

155/DG/08

No. 22011/6/2008-MPR
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Room No. 101, B-Wing,
Shastri Bhawan, New Delhi,
Dated: 12th March 2009

To

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

Sub: Final rates of concession for decontrolled P & K fertilizers (except SSP) for the months of October, November and December, 2008).

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U.P. 28/3
2/20/09
M. S. S.

Madam/Sir,

I am directed to say that the final rates of concession for decontrolled P & K fertilizers for the months of October, November and December, 2008 shall be as follows:-

| Products | Base Rate of Concession | Final Rate | | (Rs. Per MT) | |
|--------------------------------------|----------------------------------|-------------------------|------------|----------------------------------|------------|
| | | Base Rate of Concession | Final Rate | Base Rate of Concession | Final Rate |
| | w.e.f 1 st April 2008 | Oct. 08 | Nov. 08 | w.e.f. 1 st Dec. 2008 | Dec. 08 |
| Imported & Indigenous DAP | 40547 | 51560 | 43243 | 15834 | 25680 |
| Imported & Indigenous Granulated MAP | 37327 | 51560 | 40567 | 15834 | 23903 |
| Imported & Indigenous TSP | 31508 | 47317 | 29527 | 15834 | 25680 |
| MOP | 18762 | 28141 | 28410 | 27686 | 28162 |
| NPKS Complex Fertilizers | | | | | |

| | | | | | |
|---------------------------------|-------|-------|-------|-------|-------|
| PPL (Paradeep) | 25416 | 31639 | 24284 | 7886 | 12407 |
| CFL (Kakinada) | 25456 | 31679 | 24324 | 7926 | 12447 |
| SPIC (Tuticorin) | 25296 | 31519 | 24164 | 7766 | 12287 |
| MCFL (Mangalore) | 25396 | 31619 | 24264 | 7866 | 12387 |
| GNVFC (Bhar) 20:20:0:0 (ANP) | 22367 | 25652 | 19547 | 9581 | 13212 |
| 10:26:26:0 | | | | | |
| PPL (Paradeep) | 32513 | 41347 | 36756 | 21203 | 26856 |
| TCL (Haldia) | 32663 | 41497 | 36906 | 21353 | 27006 |
| CFL (Vizag) | 32474 | 41308 | 36717 | 21164 | 26817 |
| CFL (Kakinada) | 32523 | 41357 | 36766 | 21213 | 26866 |
| ZIL (Goa) | 32533 | 41367 | 36776 | 21223 | 26876 |
| IFFCO (Kandla) | 31819 | 41417 | 36826 | 21123 | 26926 |
| HIL (Dahej) | 32416 | 41250 | 36659 | 21106 | 26759 |
| 12:32:16:0 | | | | | |
| PPL (Paradeep) | 34054 | 43233 | 37550 | 18559 | 25457 |
| TCL (Haldia) | 34210 | 43389 | 37706 | 18715 | 25613 |
| CFL (Kakinada) | 34066 | 43245 | 37562 | 18571 | 25469 |
| GSFC (Sikka) | 33574 | 42753 | 37070 | 18079 | 24977 |
| IFFCO (Kandla) | 33198 | 43293 | 37610 | 18439 | 25517 |
| ZIL (Goa) | 34102 | 43281 | 37598 | 18607 | 25505 |
| HIL (Dahej) | 34017 | 43196 | 37513 | 18522 | 25420 |
| 14:35:14:0 | | | | | |
| TCL (Haldia) | 36189 | 46050 | 39746 | 18750 | 26294 |
| CFL (Vizag) | 35930 | 45791 | 39487 | 18491 | 26035 |
| CFL (Kakinada) | 36007 | 45868 | 39564 | 18568 | 26112 |
| DFPCL (Tal) 23:23:0:0 | 20178 | 23861 | 20476 | 9210 | 14016 |
| RCF (Trombay) 15:15:15:0 | 20305 | 24238 | 22086 | 14675 | 17861 |
| MFL (Manali) 17:17:17 | 26419 | 30945 | 25819 | 17276 | 20421 |
| CFL (Vizag) 28:28:0:0 | 31057 | 45807 | 32918 | 14468 | 20594 |
| ZIL (Goa) 19:19:19:0 | 28096 | 40044 | 31367 | 18767 | 22990 |
| Amm. Sulphate | | | | | |
| GSFC (Baroda) | 1002 | -16 | -2708 | -3892 | -3811 |
| FACT (Udyogmandal) | 5886 | 4951 | -996 | -2355 | -2839 |

2. With reference to the above, it is to be informed that where the final rates of concession are on higher side than the base rates stated above, then the later will prevail over the higher prices for concession for claiming 'On Account' payment of concession. Accordingly, since the final rates of concession in the month of October, 2008 are higher (except the rates of Amm. Sulphate) than the base rates w.e.f. 1st April 2008, the base rates originally announced will continue to be effective. Similarly,

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the final rates of concession in the month of Nov. 2008 are higher (except the rates of TSP, 16:20:0:13, 20:20:0:0, 17:17:17 and Amm. Sulphate) than the base rates w.e.f. 1st April 2008, the base rates originally announced will continue to be effective. For the month of Dec. 2008, the final rates of concession are higher than the base rates announced w.e.f. Dec. 2008. Hence, the base rates w.e.f. 01.12.2008 will continue to be effective.

