



सत्यमेव जयते



D.O No. MD-SBM/FG/06/2017

13 January 2017

Sub: Amendments to the policy on 'Promotion of City Compost' of the Department of Fertilisers (DoF)-Direct Sale of City Compost by ULBs

Dear Sir,

As you are aware, the Government of India is implementing 'Swachh Bharat Mission' (SBM) since October, 2014 with the goal of achieving a Clean India by 2nd October 2019. A key component of the mission is to help cities across to manage Municipal Solid Waste (MSW) in a sustainable manner.

2. In its meeting on 23rd January 2016, the Union Cabinet has approved the policy for promotion of city compost, wherein a Market Development Assistance (MDA) of Rs. 1500 per metric tonne of city compost will be paid to the fertilizer marketing companies, which are obligated to purchase all the compost manufactured by respective cities to which they have been tagged. A copy of the policy notification is attached for reference.

3. Following the release and implementation of this policy, it was identified that ULBs apart from manufacturing compost would like to market it on their own. Therefore, to provide further impetus to the existing policy and to increase the volume of sale, an amendment was released on 28.09.2016, wherein ULBs can now also market compost directly to farmers and claim market development assistance of Rs.1500 per tonne. The amendment along with the detailed guidelines for its implementation (released on 9.01.2017) are enclosed.

4. In view of the above, we would like to kindly urge you to take advantage of these provisions to ensure set up new compost plants, closed compost plants are revived and existing plants working at sub-optimal capacity are upgraded/refurbished/revamped to function at full capacity

5. We would also like to reiterate that apart from the above MDA of Rs. 1500 per metric tonne of city compost, the Govt. of India also provides a viability gap funding of 35% to states to set up new compost plants and refurbish or revamp existing compost plants. In line with this, we kindly request you to submit your proposals to your respective state mission directorates in order to be able to avail these funds.

We look forward to your cooperation for the success of this initiative.

With Regards,

Yours sincerely,

(Praveen Prakash)

To: Municipal Commissioners-500 cities

Copy To: Mission Directors (SBM)-All States; JS (Fertilizer); JS (Agriculture); Director & ADM-SBM (SJ); JA – CPHEEO

Enclosures: (i) Copy of Policy Notification; (ii) Copy of Amendment dated 28.09.2016; (iii) Copy of Guidelines for Direct Sale of City Compost dated 9.01.2017

F.No. 11026/44/2016-M&E
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhavan, New Delhi.

Dated: 28.09.2016

OFFICE MEMOROANDUM


Subject: Direct sale of City Compost by Compost Producers to farmers.

Consequent upon approval by CCEA on 20.01.2016, the Department notified a Policy on Promotion of City Compost on 10.02.2016. As per the notified policy the co-marketing margin of city compost is being done by the fertilizer marketing companies along with chemical fertilizers for which a provision of Rs. 1500 per tonne as Marketing Development Assistance (MDA) has been made.

2. Though, co-marketing of city compost along with chemical fertilizer has already been started as per the above notification, it is felt that in order to increase volume of sale and to make the compost available at affordable price to farmers, in addition to the existing marketing arrangement, provision can be made within the existing policy framework so that compost producers could also market their product directly to farmers and claim Market Development Assistance of Rs. 1500 per tonne on its sale. The broad outline of the revised guidelines will be as follows: -

- i) The compost manufacturer willing to claim MDA will apply to Department of Fertilizers through concerned Municipality of the State in a prescribed Proforma to be designed by the Department of Fertilizers.
- ii) A separate portal in DoF will be developed for payment of MDA to compost manufacturer on recommendation of concerned Municipal Corporations. The portal will also capture the details of the consumers to whom the City Compost has been sold by the manufacturer.
- iii) The on account payment as per notification (upto 50%) shall be released to Compost manufacturer after sale based on the quantity certification (Proforma-B1) by the Municipality.

