

No. 19-1/2020-FM

भारत सरकार / Government of India

रसायन व उर्वरक मंत्रालय / Ministry of Chemicals & Fertilizers

उर्वरक विभाग / Department of Fertilizers

Shastri Bhawan, New Delhi

Dated the 06th January, 2021

To,

1. M/s IFFCO(Phulpur & Paradeep)
2. Indo-Rama chemicals (Haldia)
3. BVFCL (Namrup)
4. FACT
5. Paradip Phosphate Ltd

Subject: Movement of fertilizers by using Inland Waterways/ Coastal Shipping- reg.

Respected Sir/Madam,

I am directed to refer to the IWAI's D.O. letter no. IWAI/Cargo/363/2020 dated 29.12.2020 and to request you to explore the possibility of transportation of fertilizer through Inland Waterways in light of the IWAI's letter dated 29.12.2020 and the coastal shipping guidelines dated 17.06.2019 & 18.09.2019 issued by the Department for the transportation of fertilizers.

In this regard, monthly supply plans furnished by the company shall be in accordance with the IWAI's letter dated 29.12.2020 and further the companies shall specifically indicate the quantity which is planned to be transported through inland waterways.

2. This issues with the approval of the Competent Authority.

Yours faithfully,

(V.S. Rawat)

Section Officer (FM)

Copy for information to:-

Dr. Amita Prasad, IAS

Chairman, IWAI (with reference to the D.O .letter dated 29.12.2020)

Copy to: -

1. Chief Secretary/ All agriculture Production Commissioner/ Secretary (Agriculture) of all the state Governments/UTs.
2. Commissioner/Director, Commissionerate/Directorate of Agriculture of all the State Government/UTs.

Copy also to: -

PS to Minister (C&F)/ PS to MoS(C&F)/Sr. PPS to Secretary (F)/PPS to AS & FA/
PPS to AS (DP)/JS (PS)/JS (GS)/EA/ AD-OL for Hindi version/ SO(IT) for
uploading on the Department's web site.

Dr. Amita Prasad, IAS
Chairperson

D.O. No. IWAI/Cargo/363/2020
December 29, 2020

Dear

Inland Waterways Authority of India (IWAI), an autonomous body under Ministry of Ports, Shipping & Waterways, is engaged in the development of 23 Waterways (list enclosed as Annex-I) out of 111 National Waterways notified. Inland Waterway Transport (IWT) is being developed as a supplementary mode of transportation along with road and railways.

2. IWAI has developed the NW-1 (Ganga-Bhagirathi-Hooghly river system) with multimodal terminals available at Varanasi, Sahibganj and Haldia. A Protocol on Inland Water Transit and Trade (PIWT&T) between India and Bangladesh also exists under which inland vessels of one country can transit through the specified protocol routes of the other country. The Indo-Bangladesh Protocol (IBP) routes declared under the PIWT&T connect Kolkata, Haldia, Kolaghat, Bandel, Maia, Dhulian, Dhubri, Pandu, Silghat, Karimganj, Badarpur, Jogighopa and Sonamura in India with Narayanganj, Khulna, Mongal, Sirajganj, Ashuganj, Pangaon, Rajshahi, Sultanganj, Chilmari, Daudkandi and Bahadurabad, Ghorasal and Mukhtarpur in Bangladesh. The IBP routes are well connected with NW-1 and NW-2 (Brahmaputra River system).

3. IWAI has conducted an assessment to identify the potential for movement of fertilizers through IWT mode and a concept paper on the assessment is enclosed for your perusal. Potential exists for movement of fertilizers using IWT mode. Manufacturing units of key fertilizer producers are located in the hinterland of National Waterways - IFFCO (Phulpur), Indo-Rama Chemicals (Haldia) on NW-1 (Ganga-Bhagirathi-Hooghly river system), BVFCL (Namrup) on NW-2 (Brahmaputra), FACT on NW-3 (West coast canal) and IFFCO (Paradip), Paradip Phosphate Ltd. (Paradip) on NW-5 (Mahanadi). It is estimated that these manufacturing units supply more than 1 million tonnes of fertilizers to the states of Bihar, Jharkhand, West Bengal, eastern UP (hinterland of NW-1), 0.25 million tonne to the North Eastern states (hinterland of NW-2) and 0.1 million tonnes within Kerala (hinterland of NW-3). In total, 1.35 million tonne of fertilizer movement has been identified which can be diverted to Inland Waterways for transportation using IWT mode.

