an undertaking that in case of dispute between DoF and the concerned company, the matter of case of litigation shall be decided by court of jurisdiction in New Delhi.

- g) The documents required for induction under NBS for the manufacturers are:
  - i. Copy of valid registration certificate under FCO FRC for sale of Potash Derived from Molasses.
  - ii. Copy of the Memorandum of Association of the company along with the copy of the latest Audited Annual Report.
  - iii. Copy of the certificate of Incorporation issued by the Registrar of the companies
  - iv. Consent of Operation of Potash Derived from Molasses manufacturing from State Pollution Control Board.
  - v. Any other additional information/document as requisitioned by DoF for consideration of the request.
  - vi. Manufacturer of Potash Derived from Molasses will be liable to upload data of production, sale, dispatch etc. on the iFMS system of DoF.

## **B.** Marketing Arrangement

- a) The manufacturer of Potash Derived from Molasses shall be eligible for sale of Potash Derived from Molasses by entering into marketing arrangement with marketers under intimation to DoF.
- b) The fertilizer manufacturer including importers of fertilizers which are registered under the subsidy schemes of DoF shall be considered as marketer of Potash Derived from Molasses.

# C. Quality

- a) Manufacturer / Marketer / Retailer / Dealer will be jointly liable for ensuring / maintaining quality of the fertilizer as per the extant rules / guidelines issued by DoF.
- b) Quality testing of the fertilizer will be done by the manufacturer in the NABL accredited labs / State Government registered labs.
- c) Repeated defaulters in respect of quality of Potash Derived from Molasses will be liable to be removed from NBS Scheme

- 3. The payment of subsidy, movement & distribution of Potash Derived from Molasses will be regulated as per the existing guidelines of this Department and subsequent amendments issued from time to time.
- 4. Inducting companies shall abide by all the guidelines, instructions of this department as issued from time to time.
- 5. This issues with the approval of Competent Authority.

(Vikram Kumar Yadav) Under Secretary to the Govt. of India

Tele: 23073820

#### To:

- 1. Secretary (Department of Agriculture & Farmers Welfare)
- 2. Secretary (Department of Food & Public Distribution)
- 3. Secretary (Ministry of Petroleum and Natural Gas)
- 4. All Manufacturers/Marketer of Potash Derived from Molasses
- 5. Director of Agriculture, All States.
- 6. Director (FA)/Director (Movement), Dept. of Fertilizers.
- 7. Principal Account Officer, Deptt. of Fertilizers, Janpath Bhawan, New Delhi.
- 8. AGM (Process), PDIL, PDIL Bhawan, A-14, Sector 1, Noida.
- 9. GM (Process), FEDO, Udyogmandal, Cochin.
- 10. Director, Institute of Pesticide Formulation Technology (IPFT)
- 11. Director (CE), FICC
- 12. Hindi Section to provide Hindi version.
- 13. NIC for uploading the same on the website of DoF

#### No. 23011/1/2021-P&K Government of India Department of Fertilizers

Shastri Bhawan, New Delhi. Dated 13th October, 2021.

#### OFFICE MEMORANDUM

Subject: Nutrient Based Subsidy (NBS) rates for Phosphatic and Potassic (P&K) fertilizers, onetime special package for DAP and 3 most consumed NPK grades for Rabi 2021-22 (from 1st October, 2021 upto 31st March, 2022) and inclusion of Potash Derived from Molasses (PDM) (0:0:14.5:0) under NBS Scheme.

The undersigned is directed to refer to OM of even no. dated 20.5.2021 on the subject mentioned above and 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 the NBS Policy for the year 2021-22, applicable w.e.f. 01.10.2021 to 31.03.2022, shall be as under:

S. No	Nutrients	NBS (Rs. per Kg of Nutrient)
1	N	18.789
2	Р	45.323
3	K	10.116
4	S	2.374

- 2. It is also to state that Potash Derived from Molasses (PDM) (0:0:14.5:0) has been included under the NBS Scheme, as 25<sup>th</sup> grade of P&K Fertilizers.
- 3. Product-wise subsidy on various grades of P&K fertilizers covered under FCO and NBS Scheme for 2021-22, applicable from 01.10.2021 to 31.03.2022, shall be as under:-

S. No.	Name of Fertilizers	NBS Rates (in Rs./ MT)		
1	DAP 18-46-0-0	24231		
2	MOP 0-0-60-0	6070		
3 SSP 0-16-0-11		7513		
4 NPS 20-20-0-13		13131		
5	NPK 10-26-26-0	16293		
6	NP 20-20-0-0	12822		
7	NPK 15-15-15	11134		
8	NP 24-24-0-0	15387		
9	AS 20.5-0-0-23	4398		
10	NP 28-28-0-0	17951		
11 NPK 17–17–17		12619		