- iv) The Balance payment shall be released after receipt of the quality certification (Proforma B2) from the concerned State Government that the quantity sold is as per FCA specification.
3. The detailed operational guidelines for implementation of the above will be issued separately.


(D P Srivastava)
Director(E&S)
Tel.No.:011-23389839
Email: dprasad.s@nic.in

To

- i) Principal Secretaries, Urban Development/Agriculture of all the States.
- ii) CMD/MD of all Chemical Fertilizer Companies.
- iii) CMD/MD of all Compost Manufacturers
- iv) All Municipal Commissioners
- v) DG, Fertilizer Association of India

Copy to:

- i) Sr. PPS to Secretary, D/o Fertilizers, Shastri Bhawan, New Delhi
- ii) Sr. PPS to Secretary, M/o Urban Development, Nirman Bhawan, New Delhi
- iii) Sr. PPS to Secretary, D/o Agriculture, Cooperation and Farmers Welfare, Krishi Bhawan, New Delhi
- iv) NIC.

F. No. 11026/14/2015-M&E
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi
Date: 09.01.2017

Office Memorandum

Subject: Guidelines for Direct Sale of City Compost by Compost manufacturers to farmers in bulk under the Policy on Promotion of the City Compost of the Department of Fertilizers (DOF).

In continuation of this Office O.M. of even no. dated 03.06.2016 and 10.10.2016, the guidelines on procedure for submission and processing of claims for payment of Market Development Assistance (MDA) of Rs. 1500/MT on sales of City Compost in the matter of implementation of Policy on Promotion of City Compost prescribed hereunder shall be applicable to sales made from the date of issue of this O.M.

A. Eligibility for Market Development Assistance

- i. The Market Development Assistance (MDA) for sale of City Compost as per the standards laid down in Fertilizer Control Order at subsidized prices will be paid only through concerned Municipality to the Compost manufacturer and to concerned Municipality where Municipality is the Compost manufacturer and Marketer.
- ii. All City Compost manufacturers as Marketers recognized by the concerned State Government shall be eligible to market its own City Compost and claim MDA. The letter of recognition should be signed by authorized Officer of the concerned State Department on its Official letter head. The recognition letter shall specifically mention that the Compost manufacturer as Marketer has long term tie up with concerned Municipality for manufacturing of City compost on sustained basis. The Proforma of the permission letter is at **(Annexure-I)**.
- iii. The Compost manufacturing companies interested to market City Compost is required to submit a letter through Municipality intimating their willingness to market City Compost along with details of manufacturers, and other information as per **Annexure-II** to Department of Fertilizers (DOF).
- iv. Each Compost manufacturer willing to claim MDA must have well equipped laboratory to ensure and test that City Compost produced by the manufacturer conforms to FCO standard.
- v. DOF will allot an iFMS ID to the company to enable it to upload the quantity of City Compost produced and sold to farmers, the MRP, etc. Uploading of

data relating to sales, MRP etc. is mandatory and the companies are required to generate monthly MDA claims online as is being done for P&K fertilizers and submit the claims to Director (FA), DOF, Udyog Bhawan, New Delhi for processing and arranging payment of MDA.

- vi. The Compost manufactures have to upload on iFMS the any recognized photo identity of the farmers to whom the City Compost has been sold.
- vii. City Compost manufacturer shall upload the Government recognized photo ID card of the farmer, to whom the City Compost has been sold in bulk, on the portal of iFMS. The City Compost manufacturer shall also enter details of the Farmer such as name, father's name, address of the farmer, etc on the portal of iFMS.