4. To assist in seamless movement of ^{fertilizer} ~~coal~~ on National Waterways, support is being provided by IWAI in areas like: providing assured water depth, pilotage for navigation, vessel anchoring facilities, vessel bunkering and tug boat for emergency situation. The new portals and e-initiative like CAR-D and PANI have been put in place for giving real time information on depth of navigational channel on NW-1, NW-2 and NW-3. List of terminals available is also enclosed at Annex-III. It would be appreciated if your organization encourages transportation of a portion of your demand/ fertilizer through inland waterways and avail benefits of this eco-friendly and supplementary mode of transportation.

Contd....2/-

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5. You may like to visit our website (www.iwai@nic.in) or contact Member (Traffic & Logistics), Shri Shashi Bhushan Shukla (Mobile No. 9910003087; e-mail mtr.iwai@nic.in) to get more information.

With

Yours sincerely,

Sd/-

(Dr. Amita Prasad)

Encl: As above

Shri Sushil Kumar Lohani

Chairman & Managing Director
The Fertilizers Corporation of India Limited
7, Institutional Area, Scope Complex, Core-III,
Lodhi Road, New Delhi – 110003
s.lohani@nic.in
E-mail: fertcorpindia@nic.in

Copy to –

1. **Shri Chhabilendra Roul, IAS**
Secretary to the Govt. of India
Deptt of Fertilizers,
Ministry of Chemicals & Fertilizers
Shastri Bhawan
New Delhi – 110 001
E-mail: fertsec@nic.in

For issuing necessary direction to
all concerned. This has been
requested in the past too.

2. **Dr. Sanjeev Ranjan, IAS**
Secretary to the Govt. of India
Ministry of Ports, Shipping &
Waterways
Transport Bhawan,
New Delhi – 110 001
E-mail: secyship@nic.in

For information please.

Amita
30/12/2020
(Dr. Amita Prasad)

No. 23011/10/2016-MPR
(भारत सरकार)
Government of India
(उर्वरक विभाग)
Department of Fertilisers

Shastri Bhawan, New Delhi
Dated: 17th June, 2019

OFFICE MEMORANDUM

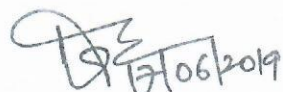
Sub: Policy for reimbursement of freight subsidy for distribution of Subsidised fertilizers through Coastal Shipping or/and inland waterways.

In supersession of this Department's O.M. No. 12018/11/2007-FPP dated 25.06.2010 & 14.07.2010 and OMs of even number dated 13.10.2016 & 29.03.2017 on the subject mentioned above, the undersigned is directed to convey the decision of the Competent Authority to allow movement of fertilisers through Coastal Shipping/Inland waterways alongwith the Road movement that follow the Coastal Movement/Inland Water movement upto the rake point in the destination district to make it qualify for reimbursement of freight subsidy under the primary movement. The Primary movement will refer to movement of subsidised fertilisers by rail and/or coastal shipping/inland water transportation including road bridging (only in case of use of Coastal Shipping or inland waterways) upto the rake point in the destination district or by any or two or by all three modes of transportation from the plant or port to various rake points in the destination districts. The salient features of the policy for reimbursement of freight claims of the companies using coastal shipping/inland waterways for the movement of fertilizers are as under: -

- (i) Only the movement of subsidised indigenous fertilizers (Urea and P&K fertilizers) through coastal shipping/inland waterways will be eligible for the payment of freight subsidy at this stage.
- (ii) As the movement of only domestic fertilizers will be eligible for freight subsidy payment, there is no need of checking the port clearance certificate issued by Custom authorities.
- (iii) In case of single mode or multi modal transportation of fertilizers which includes coastal shipping also, the freight subsidy for movement of fertilizers will be restricted to the railway charges or actual freight incurred whichever is less.
- (iv) For claiming freight subsidy in case of multimodal transportation of fertilizers, which includes movement through coastal shipping/ inland waterways also, the fertilizer companies will submit the multimodal transportation bill duly certified by the statutory auditors. Such bills duly certified by Statutory Auditors of the company would be treated as sufficient proof of actual freight charges incurred by fertilizer companies.

