

**File No. 23011/1/2010-MPR (pt)**  
**Government of India**  
**Ministry of Chemicals & Fertilizers**  
**Department of Fertilizers**

101-B, Shastri Bhawan, New Delhi  
9<sup>th</sup> March 2011

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.

**Subject:** Implementation of the Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers w.e.f. 01.04.2011–NBS Policy w.e.f 1<sup>st</sup> April 2011 for 2011-12 and Revised per MT Subsidy, regarding.

Madam/Sir,

In supercession of this Department letter of even no. dated 19<sup>th</sup> November 2010 relating to NBS w.e.f 1<sup>st</sup> April 2011 for 2011-12, I am directed to say that the Department of Fertilizers has announced **revised NBS for P&K fertilizers (including SSP) w.e.f 1<sup>st</sup> April 2011 for 2011-12** as per the details below.

2. NBS will be applicable for indigenously produced and imported Di-Ammonium Phosphate (DAP, 18-46-0), Di-Ammonium Phosphate Lite (DAP Lite, 16-44-0), Mono Ammonium Phosphate (MAP, 11-52-0), Triple Super Phosphate (TSP, 0-46-0), Muriate of Potash (MOP, 0-0-60), 15 grades of complex fertilizers, Single Super Phosphate (SSP, 0-16-0-11) and indigenous Ammonium Sulphate (AS, 20.6-0-0-23 Caprolactum grade produced by GSFC and FACT).

3. Primary nutrients, namely Nitrogen 'N', Phosphate 'P' and Potash 'K' and secondary nutrient Sulphur 'S' contained in the fertilizers mentioned above will be eligible for NBS. Per Kg NBS for nutrient 'N' 'P' 'K' and 'S' for 2011-2012 w.e.f 1<sup>st</sup> April 2011 would be as follows:

SI No.	Nutrients	NBS (₹ per Kg of Nutrient)
1	"N"	27.481
2	"P"	29.407
3	"K"	24.628
4	"S"	1.692

*Hallas*

4. Per MT NBS for different P&K fertilizers for 2011-2012 w.e.f 1<sup>st</sup> April 2011 would be as follows:

Sl. No	Fertilizers	NBS (₹ per MT)
1.	DAP (18-46-0-0)	18474
2.	DAP Lite (16-44-0-0)	17336
3.	MAP (11-52-0-0)	18315
4.	TSP (0-46-0-0)	13527
5.	MOP (0-0-60-0)	14777
6.	SSP (0-16-0-11)	4891
7.	NPS: 16-20-0-13	10498
8.	NPS: 20-20-0-13	11598
9.	NP: 20-20-0-0	11378
10.	NP: 23-23-0-0	13084
11.	NP: 24-24-0-0	13653
12.	NP: 28-28-0-0	15929
13.	NPK: 10-26-26-0	16797
14.	NPK: 12-32-16-0	16648
15.	NPK: 14-28-14-0	15529
16.	NPK: 14-35-14-0	17588
17.	NPK: 15-15-15-0	12227
18.	NPKS: 15-15-15-09	12380
19.	NPK: 16-16-16-0	13042
20.	NPK: 17-17-17-0	13858
21.	NPK: 19-19-19-0	15488
22.	Ammonium Sulphate (20.0-0-0-23)	6050

5. In addition to the NBS mentioned above, a separate additional subsidy will be provided to the indigenous manufacturers producing complex fertilizers using Naphtha based captive Ammonia to compensate for the higher cost of production of 'N'. However, this will be available up to 31<sup>st</sup> March 2012 during which the units will have to convert to gas or use imported Ammonia thereafter.

6. Any variant of the fertilizers mentioned above coated/fortified with secondary and micronutrients (except Sulphur 'S'), as provided for under FCO, will also be eligible for subsidy. The secondary and micro-nutrients (except 'S') in such fertilizers will attract a separate per tonne subsidy to encourage their application along with primary nutrients as below:

Sl No.	Nutrients for fortification as per FCO	Additional subsidy ₹ per MT of fortified/coated fertilizers
1	Boron 'Bn'	300
2	Zinc 'Zn'	500

*Handwritten signature*

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)".
8. 20% of the price decontrolled fertilizers produced/imported in India will continue to be in the movement control under the Essential Commodities Act 1955 (ECA). Department of Fertilizers will regulate the movement of these fertilizers to bridge the supplies in underserved areas.
9. Freight subsidy under NBS on the decontrolled subsidized fertilizers (including SSP) will be announced separately.
10. Manufacturers / marketers of P&K fertilizers, including SSP, will be required to continue to ensure that fertilizers are transported up to the retail point at their cost since freight is being paid to them.
11. Though the market price of subsidized P&K fertilizers will be open and will be announced by the fertilizer companies, they will be required to print Maximum Retail Price (MRP) along with applicable NBS per MT on the fertilizer bags clearly. Any sale above the printed MRP will be punishable under the EC Act.
12. Boron 'Bn' has been included as a nutrient under the NBS for additional subsidy. Boronated SSP being a premium, value added fertilizer, manufactures/ marketers of Boronated SSP will be allowed to fix its MRP accordingly and if necessary, higher than Powdered and Granulated SSP.
13. Manufacturers of customized fertilizers and mixture fertilizers will be eligible to source subsidized 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.
14. The NBS will be released through the industry during 2011-12. The payment of NBS to the manufacturers/importers of DAP/DAP Lite/MAP/TSP/MOP/15 grades of Complex Fertilizers/ AS shall be released as per the procedure followed vide notification No. 19011/59/2003-MPR (Pt.) dated 12.3.2009 of the Department and as amended from time to time. Payment of NBS to the manufacturers/marketers of SSP shall be released as per the procedure and terms and conditions mentioned in notification No. 22011/4/2007-MPR dated 13.8.2009 of the Department and as amended from time to time by the Department and No. 23011/1/2010-MPR dated 21<sup>st</sup> April 2010.
15. This issues with the concurrence of the IFD dated 9<sup>th</sup> March 2011 and approval of the competent authority.

  
(H. Abbas)

Deputy Secretary to the Government of India  
Tel: 2338 3814

**Copy to:**

1. Secretary (Agriculture), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
2. Secretary (Expenditure), Department of Expenditure, North Block, New Delhi.

3. Joint Secretary (INM), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
4. Joint Secretary (PF-II), Department of Expenditure, North Block, New Delhi.
5. Dy. Secretary (Cabinet), Cabinet Secretariat, Rashtrapati Bhawan, New Delhi
6. Executive Director, FICC, Department of Fertilizers, New Delhi
7. Director of Accounts, Department of Fertilizers, Udyog Bhawan, New Delhi
8. Director (Finance), Department of Fertilizers, New Delhi
9. Director General, FAI, New Delhi
10. All the manufacturers & importers of P&K Fertilizers
11. All SSP manufacturers /marketers

**Copy also to:** Office of the Finance Minister, North Block, New Delhi.

**Copy also to:** Ms. Vini Mahajan, Joint Secretary, Prime Minister's Office, South Block, New Delhi

**Copy also to:** PS to Minister (C&F)/PS to MOS(C&F)/PS to Secretary (Fertilizers)/ AS & FA/ JS(P&P)/ JS(F&P)/ JS(A&M)/ Economic Advisor/ Controller of Accounts/ P&AO/ US(Concession Wing)/ Sr. AD (Accounts) FA Wing/ AD (OL for translation in Hindi)/ Guard File/ Technical Director, NIC for uploading the same on the Department's website.

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