B. Reasonableness of MRP

- i. Though the market price of City Compost will be determined based on demand-supply balance, the fertilizer companies will be required to mention Maximum Retail Price (MRP) along with applicable MDA on the cash memo clearly. Any sale above the MRP will be punishable under the EC Act.
- ii. Apart from MDA given by the Department of Fertilizers, if any State provides subsidy on City Compost, the MRP will be lowered by the Company to that extent and the subsidy so passed will also be passed on to the farmers in terms of lower MRP.
- iii. The Compost manufacturers as marketing entities are required to print the MRP and applicable MDA along with the subsidy paid by State Govt.(s) on the payment receipt. The marketing entities are also required to upload the same MRP in the iFMS besides furnishing the MRPs along with subsidy claims for each month.
- iv. Department of Fertilizers will establish appropriate mechanism to examine the reasonableness of MRP to ascertain whether the assistance given in the form of Market Development Assistance or State subsidy has been passed on to the consumers. In case, after the examination it is established that the assistance as described above has not been passed on, the same is liable for recovery.

C. General Payment Procedure for claiming Market Development Assistance (MDA) under Policy on Promotion of City Compost:

2. Process for release of 'On Account' Payment

- i. The Compost manufacturers as marketing entities of City Compost are allowed to claim 50% 'On Account' payment of subsidy through Municipality from DoF for the quantity of City Compost sold to the farmers, month-wise, based on the requisite information provided by them in prescribed

Proforma 'B1-CCD', duly certified by the authorized signatory of the Municipality as well as the statutory auditor of the Company.

- ii. A copy of the Proforma '**B1-CCD**' along with the supporting documents is also required to be submitted by the Compost manufacturers as marketing entities to the concerned State Government (Directorate of Agriculture) in which City Compost has been sold during a particular month, for quality verification and certification of the sale of City Compost executed by the marketing entity during a particular month. The details of the sales invoices and other supportive documents, etc. which are to accompany Proforma '**B1-CCD**' are to be sent only to the State/UT Governments within 30 days of the calendar month of sales.
- iii. The details of sales entered in iFMS are required along with Proforma **B1-CCD** as annexures.
- iv. The City Compost marketing entities are required to submit the specimen signatures of their authorized signatory as well as the Statutory Auditor along with their name and seal as well as for the manufacturers with whom they have their marketing tie up.
- v. The State Government in which the City Compost plant is located is required to inspect and certify that the quality of the City Compost produced by the unit during a particular month was as per the standards laid down in the FCO.
- vi. The State Government shall issue such certificate in its official stationery as per prescribed Proforma.
- vii. The Compost manufacturer as marketing entity is required to submit a copy of such Certificate issued by the State Government along with the claim for claiming 'On Account' payment for that particular month.
- viii. State Govt. is required to mention clearly the sub-standard quantity of City Compost not eligible for subsidy along with the number of samples and sample number details in Quality Certificate (Proforma B2-CCD) issued by them.
- ix. The claims processed by Fertilizer Accounts Wing shall be submitted for administrative approval of Joint Secretary, Department of Fertilizers dealing with the subject.
- x. Thereafter, the claims shall be sent for concurrence of Internal Finance Division (IFD).
- xi. After concurrence by IFD, sanction for the 'On Account' subsidy amount shall be issued by the Fertilizer Accounts Wing.

- xii. Then P&AO shall release the payment of subsidy as per the prescribed procedure through PFMS.
- xiii. The Compost manufacturer as marketing entity is required to claim through concerned Municipality 'on account' MDA within two months from the month of sale of City Compost.