The authenticity of the actual cost claims lies entirely with the party making the claims. Any false declaration before the public servant regarding such costs shall attract criminal/ civil action under appropriate legal provision.

- (v) The companies will submit the nearest rake point in the destination point, equivalent lead railway distance to the nearest rake point in the destination district along with the actual railway freight rates for the said lead distance for calculating the equivalent railway freight subsidy of fertilizers.
 - (vi) Movement Division of the Department of Fertilisers will certify the above information provided under point (v) by the fertilizer companies regarding railway freight charges. Movement Division will certify actual railway freight rates on the basis of notified freight rates as available in the public domain vide various notifications of Indian Railways. Movement Division will certify the lead distances using Freight Operations Information System (FOIS).
 - (vii) Fertilizer Subsidy division would pay the lesser of actual freight subsidy through multi-modal transportation as given in point (iv) above or the equivalent railway charges as given in point (v) above and as certified by Movement division as per point (vi) above.
3. The claims for release of freight subsidy to the companies, pending with the Department or being submitted by the companies against the movement of fertilizers done in pursuance of this Department's OM of even number dated 13.10.2016 and 29.03.2017 will also be examined/considered as per the above guidelines.
4. This issues with the concurrence of IFD vide diary No 3/F dated 27.05.2019 and approval of the Competent Authority.


(Vinay Kumar Pandey)
Director
Tel: 23389839

To,

1. Secretary, D/o Shipping, Transport Bhawan, New Delhi.
2. Joint Secretary (INM), DAC, Krishi Bhawan, New Delhi.
3. Joint Secretary (PF-II), DoE, North Block, New Delhi.
4. ED, FICC, DoF, Shastri Bhawan, New Delhi.
5. Chief Controller of Accounts, DoF, Janpath Bhawan, New Delhi.
6. Director (Fert), DoF, Shastri Bhawan, New Delhi.
7. Director (A/c), DoF, Udyog Bhawan, New Delhi.
8. Director General, FAI, New Delhi.
9. All the manufacturers & Importers of P&K Fertilisers.
10. Technical Director, NIC, DoF, Shastri Bhawan, New Delhi.

No. 23011/10/2016-MPR

Government of India
Department of Fertilisers

Shastri Bhawan, New Delhi
Dated: 18th September, 2019

OFFICE MEMORANDUM

Sub: Policy for reimbursement of freight subsidy for distribution of Subsidised fertilizers through Coastal Shipping or/and inland waterways.

In continuation of this Department's OM of even No. dated 17.06.2019 on the above cited subject, following clarification are being issued in respect of secondary freight subsidy on distribution of subsidized fertilizers through Coastal Shipping or/and inland waterways:

(i) If a manufacturer is moving the fertilisers through multi-modal transportation, which includes coastal shipping/ inland waterways, and the manufacturer decides to move the fertiliser from the discharge port directly to the destination district by road, then the entire multi-modal freight would be considered as primary movement and freight subsidy would be restricted to the railway charges or the actual freight incurred whichever is less as given in Order No. 23011/10/2016-MPR dated 17th June, 2019. In such cases, there is no scope of secondary movement and hence, no scope of secondary freight subsidy payment.

(ii) In case, the fertilizer company chooses to transport fertilizers from unloading port to the nearest rake point in destination district by railway and then transports fertilizers further by road, the entire multi-modal transport up to the railway rake point would be treated as primary movement and road movement beyond rake point would be treated as secondary movement. The restriction on freight subsidy for secondary transport of Urea would remain as per extant policies and freight subsidy for secondary movement for P&K fertilizers would continue to be inadmissible as per extant policies in this regard.

2. This issues with the approval of Hon'ble Minister (C&F).



Geeta Mishra
Under Secretary to the Govt of India
Ph: 23386151

To,

1. Secretary, D/o Shipping, Transport Bhawan, New Delhi.
2. Joint Secretary (INM), DAC, KrishiBhawan, New Delhi.
3. Joint Secretary (PF-II), DoE, North Block, New Delhi.

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