3. Due to application of outlier methodology, some units 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 deducted as follows:

(Rs. Per MT)

| Finished Fert./ Raw Material / Intermediate | Oct. 2008 |
|---|---|
| DAP | Recovery from: = IPL of Rs. "231271789.00". =IFFCO of Rs. "37962750.00" |
| Ammonia | Recovery from = IFFCO of Rs. "312328811.07" |
| Sulphur | Recovery from =CFL of Rs. "49534008.67" =IFFCO of Rs. "39803119.45" |
| Nov. 2008 | |
| DAP | Recovery from =IPL of Rs. "82297450.00" =RCF of Rs. "61017000.00" |
| Ammonia | Recovery from =MCF of Rs. "97129756.03" =GSFC of Rs. "168455404.07" =TCL of Rs. "124263557.23" =PPL of Rs. "258807230.37" =IFFCO of Rs. "578438900.55" =ZIL of Rs. "133700212.06" |
| Sulphur | Recovery from =MCF of Rs. "12215087.50" =CFL of Rs. "52734159.84" =FACT of Rs. "64591585.14" |
| Dec. 2008 | |
| DAP | Recovery from =IPL of Rs. "138362525.09". |
| Ammonia | Recovery from =IFFCO of Rs. "41247709.38" =HINDALCO of Rs. "7245778.88" =ZIL of Rs. "9156217.47" =MCF of Rs. "5026796.53" |

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4. The recovery on account of DAP will be adjusted against the Head of Account meant for imported Phosphatic Fertilizers/DAP. The recovery on account of usage of Ammonia will be adjusted against the Head of Accounts relating to payment of concession for complex fertilizers.

5. In case of 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.

6. The provisional monthly rates of concession for the months of October, November & December 2008 for the new NPKS being produced / proposed to be produced by the following units shall be as follows:-

(Rs. Per MT)

| Units/Products | Provisional Monthly Rates | | | | |
|-------------------|----------------------------|---------------|---------|---------------------------|----------------------|
| | Base Rates w.e.f. April 08 | Monthly Rates | | Base Rates w.e.f. Dec. 08 | Monthly rate Dec. 08 |
| | | Oct. 08 | Nov. 08 | | |
| MFL | | | | | |
| 20:20:0:13 | 28371 | 30661 | 21865 | 10715 | 14427 |
| 16:20:0:13 | 27140 | 29414 | 21250 | 10134 | 13956 |
| CFL, Kakinada | | | | | |
| 16:20:0:13 | 24656 | 30095 | 23084 | 7770 | 12238 |
| MCFL | | | | | |
| 10:26:26 | 32503 | 41337 | 36746 | 21193 | 26846 |
| 14:35:14 | 36007 | 45868 | 39564 | 18568 | 26112 |
| 14:28:14 | 30676 | 39416 | 34143 | 16576 | 22657 |
| GSFC | | | | | |
| 10:26:26 | 32113 | 40947 | 36356 | 20803 | 26456 |
| 20:20:0:13 | 24952 | 30839 | 23484 | 7086 | 11607 |

7. The above-mentioned manufacturers of Complex Fertilizers will be eligible to claim 'on account' payment of concession on the sales/receipts of the said Complex Fertilizers at the rate of 85% (90% with Bank Guarantee) of the rates indicated above.

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

H. Lal

55/04/09

9. This issues with the approval of Department of Expenditure (Ministry of Finance) and the concurrence of the IFD of this Department vide Dy. No. 401/AS&FA/09 dated 27.02.2009.

Yours faithfully,

H. Abbas

(**H.Abbas**)

Deputy Secretary to the Govt. of India
Ph. No. 011 - 2338 3814

Copy forwarded to:

1. Secretary (Agriculture), Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
2. Secretary, 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. FICC, RK Puram, New Delhi.
6. Director of Accounts, Udyog Bhawan, New Delhi.
7. DS (IFD), Department of Fertilizers, Shastri Bhawan, New Delhi.
8. Director General, FAI, New Delhi.
9. All the manufacturers & Importers of P & K fertilizers.
10. NIC for uploading on the Department of Fertilizers Website.

Copy also to: PS to Minister(C&F) / Sr. PPS to Secretary (F) / AS&FA / JS(P&P) / JS(F&P) / JS (&M) / Economic Advisor / Controller of Accounts / Pay & Accounts Officer / DD (Accounts), FA Wing / US (Concession Wing) / AFA / Section Officer (Fin.) / AD (Accounts), FA Wing / AD (Concession Wing) / AD (OL) (For Hindi Translation) / Guard File.

H. Abbas

(**H.Abbas**)

Deputy Secretary to the Govt. of India

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