3. Release of Balance Payment of subsidy:

- (i) If Compost manufacturers as marketing entities submit their claim as per guidelines, the payment of balance MDA on the sale of City Compost shall be released by DoF to the marketing entities based on Proforma 'B2-CCD' issued by the State Governments certifying the quality of City Compost sold during a particular month and on receipt of retailer's acknowledgement in iFMS.
- (ii) The State Governments are required to certify the quality of the City Compost sold by the marketing entity in a particular month.
- (iii) No part certification is allowed.
- (iv) Any quantity found sub-standard shall also be mentioned in the Proforma 'B2-CCD' on which no Market Development Assistance shall be eligible.
- (v) Based on the submission of Proforma 'B2-CCD' by the State Government, the Compost manufacture as marketing entity becomes eligible to claim balance 50% payment of MDA on the sales of City Compost during a particular month.
- (vi) The Fertilizer Accounts Wing shall process the claims as per State Government certification in Proforma 'B1-CCD & B2-CCD'.
- (vii) DoF reserves the right to charge interest plus penal interest on that quantity of City Compost, on which MDA has been paid and later on the State Government certified the said quantity or part thereof non-standard or not sold/sold less in Proforma 'B2-CCD', at the rate prevalent at the time of processing of the claim.
- (viii) The claims for balance payment of MDA shall be processed by Fertilizer Accounts Wing for administrative approval of the Joint Secretary, Department of Fertilizers.
- (ix) Then, the claims shall be sent for concurrence of Internal Finance Division (IFD).
- (x) After concurrence by IFD, sanction for the balance Market Development Assistance amount shall be issued by the Fertilizer Accounts Wing.
- (xi) Then P&AO shall release the payment of subsidy as per the prescribed procedure through PFMS

4. Action to be taken by Fertilizer Accounts Wing in respect of delay or non-receipt of Proforma 'B2-CCD' certificate:

- (i) The Fertilizer Accounts Wing would monitor State-wise receipt of Proforma 'B1-CCD & B2-CCD' and in the event of delay in submission of Proforma B2-CCD' by State Governments, DoF/Fertilizer Accounts Wing will take up with the State Government to submit Proforma 'B2-CCD' at the earliest so that the 'On Account' payment of MDA released to the Compost manufacturer as marketing entity through concerned Municipality could be settled and the balance payment of MDA could also be released. The City Compost manufacturer as marketing entity should also pursue with the State Governments to submit Proforma 'B2-CCD' at the earliest
- (ii) If there is delay of more than 180 days in receipt of Proforma 'B2-CCD' from the State Government, the proforma B2-CCD will be presumed as deemed receipt of proforma B2-CCD.
- (iii) The State Governments are required to send to Fertilizer Accounts Wing, the attested signatures of the authorized signatory who will be signing Proforma 'B2-CCD'. If there is any change in the authorized signatory, the attested signatures of such signatory should be sent to Department of Fertilizers.
- (iv) While issuing Proforma 'B1-CCD & B2-CCD' certificate, Municipality/State Government are required to ensure that:
 - (a) Affixing of rubber stamp and office seal showing name and designation of authorized official certifying the sales;
 - (b) Indication of place and date of signing of Proforma 'B1-CCD & B2-CCD';
 - (c) That the quantity certified in Proforma 'B1-CCD' is the final quantity as partial certification for a given month shall not be accepted;
 - (d) That the format of the enclosed Proforma 'B1-CCD & B2-CCD' is neither changed nor amended; and
 - (e) That Proforma 'B1-CCD & B2-CCD' is not issued with cuttings or correction.

5. Specimen signatures of authorized signatories/ Statutory Auditor of the Company:

- (i) All the claims of Market Development Assistance ('On Account' or balance payment) in prescribed Proforma must be signed by the Chief Executive or his authorized signatory of the company.


- (ii) The authorized signatory of the claims should be at least of the rank of the General Manager or the Head of Finance Department or holding equivalent post in the company.
- (iii) The attested signatures of the authorized signatory must be sent to the Fertilizer Accounts Wing, DoF initially immediately before any payment is released and also at the beginning of each financial year.
- (iv) There should be maximum two authorized signatories for each company.
- (v) Two copies of three specimen signatures of the authorized signatory, duly attested by the Chief Executive of the Company should be sent to the Fertilizer Accounts Wing, DoF after affixing the official seal.
- (vi) Similarly, the specimen signatures along with name and seal of the Statutory Auditor of the Company should also be submitted by the Compost manufacturer as marketing entity to DoF.

