Note

The approved Minutes of the meeting held at CDB, HO, Kochi on 14.06.2018 to sort out the issues in the supply of fertilizers under LODP scheme in Kerala during 2018-19 is enclosed herewith for information.

To

1. Shri. R. Jnanadevan Deputy Director (Dev.)
2. Shri K.S. Sebastian, Assistant Director (Mktg)
3. Shri Sabareenathan P, Finance Officer
4. Shri. Vasanthakumar V C, Statistical Officer
5. Shri. K K Subhash, Assistant Library and Information Officer
6. Smt. Jayashree A, Development Officer
7. Smt. Leenamol MA, Market Promotion Officer
8. Shri Kumaravel S, Development Officer
9. Smt. Preetha Kumari P.V, Statistical Investigator
10. Smt Vincy Varghese, Technical Officer

Copy for information to:

1. P S to Chairman
2. P A to CCDO/ Secretary
Minutes of the meeting held at CDB, HO, Kochi on 14.06.2018 to sort out the issues in the supply of fertilizers under LODP scheme in Kerala during 2018-19

A meeting was held on 14.06.2018 (Thursday) at 10.30 AM in the Board room of Coconut Development Board, HO, Kochi under the chairmanship of Shri. R. Madhu, Secretary, CDB to assess the procedures of chemical fertilizer supply in the wake of changes in Government polices and to sort out the issues in the supply under LODP scheme in Kerala during 2018-19. Representatives of fertilizer dealers - M/s Indian Potash Limited (IPL), M/s Kerala State Co-operative Marketing Federation (Marketfed), M/s Indian Farmers Fertilizer Cooperative Ltd (IFFCO) and President, Varappetty Service Co-operative Bank (SCB) as a representatives of SCB participated in the meeting. List of participants is annexed.

During the year 2017-18, Board had invited tender for supply of inputs under LODP scheme and as per the affidavit collected from agencies, they agree to supply the inputs for a period of one year from the date of approval and again to continue for 6 more months if both the parties (CDB & the firm) agree mutually. M/s. Marketfed was the approved agency for supply of Urea, Rock phosphate, MOP, Powdered Limestone and Magnesium Sulphate and one year validity of rate is upto 5.11.2018.

However, M/s Marketfed informed that the rate for MOP & MgSO4 for the financial year 2018-19 have been increased based on the policy decision of Government of India and the transportation charges also increased due to the enhancement of fuel price. They also mentioned that as per the new guidelines of Government of India, the subsidized fertilizers like Urea & MOP can be supplied only to fertilizer dealers having valid fertilizer dealer license, Mobile Fertilizer Management System ID and Point of Sale (POS) Machine and hence they suggested for supply of Urea and MOP through the nearest Service Cooperative Banks from where CPSs may lift the inputs.

Hence the present meeting was arranged with M/s. Marketfed, other fertilizer manufacturer/dealers like IPL & IFFCO and a representative of SCB so as to assess the procedures of chemical fertilizer supply in the wake of changes in Government polices and to sort out the issues in the supply under LODP scheme in Kerala during 2018-19.
Representatives of fertilizer manufacturer/dealers informed that as per the fertilizer Policies of Govt. of India, current situation with major changes effected are the following:

i) Urea is still Govt. controlled for which MRP is fixed by Govt of India. MRP has now enhanced to Rs.5.9234/kg. (Under LODP scheme, the previous year approved base rate including tax was Rs.5.901/kg and approved rate including base rate, tax, transportation, handling & tax on transportation & handling was Rs. 6.426/kg)

ii) Only Neem coated Urea can be supplied now. Earlier 50 kg bags of Urea were there and now 45 kg bags are supplied.

iii) Subsidy for Urea is not being disbursed to farmers, but to manufacturers if the distribution is through POS.

iv) Aadhar enabled fertilizer distribution system is in the 2nd stage of implementation only wherein POS machines are installed by fertilizer dealers and bills are generated from this through Aadhar authentication of buyer via POS. Restriction for supply is 40 tons /day /farmer

v) For MOP and other fertilizers except in the case of Rock Phosphate, Govt. has fixed subsidy. Earlier fixed MRP and variable subsidy was there, but now it is variable MRP and fixed subsidy.

vi) Now, Base rates have enhanced for Urea, MOP and MgSO4

Representative of Service Co-operative Bank informed that fertilizer sale in SCB is POS linked and around 90% Service Co-operative Banks are linked. It was also mentioned that for fertilizer distribution, they are giving 3-4% commission to salesman.

M/s. IFFCO informed that they can arrange for supply of Boron and Neemcake on need basis

M/s. Marketfed informed that Powdered Limestone (Rs.6.15, 6.25 & 6.36 per kg in different districts) and Rock phosphate (Rs.6.825 /kg in Ernakulam Dt & Rs.7.09 per kg in other districts) can be supplied at the same rate of previous year and furnished a letter to this effect (Lr. no. F/CDB/LODP/2018-19 dated 13.06.2018)

M/s. Marketfed proposed to supply Urea and MOP at the nearest SCBs by providing Rs.200/ton as handling charges to SCBs. SCBs shall unload, stock and distribute the same. They mentioned that due to Govt. policies base rates of Urea & MOP have changed and in the case of
MgSO\textsubscript{4}, base rate has changed due to the shortage in supply. The transportation charges also increased due to the enhancement of fuel price.

After these discussions, Secretary, CDB suggested that in order to avoid delay in fresh tender, Marketfed being a Govt. Cooperative may submit proposal for enhancement of base rate in the case of Urea, MOP and MgSO\textsubscript{4} with proper justification for approval.

Hence following are the decisions:

1) M/s. Marketfed will be supplying Powdered Limestone and Rock phosphate under LODP scheme in Kerala during current year (2018-19) at the same rate of 2017-18

2) M/s. Marketfed will submit a proposal for enhancement of base rate in the case of Urea, MOP and MgSO\textsubscript{4} for supply during current year (2018-19) with proper justification for approval.

3) M/s. Marketfed will be supplying Powdered Limestone, Rock phosphate and MgSO\textsubscript{4} at the supply points of FPOs as done in previous year (2017-18). Urea and MOP will be supplied at the nearest SCBs from where FPOs/farmers may take delivery.

The meeting concluded at 1.00 pm.

\[\text{Secretary}\]

Coconut Development Board
List of participants

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<tr>
<th>Sl No.</th>
<th>Name &amp; Designation</th>
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<tr>
<td>1</td>
<td>Shri. R Madhu, Secretary, CDB</td>
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<tr>
<td>2</td>
<td>Shri. E. Aravazhi, Deputy Director (Dev.), CDB</td>
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<td>3</td>
<td>Shri. R. Jnanadevan, Deputy Director (Dev.), CDB</td>
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<td>4</td>
<td>Shri. K Induchoodan, Regional Manager, Indian Potash Ltd, Ernakulam</td>
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<td>5</td>
<td>Shri. A D Antony, State Marketing Manager, IFFCo, Ernakulam</td>
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<td>6</td>
<td>Shri. T K Sivaprasad, Marketing Manager, Marketfed, Ernakulam</td>
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<td>7</td>
<td>Shri. M G Ramakrishnan, President, Service Co-operative Bank, Varapetty</td>
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<td>8</td>
<td>Shri. Ashik P Kareem, Service Co-operative Bank, Varapetty</td>
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