

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

101-B, Shastri Bhawan, New Delhi  
1<sup>st</sup> December 2010

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:** Nutrient Based Subsidy (NBS) policy for Phosphatic and Potassic (P&K) Fertilizers w.e.f. 01.04.2010– modifications in the per kg NBS, per MT Subsidy and freight for P&K fertilizers w.e.f 1<sup>st</sup> January 2011, regarding.

Madam/Sir,

In continuation of this Department letter of even no. dated 4<sup>th</sup> March 2010, 16<sup>th</sup> March 2010, 19<sup>th</sup> March 2010 and 21<sup>st</sup> April 2010 regarding implementation of NBS for P&K fertilizers w.e.f. 1<sup>st</sup> April 2010 (Single Super Phosphate (SSP) w.e.f 1<sup>st</sup> May 2010), I am directed to say that the Department of Fertilizers has announced the following modifications in the NBS, Subsidy and freight for P&K fertilizers w.e.f 1<sup>st</sup> January 2011 up to 31<sup>st</sup> March 2011 for 2010-11. All the other parameters of the policy would remain unchanged.

2. Freight subsidy under NBS on the decontrolled subsidized fertilizers (except SSP) for rail movement would be paid as per actual claim w.e.f 1<sup>st</sup> January 2011 for 2010-11. Secondary freight for the P&K fertilizers (except SSP) w.e.f 1<sup>st</sup> January 2011 for 2010-11 will be paid in line with the "Uniform Freight" applicable for urea. Freight for direct road movement w.e.f 1<sup>st</sup> January 2011 for 2010-11 would be subject to lower of actual claim and equivalent rail freight. Direct road movement will be allowed to a maximum distance of 700 KM subject to the condition that rake capacity made available by Railways shall be fully utilized and the situation be reviewed after six months. For the purpose of admissibility of

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equivalent rail freight for direct road movement, following rates would be applicable:

Movement (KM)	Rate ₹ per MT
Up to 100	108
101-200	183
201-300	256
301-400	327
401-500	400
501-600	476
601-700 (maximum)	550

3. As a result of exclusion of the secondary freight included earlier in the NBS, per kg NBS and per MT Subsidy w.e.f 1<sup>st</sup> January 2011 for 2010-11 would be as follows.

a) Per Kg NBS for nutrient 'N' 'P' 'K' and 'S' w.e.f 1<sup>st</sup> January 2011 for 2010-11 would be as follows:

Sl No.	Nutrients	NBS (₹ per Kg of Nutrient)
1	"N"	23.227
2	"P"	25.624
3	"K"	23.987
4	"S"	1.784

b) Per MT subsidy for different P&K fertilizers w.e.f 1<sup>st</sup> January 2011 for 2010-11 would be as follows:

Sl. No	Fertilizers	NBS (₹ per MT)
1	DAP	15968
2	MAP	15879
3	TSP	11787
4	MOP	14392
5	SSP	4296
6	16-20-0-13	9073
7	20-20-0-13	10002
8	20-20-0-0	9770
9	23-23-0-0	11236
10	28-28-0-0	13678
11	10-26-26-0	15222
12	12-32-16-0	14825

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13	14-28-14-0	13785
14	14-35-14-0	15578
15	15-15-15-0	10926
16	16-16-16-0	11654
17	17-17-17-0	12383
18	19-19-19-0	13839
19	Ammonium Sulphate	5195

4. In addition to the NBS for SSP, a lump sum freight of ₹ 200 per MT will be provided. Manufacturers / marketers of P&K fertilizers including SSP would 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.

5. 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.

6. This issues with the approval of the competent authority.

*H. Abbas*  
(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. Director (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

**Copy also to:**

PS to Minister (C&F)/PS to MOS(C&F)/PS to Secretary (Fertilizers)/ AS & FA/ JS(F&P)/ JS (P&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.

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

*H. Abbas*  
(H. Abbas)

Deputy Secretary to the Government of India