6. Payments through public/private sector bank

Payments shall be made to the Compost manufacturer as marketing entity through Municipality (or Municipality only where Municipality is the Compost manufacturer) by DoF by credit to any public sector bank for which all Municipalities and concerned Compost manufacturers (or Municipality only where Municipality is the Compost manufacturer) are required to open a Joint account (single account) with the Bank. The Municipalities and concerned Compost manufacturers (or Municipality only where Municipality is the Compost manufacturer) also are required to register in PFMS system for the purpose of claiming Market Development Assistance.

7. Others

- (i) All references other than in respect of claims, regarding the City Compost Scheme should be sent in a sealed cover to Joint Secretary, M&E Division, Department of Fertilizers, Shastri Bhawan, New Delhi by registered post/speed post.
- (ii) The Department of Fertilizers may, from time to time, call for any additional information from marketing entities as deemed fit for the smooth and efficient implementation of the Scheme.
- (iii) The above guidelines have the approval of the competent authority.
- (iv) These guidelines have been placed in the web site of the Department of Fertilizers <http://fert.nic.in>


(D P Srivastava)
Director to the Govt. of India
Telephone No.: 011-23389839

To

- i. Secretary, Department of Agriculture, Co-operation and Farmers Welfare, Krishi Bhawan, New Delhi
- ii. Chief Secretaries of all States/UTs
- iii. Joint Secretary (PHE), Joint Secretary, Ministry of Urban Development, Nirman Bhawan, New Delhi
- iv. Director (FA), Department of Fertilisers, Udyog Bhawan, New Delhi
- v. Director (Agriculture) of all State Governments/UTs Administration.
- vi. CMD/MD of all fertiliser Companies
- vii. DG, FAI, Shaheed Jit Singh Marg, New Delhi.
- viii. President, Waste Management Association, 4th Floor, Gopal Das Bhawan, 28, Barakhamba Road, New Delhi
- ix. All Officers of Department of Fertilisers
- x. Director (NIC) for uploading on the website.

Annexure-I

To

Joint Secretary
M&E Division
Department of Fertiliser
Shastri Bhawan, New Delhi

It is certified that (*Name of the Company along with address, registration no., etc*) is a Compost manufacturer with manufacturing plant at (*address of location of the plant*) and (*address of registered Office of the Company*) has tie up with (*name and address of the Municipality along with address*) for manufacturing of City compost and is capable of producing City compost on sustainable basis.

**Signature of the Authorized signatory of the State
(Name, Designation with seal)**

Annexure-II

Details of City Compost Manufacturer / Municipality

- i. Name of City Compost Manufacturing Company
- ii. Address of City Compost Plant
- iii. Address of registered Office of Manufacturer
- iv. TIN No. of manufacturer
- v. PAN No. of manufacturer
- vi. Name and address of Municipal Body with which Manufacturer has the tie up
- vii. Tenure of the contract between Municipal body and manufacturer
- viii. Input of MSW per day
- ix. Installed capacity (Annual in MT)
- x. Brand name of the City Compost
- xi. Contact person name, mobile number and e-mail ID.
- xii. Bank account details like account no., IFSC code, name of account holder (Account should be in Company and Municipality or Municipality's name as the case may be), address of the bank.

Date:

Place:

**Signature of the Authorized signatory of the Company
(Name, Designation with seal)**

Quantity Certificate/On Account Claim

Proforma 'B1-CCD'

For claiming 'On-account' payment of Market Development Assistance by marketing entities under Policy for promotion of CITY COMPOST.

Claim under notification No. ----- dated -----

Bill No.....

Date.....

