

TEL-NO. :

**No. 5-5/2006-Shipping II**  
**Government of India**  
**Ministry of Chemicals & Fertilizers**  
**Department of Fertilizers**

New Delhi, Dated 1<sup>st</sup> December, 2006

- To
1. Secretary (Agriculture)/Agriculture Production Commissioner  
All State Governments/Uts.
  2. Director of Agriculture, All State Governments/Uts

**Sub: Final rates of concession on phosphatic & potassic (P&K) fertilizers during the 1st quarters of 2006-07 & regarding.**

Sir,

In continuation of this Department's letter number 5-2/2005-Shipping - II dated 13.6.2006, I am directed to say that final rates of concession for Phosphatic and Potassic fertilizers during the first quarter (1.4.2006 to 30.6.2006) of 2006-07 will be as follows:

(Rupees per MT)

Product	Base Concession rates for 2006-07 (from 1.4.06 to 31.3.07)		Final Concession Rates for 1 <sup>st</sup> Quarter of 2006-2007 (1.4.2006 to 30.6.2006)	
	Group I	Group II	Group I	Group II
Indigenous DAP	6173	6355	6875	7292
Imported DAP	5206		6308	
MOP	5972		7153	
SSP	975		975	
16:20:0	2866	4020	3597	4613
20:20:0	3439	4882	4330	5601
20:20:0 (gas)	2053		2145	
23:23:0 (gas)	2280	5533	2385	6359
28:28:0	6205	6739	6833	7744
10:26:26	5881	6602	6902	7538
12:32:16	5692	6558	6627	7389
14:28:14	5137	6147	6095	6985
14:35:14	6153	7163	7144	8034
15:15:15 (gas)	3213		3572	
15:15:15	4252	5335	5211	6164
17:17:17	4227	5454	5312	6392
19:19:19	6132	6494	6925	7543

2. The final concession rates have been decided taking into account the raw material prices prevailed during the preceding quarter and the foreign exchange rate of current quarter. The phosphoric acid price has been worked out as per the formula recommended by Expert Group.

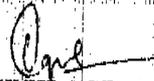
3. The final concession rates for indigenous DAP Group I units are lower than the final concession rates for indigenous DAP Group II in case of first quarter of 2006-07. Accordingly, the final claims for the 1st. quarter of 2006-07 in respect of M/s Hindalco Industries Limited (Group I), PPL, SPIC and Tata Chemicals Limited (Group II) will be settled in proportion to the production of DAP made by these companies through the different route.

4. The final concession rates for first quarter of 2006-07 indicated above in respect of indigenous DAP & complex fertilizers will not be applicable in respect of fertilizers produced by M/s. IFFCO, Kandla Unit for which the relevant rates will be announced separately.

5. State Governments are requested to expedite pending sales certificates to enable processing and payment of the outstanding claims of manufacturers/ importers of P&K fertilizers.

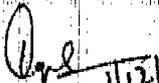
6. This issues with the approval of Finance Division of Department of Fertilizers vide their dairy No.2866/AS&FA/06 dated 30. 10. 2006.

Yours faithfully,

  
(RAJESH AGRAWAL)  
Deputy Secretary (S&D)  
Ph. 23386398

Copy forwarded to:

- 1 Secretary (Agriculture), Department of Agriculture & Cooperation, Krishi Bhawan ND.
- 2 Secretary, Department of Expenditure, North Block, New Delhi.
- 3 Joint Secretary PF II, Department of Expenditure, North Block, New Delhi.
- 4 ED, FICC, R K Puram, New Delhi.
- 5 Deputy Secretary (RCM), Department of Fertilizers, New Delhi.
- 6 Director of Accounts, Udyog Bhawan, New Delhi.
- 7 Director General, FAI, New Delhi.
- 8 All the manufacturers & importers of P & K fertilizers
- 9 Joint Secretary (INM), Department of Agriculture & Cooperation, Krishi Bhawan, ND

  
(RAJESH AGRAWAL)  
Deputy Secretary (S&D)  
Ph. 23386398

Copy also to: PS to Minister (C&F)/ PPS to Secretary (F) / JS (A&M)/ JS (F) / AS&FA / Controller of Accounts, US (MPR) and Pay and Accounts Officers in the Department of Fertilizers.