Tima Jani 1 1/4

12	NPK 19-19-19	14103		
13	NPK 16-16-16-0	11876		
14	NPS 16-20-0-13	12379		
15	NPK 14-35-14	19910		
16	NPS 24:24-0-8*	15387		
17	MAP 11-52-0-0	25635		
18	TSP 0-46-0-0	20849		
19	NPK 12-32-16	18377		
, 20	NPK 14-28-14	16737		
21	NPKS 15-15-19	11348		
22	NP 14-28-0-0	15321		
23	NPK 8-21-21	13145		
24	NPK 9-24-24	14996		
25 PDM (0:0:14.5:0)		1467		

<sup>\*</sup> Subsidy on Sulphur not included

4. Any variant of the subsidised P&K fertilizers covered under NBS Scheme 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 MT subsidy to encourage their application along with primary nutrients as per the rates mentioned below:

S.No Nutrients for fortification		Additional coated fer				
	The state of the s	the rates above	indicated	l in	para	3
					(Rs/M7	T)
1	Boron (B)		300			
2	Zinc (Zn)		500			

5. Special onetime package with an additional subsidy for the following P&K fertilizers, applicable from 01.10.2021 to 31.03.2022, shall be as under: -

S. No.	Name of Fertilizers	Additional Subsidy over and above the rates indicated in para 3 above (in Rs/ MT)
1	DAP 18-46-0-0	8769
2	NPS 20-20-0-13	2000
3	NPK 10-26-26-0	2000
4	NPK 12-32-16	2000

6. In order to examine the reasonableness of MRPs of P&K fertilizers, the fertilizer companies will continue to submit the certified cost data as per the extant guidelines of reasonableness of MRP of P&K fertilizers. The fertilizer companies will also report MRP

Tem How 13.10.21

of P&K fertilizers regularly to DOF. The profit earned above the reasonable profit will be treated as unreasonable and will be recovered from the subsidy bills of such companies.

- 7. The P&K fertilizer companies will ensure that the MRP of various grades of P&K fertilizers be maintained in accordance with the subsidy rates as notified and sell through their retailers accordingly.
- 8. 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.
- 9. 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 "Integrated Fertilizer Monitoring System (iFMS)".
- 10. 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 Freight on Road (F.O.R.) delivery basis.
- 11. There would be no separate subsidy on sale of customized fertilizers and mixture fertilizers.
- 12. 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 D(FA)/2016/DBT dated 17.03.2017, as amended from time to time.
- 13. This issues with the approval of the Competent Authority.

14. Hindi version will follow.

(Dr. Tina Soni) Director

Tel: 23386398

#### To,

- 1. Secretary (Agriculture), DA&FW, Krishi Bhawan, New Delhi.
- 2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.
- 3. Secretary (NITI Aayog), Yojana Bhawan, New Delhi.
- 4. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
- 5. Joint Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
- 6. Joint Secretary (INM), DA&FW, Krishi Bhawan, New Delhi.
- 7. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
- 8. Joint Secretary (NA), Department of Fertilizers, New Delhi.
- 9. Joint Secretary (AS), Department of Fertilizers, New Delhi.
- 10. Executive Director, FICC, Department of Fertilizers, New Delhi.

- 11. Chief Controller of Accounts, Department of Fertilizers, New Delhi.
- 12. Director(P&K), Department of Fertilizers, New Delhi.
- 13. Director (Finance)/Director(Budget), Department of Fertilizers, New Delhi.
- 14. DS, PMO, South Block, New Delhi
- 15. Jt. Director (Movement), Department of Fertilizers, New Delhi.
- 16. Director (Fertilizer Subsidy), Department of Fertilizers, New Delhi.
- 17. DDG, NIC, Department of Fertilizers- To upload on website and other digital platforms
- 18. Director General, FAI, New Delhi.
- 19. All Urea Manufacturers and P&K Fertilizer Manufacturers & importers.

#### Copy to:

- 1. Chief Secretaries of the State Governments/ UTs.
- Commissioners/Directors, Commissionerate/Directorate of Agriculture of the State Governments/ UTs.

#### Copy also to:

- 1. PS to Hon'ble Minister (C&F)
- 2. PS to Hon'ble MOS (C&F)
- 3. PS to Secretary (Fertilizers)
- 4. AD (OL), Hindi Cell, Department of Fertilizers For translation in Hindi
- SO(IT), Department of Fertilizers For uploading the same on the Department's website.
- 6. Guard File

Tima Harris