To

The Director (FA), Department of Fertilizers, Room No. 473, Udyog Bhavan, New Delhi

Sir/Madam,

We hereby submit the claim for "on-account" payment of Market Development Assistance as per the particulars submitted below:

1. Name of manufacturer as marketer with address:
2. City compost Brand
3. Claim for the month:
4. Details of the Claim:

Claim No.	MRP Per M.T. (excluding Local Taxes) (in Rs.)	Name of State/UT in which CITY COMPOST has been sold	Net Qty eligible for payment (in MTs) as per Annexure	Rate PMT	Market Development Assistance payable (in Rs.)	50% of total Market Development Assistance as On-A/c amount payable.
1	2	3	4	5	6	7

5. Total amount of 'On-account' payment of Market Development Assistance being claimed rounded off to(amount in words).

6. Certified that the net quantity shown in Column 4 in the above table on which Market Development Assistance is being claimed is on net weight basis as per the attached Annexure exclusively for supply of the same to the farmers for agricultural use in bulk. It is certified that the MRP and the Market Development Assistance amount and State subsidy, if any and the quality of this fertilizer sold is conforming to the FCO specifications.

7. It is certified that all the conditions prescribed in the Ministry of Chemicals & Fertilizers (Department of Fertilizers) OM dated 10.02.2016 and guidelines on City Compost have been fulfilled.

8. It is certified that the above-mentioned quantity of City Compost has been sold to the farmers in bulk.

Received an amount of Rs.....

Date:

Place:

Signature of the Authorized signatory of the Company
(Name, Designation with seal)

Please pay the Market Development Assistance amount by crediting it in Account Numberwith.....(Name & Address of the of Bank).....

For <Name of the City Compost Manufacturer as Marketing entity>

Date:

Place:

Signature of the Authorized signatory of the Company
(Name, Designation with seal)

(Verification of the claim by concerned Municipality)

(Auditor's Report on letter head of Auditor)

It is hereby certified that the quantities of City Compost have been sold to the farmers in bulk during the month ofas per the **Annexure** attached herewith.

2. The City Compost sold by (Name of Compost manufacturers as marketing entities) as shown below are hereby certified after duly examining the sale invoices, sale register, delivery challans, Railway Receipts (RRs) for rail dispatch/Lorry Receipts for road dispatches, Stock Transfer Not (STN) and (specify any other record maintained by the Company)

Sl. No.	Market Development Assistance claim No. with date	State	Quantity in MTs	Remarks, if any

3. The quantity dispatched from railhead to the registered warehouse/buffer godown/Dealer's stock point is verified from STN/warehouse stock report. The quantity directly dispatched to the farmers as a sale either from plant or from destination rake point is verified from the delivery orders/invoices/STN.

4. The quantity claimed to have been sold by this Compost manufacturer as marketing entity has also been verified from RG-1 register/production record showing production, books of accounts, stock registers and other relevant records maintained by the company.

Place:

Date:

Signature of the Statutory Auditor of the Company
(Name, Membership No. with seal)

ANNEXURE

Month/Year:

Company Name:

Name of State:

District	Quantity sold (*)	Quantity sold To (**)	Preceding month Quantity returned (not eligible for payment)	Net Quantity eligible	Remarks, it any
1	2	3	4	5	6(3-4)

(*Quantity sold of CITY COMPOST manufactured based on MSW)

(** Name, ID card number of the farmers as per details uploaded on iFMS)

Signature of the Statutory Auditor of the Company
(Name, Membership No. with seal)

Date:

Place:

Signature of Company authorized Signatory
(Name, Designation with seal along with date and place)

Proforma B2-CCD

(Quality Certificate for CITY COMPOST)

(to be submitted in duplicate by State/UT within 180 days of receipt of Proforma B1-CCD)).

