

No. 22011/6/2008 – MPR (FR)
Government of India
Ministry of Chemicals and Fertilizers
Department of Fertilizers

Shastri Bhawan,
New Delhi, the 5th September 2008

To.

1. **Secretary (Agriculture)/ Agriculture Production Commissioner (All State Governments/ UTs)**
2. **Director of Agriculture (All State Governments/ UTs)**

Subject: Final Rates for months of April 2008, May 2008 & June 2008 for payment of Concession for decontrolled Phosphatic and Potassic (P&K) Fertilizers for the year 2008-09.

Madam/ Sir,

In continuation of this Department's letter No. 22011/6/2008 – MPR dated 27th June 2008 announcing Base Rates and No. 5-1/2007-Shipping II/MPR dated 11 July 2008 on continuation of the Concession Scheme for decontrolled P&K fertilizers, I am directed to say that the Government of India has now announced the monthly Final Rates of Concession for decontrolled Phosphatic and Potassic Fertilizers for the months of April 2008, May 2008 and June 2008 for the year 2008-09, as follows:

(Rs. per MT)

Product	Base Rates (2008-09)	Final Rates of Concession			
	w.e.f. 1 st April 2008	April 2008	May 2008	June 2008	June 2008
					Up to 17 th June 2008
1	2	3	4	5	6
Imported & Indigenous DAP	40547	33088	46177	50081	50081



(1)

Imported & Indigenously Granulated MAP	37327	15795	45731	46653	46653
Imported & Indigenous TSP	31508	NIL	39896	39896	39896
MOP	18762	8190	8187	8401	8401
			IPL would be entitled to claim at the rate of Rs. 23760 per MT for a quantity of "134025.317 MT" sold/receipt on or after 6 th May 2008	a) IPL would be entitled to claim at the rate of Rs. 24361 per MT for a quantity of "120860.00 MT" sold/receipt on or after 11 th June 2008 b) RCF will be entitled to claim at the rate of Rs. 24361 per MT for a quantity of "25000.00 MT" sold/receipt on or after 18 th June 2008	
NPKS -Complex Fertilizer					
16:20:0:13 CFL (Ennore)	24664	20279	25916	27966	29191
20:20:0:13					
GSFC (Baroda)	22850	18568	24449	26570	27555
FACT (Cochin)	27475	23507	30025	33329	34314
FACT (Udyogmandel)	27575	23607	30125	33429	34414
IFFCO (Paradeep)	27609	23499	29075	31108	32093
CFL (Ennore)	25436	21326	26902	28935	29920
CFL (Vizag)	25336	21226	26802	28835	29820
PPL (Paradeep)	25416	21306	26882	28915	29900
CFL (Kakinada)	25456	21346	26922	28955	29940
SPIC (Tuticorin)	25296	21186	26762	28795	29780
MCFL (Mangalore)	25396	21286	26862	28895	29880
GNVFC (Bharuch) 20:20:0:0 (ANP)	22367	17429	23876	26791	28728
10:26:26:0					
PPL (Paradeep)	32513	21808	29193	31480	32643
TCL (Haldia)	32663	21958	29343	31630	32793
CFL (Vizag)	32474	21769	29154	31441	32604
CFL (Kakinada)	32523	21818	29203	31490	32653
ZIL (Goa)	32533	21828	29213	31500	32663
IFFCO (Kandla)	31819	21878	29263	31550	32713
HIL (Dahej)	32416	21711	29096	31383	32546

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12:32:16:0					
PPL (Paradeep)	34054	24737	33841	36607	37450
TCL (Haldia)	34210	24893	33997	36763	37606
CFL (Kakinada)	34066	24749	33853	36619	37462
GSFC (Sikka)	33574	24257	33361	36127	36970
IFFCO (Kandla)	33198	24797	33901	36667	37510
ZIL (Goa)	34102	24785	33889	36655	37498
HIL (Dahej)	34017	24700	33804	36570	37413
14:35:14:0					
TCL (Haldia)	36189	27170	37115	40126	40601
CFL (Vizag)	35930	26911	36856	39867	40342
CFL (Kakinada)	36007	26988	36933	39944	40419
DFPCL (Taloja) 23:23:0:0	20178	14510	21192	23184	25039
RCF (Trombay) 15:15:15:0	20305	12893	17241	18585	20444
MFL (Manali) 17:17:17	26419	18095	23565	26094	28390
CFL (Vizag) 28:28:0:0	31057	25095	33092	35585	37184
ZIL (Goa) 19:19:19:0	28096	19437	24852	26601	28414

