



D.O No. MD-SBM/FG/10/2017



18 February 2017

Sub: Amendment to the Fertiliser (Control) Order, 1985 w.r.t. Bulk Sale of City Compost

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 through promoting efficient mechanisms for waste segregation, collection, storage, processing and final disposal.

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.

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 in bulk and claim market development assistance of Rs.1500 per tonne**. It is anticipated that this policy will reduce the cost incurred by manufacturers in bagging and transportation of compost reducing the price at which compost will be made available to farmers, thereby boosting the sales of compost.

4. As per Clause 22 c. of THE FERTILISER (CONTROL) ORDER 1985 wrt. Bulk sale of fertilisers:

"the Central Government may by notification published in the Official Gazette in this behalf authorise a manufacturer/importer to sell any fertiliser manufactured/ imported by him In bulk also direct to farmers for such period as may be specified in that notification: Provided that a certificate indicating the minimum guaranteed percentage of plant nutrients is issued by the manufacturer/importer to each farmer at the time of such sale"

5. The proposal for amendment of this clause, for **exempting the Municipality from the requirement of notification for bulk sale of fertilizer (in this case compost) has been proposed and approved by a competent authority vide DO F. No. 8-2/2008 Fert Law (See Enclosed)**.

6. The management of solid waste through collection, processing, transportation and disposal in India is the responsibility of urban local bodies (ULBs) which is carried out either on their own or in partnership with other entities.


7. Given the above, **all entities including ULB run compost plants are exempted from the requirement of notification for bulk sale of compost as mentioned in the circular above. These plants can register on the mFMS portal (<http://mfms.nic.in/>) to log in production details and claim the subsidy as mentioned above.**

8. You are requested to ensure necessary action is taken for the dissemination of the amendment order amongst state level agricultural officers and the ULBs in your State so that these provisions are implemented

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

With Regards,

Yours sincerely,



(Praveen Prakash)

To: All State Agricultural Secretaries

All State Urban Development Secretaries

Copy to:

- Ms. Rani Kumudini (IAS), Joint Secretary, Dept. of Agriculture & Cooperation;
- Sh. Sushil Kumar Lohani (IAS), Joint Secretary, Dept. of Fertilizer;
- Director & AMD-SBM (SJ)
- Municipal Commissioners-500 Cities

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(iv) Amendment to the Fertiliser (Control) Order, 1985 w.r.t. Bulk Sale of City Compost (*DO F. No. 8-2/2008 Fert Law*)