GOVERNMENT OF _____
COMMISSIONERATE OF AGRICULTURE _____ (State)
Dated _____

No. _____

Ref No. _____

Dated _____

QUALITY CERTIFICATE

Joint Secretary(M&E)

Department of Fertilizers

Ministry of Chemicals & Fertilizers

Government of India, New Delhi

(Kind attention: Director(FA), Depart. of Fertilizers, Room No. 473, F-Wing, Udyog Bhawan, N.D

1. Name of State/UT _____
2. Name of the Compost manufacturers as Marketing entities with address _____
3. Date of Inspection _____
4. Inspecting Authority (Name in Capital & Designation) _____
5. Name of Product _____
6. Name of the Brand _____
7. Month/Year _____
8. Batch/Lot Nos inspected _____
9. Quantity test failed if any _____
10. Sampling carried out at _____
(viz Unit premises/Company's warehouse or godowns/Dealer or Retailer premises)
11. It is certified that the Inspecting Authority mentioned above has inspected the said CITY COMPOST unit on the date mentioned above and has found that a well-equipped laboratory as per the FCO to test the samples of CITY COMPOST is functioning in the said CITY COMPOST unit.
12. It is also certified that the samples drawn as above have been tested as per the guidelines of FCO from the State Government Laboratory or from the Laboratory designated by the State Government and as per the Test Report CITY COMPOST manufactured is of the quality as specified under FCO for CITY COMPOST.
13. It is certified that out of _____ number of samples drawn & tested _____ number of samples were failed and _____ MTs of the fertilizers grade for each failed sample amounting to _____ MT shall not be eligible for Market Development Assistance.
14. It is also certified that each bag has been stamped with (a) Quality certified (b) Batch No. _____ to (c) Maximum Retail Price (MRP) and (d) Market Development Assistance being given by the Government of India

Director Agriculture
(with Name and Seal)

Place:

Date

Copy to

Claimant Name

Please note that the quality certificate (Proforma-B2-CCD) should be submitted within a period 180 days as stipulated in Notification No. _____ dated _____ issued by Department of Fertilizers.

For claiming balance payment of Market Development Assistance (50%) w.r.t. CITY COMPOST

Claim for Balance payment of Market Development Assistance on CITY COMPOST during the month ofagainst 'On Account payment of Market Development Assistance received through Bill No. Date.....(Bill No. of 'On Account' payment).

Bill No.-----

Date:-----

To

The Director, FA wing, Room No. 473, E-Wing, Udyog Bhawan, New Delhi

Dear Sir/Madam,

We submit the following claim for payment of balance Market Development Assistance:

1. Name and address of manufacturing Company as marketer:
2. Claim for the month in which product(s) sold
3. Details of the claim:

(Quantity in MTs)

State	Qty. as per "On-A/c" claim (Qty. in MTs)	Sub-standard/short supply (Qty. in MTs)	Qty. sold and eligible for payment (Qty. in MTs)	Rate of Market Development Assistance applicable ** (in Rs.)	Total amount payable (in Rs.)	"On A/c"% of total Market Development Assistance already received (in Rs.)	Balance (%) payable (in Rs.)
(1)	(2)	(3)	(4)=(2)-(3)	(5)	(6)=(4)x(5)	(7)	(8)=(6)-(7)
	Total						

5. Total amount of balance payment of NBS claimed being rounded off to
(Amount in words)

6. It is certified that the quantity shown in Col.4 above has been sold as per the guidelines issued from time to time by Department of Fertilizers. The above information is based on the proof in respect of sales for the relevant month and is verified from the sale orders, delivery challans and sale invoices/sale bills.

7. The company undertakes that in case any quantity is short certified or the quantity of fertilizer is found to be sub-standard by the concerned State/Union Territory Government (s) as per Proforma 'B1-CCD' then the company is liable to refund the amount along with penal interest to this Department.

8. It is certified that all the conditions prescribed in the Department of Fertilizer's letter No. ----- dated ----- and guidelines dated ----- have been complied.

Received an amount of Rs.....

Place:

Date:

Signature of the Statutory Auditor of the Company
(Name, Membership No. with seal)

Place:

Date:

Signature and name/designation of the Authorized Signatory of the Company
Company Name with seal

Please pay the Market Development Assistance amount of Rs.by crediting it in
Account Number.....(specify Bank name branch and address).....