2. Consequent upon the revision in the Maximum Retail Prices (MRPs) of complex fertilizers w.e.f 18th June 2008 vide this department letter dated 17th June 2008, two separate monthly rates of concession for complex fertilizers are applicable in the month of June 2008. Accordingly, for quantities received/sold on or before 17th June 2008 and received/sold on or after 18th June 2008, separate final rates of concession will apply as per column (5) & (6) respectively of the table above.

3. Consequent upon a separate uniform freight subsidy policy w.e.f 1st April 2008 vide this Department's letter dated 17th July 2008, the monthly final rates are exclusive of freight.

4. All the manufacturers/ importers of P&K fertilizers covered under the Concession Scheme will be eligible for payment of concession on the decontrolled P&K fertilizers as per the Final Rates indicated above for respective fertilizers.

5. The same final rates of concession as above will apply to fortified and coated P&K fertilizers and will be subject to the requirements stipulated vide this Department letter no. 12012/20/2007-FPP dated 2nd June 2008.

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6. Base Rates applicable for the remaining period of the year 2008-09 will continue to be the same as per column (2) of the table at paragraph 1.

7. Due to application of outlier concept, some manufacturers/importers are eligible for lower rate of concession and as such though they are allowed to claim as per general industry average to maintain uniformity, the amount not payable to them on the quantity of finished fertilizer/ raw materials/ intermediates covered under the outlier concept will be recovered. In case of industrial use of MOP by IFFCO of 79790.00 MT in the month of June 2008, the balance between the price accounted for complex fertilizers and the price incurred will be reimbursed. The amounts to be recovered / reimbursed from the concession payable are as follows:

On account of finished fert/ raw material/ Intermediate	April 2008	May 2008	June 2008
MOP	---	---	Reimbursement to = IFFCO of Rs. "1194039795.76"
DAP	Recovery from = Mosaic of Rs. "106677614.88"	Recovery from = RCF of Rs. "196410334.00", = IPL of Rs. "135702000.00"	Recovery from: = RCF of Rs. "174011040.00", = IFFCO of Rs. "104148000.00"
Ammonia	---	Recovery from IFFCO = Rs. "295719516.23"	Recovery from IFFCO = Rs. "535067737.57"
Sulphur	Recovery from = CFL of Rs. "119826967.36"	Recovery from: = CFL of Rs. "110779211.42" = PPL of Rs. 172938832.23"	Recovery from: = CFL of Rs. "11775441.14", = FACT of Rs. "8233496.104".

8. In case the amount of concession payable to a particular manufacturer/importer in a particular month is less than the amount recoverable as above, the balance amount will be recovered from the concession payable from the immediate subsequent month.

9. The State/UT Governments are requested to expedite pending sales certificates/ certification of receipts of fertilizers to enable processing and payment of the outstanding claims of manufacturers/importers of P&K fertilizers. The State / UT Governments are also requested to ensure that the fertilizers on

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which concession is claimed are sold at the indicative MRP announced by the Government.

10. This issues with the concurrence of the Internal Finance Division of Department of Fertilizers vide their dairy no. 1704/AS&FA dated 2 September 2008.

Yours faithfully,


(H. Abbas)

Deputy Secretary to the Government of India
Tel No. + 11- 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. Executive Director, FICC, Department of Fertilizers, New Delhi
6. Director of Accounts, Department of Fertilizers, Udyog Bhawan, New Delhi
7. Deputy Secretary (Finance), Department of Fertilizers, New Delhi
8. Director General, FAI, New Delhi
9. All the manufacturers & importers of P&K fertilizers


(H. Abbas)

Deputy Secretary to the Government of India

Copy also to:

PS to Minister (C, F & S)/ Sr. PPS to Secretary (Fertilizers)/ AS&FA/ JS (P&P)/ JS (F&P)/ JS (A&M)/ Economic Advisor/ Controller of Accounts, PAO/ US/ AD (Concession Wing)/ Sr. AD (Accounts) FA Wing/ DD - OL (for translation in Hindi)/ Guard File/ Technical director, NIC for uploading the same on the Department's website.