Place:

Date:

Signature and name/designation of the Authorized Signatory of the Company
Company Name with seal

(Verification of the claim by Concerned Municipality)

F. No. 11026/14/2015-M&E
Government of India
Ministry of Chemical & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi

Date: 10th February 2016

OFFICE MEMORANDUM

Subject: Policy on Promotion of City Compost - regarding

The undersigned is directed to convey the approval of Government of India for Policy on Promotion of City Compost as given below:

- i. Market development assistance in the form of fixed amount of Rs. 1500 per tonne of City Compost will be provided for scaling up production and consumption of the product.
- ii. Initially, marketing and promotion of city compost will be done through the existing fertilizer companies. In due course, compost manufacturers and other marketing entities recognized by the concerned State Government may also be included for the purpose with the approval of Department of Fertilisers. The market development assistance shall be routed through the entity which is marketing it.
- iii. The Fertilizer marketing companies shall be eligible for on account payment up to 50% only on the basis of first point sale (to the dealer/retailer) at the district level. The balance shall be released on receipt of retailer's acknowledgement in mFMS as well as issue of required certificates relating to quantity and quality issued by the respective State Governments in prescribed forms. In case of other marketing entities including compost manufacturers, if they are involved in promotion and sale of city compost and are duly recognized by concerned State Governments, the modalities for release of subsidy to them may be decided by Department of Fertilisers.
- iv. Fertilizer companies and marketing entities will also co-market City Compost with chemical fertilizers through their dealers' network. The mechanism, extent and mode of implementation of such co-marketing depending on levels of compost production, demand generation and other relevant factors shall be decided by the Department of Fertilizers. The provision of Market Development Assistance as proposed in para (i) to (iii) above, shall, however, not be linked to the issue of co-marketing mentioned above.
- v. The companies will also adopt villages for promoting the use of compost.
- vi. Government Departments and Public Sector undertakings will also use City Compost to the extent possible for their horticulture and related use.

vii. Department of Agriculture, Cooperation and Farmers Welfare will carry out IEC campaigns to educate farmers on the benefits of city compost. The Agricultural Extension Machineries including KVKs of ICAR will also make special efforts in this regard. Agriculture Universities and KVKs will also take up field demonstration activities to the extent possible using City compost to make it popular amongst the farmers. Department of Agriculture, Cooperation and Farmers Welfare will assign targets to the KVKs in this regard.

viii. Ministry of Urban Development will take steps to increase setting up of compost plants across all States.

ix. An appropriate BIS standard/ Eco-Mark will also be developed in consultation with BIS for enabling better market acceptance. It shall be branded appropriately in a way that reflects clearly that particular initiative is part of Swachh Bharat Mission.

x. A joint mechanism will be set up by Department of Fertilizers, Ministry of Urban Development and Department of Agriculture to monitor and facilitate availability of adequate quantity of City Compost at terms mutually agreeable between compost manufacturers and Fertilizer Marketing companies. They will also be authorised to resolve any co-ordination related issue that may arise.

xi. The expenditure towards market development assistance for scaling up production and consumption of City Compost will be met out from the budget provisions for Department of Fertilisers.

2. The policy will be effective from the date of issue of the O.M.


(D P Srivastava)

Director to the Government of India
Tel No.:011- 23389839

- i. All Secretaries of the Central Ministries/Departments
- ii. All Chief Secretaries of the State Government
- iii. Director General, Bureau of Indian Standard, Manak Bhawan, ITO, New Delhi
- iv. Director General, Fertilizer Association of India, 10-Shaheed Jit Singh Marg, New Delhi – 110067
- v. President, Waste Management Association, 4th Floor, Gopal Das Bhawan, 28, Barakhamba Road, New Delhi
- vi. All fertilizer Companies
- vii. All Officers/Sections in the Department of Fertilizers and Office of FICC, RK Puram, New Delhi.
- viii. Director (NIC)

Copy to: Shri Anurag Jain, Joint Secretary, Prime Minister's Office, South Block,
New Delhi