

FAI Workshop on
**Implications of Reforms
for Business Strategy in Fertiliser
Sector**



26th August, 2010
at

Casuarina Hall, Habitat World,
India Habitat Centre
Lodhi Road, New Delhi



Organiser

The Fertiliser Association of India, New Delhi

INTRODUCTION



Fertiliser has played and would continue to play an important role in increasing agricultural production in the country. However, this sector has been passing through difficult times in recent years. Stagnant fertiliser production and no fresh investment were accompanied by high level of imports to meet the growing demand of fertilisers. Higher fertiliser consumption has not been resulting proportionate increase in yield of agricultural crops due to imbalanced use of fertilisers and dwindling soil health in the country. Mounting fertiliser subsidy bill posed serious fiscal management problem to the Government.

The industry has been persuading with the Government for bringing out appropriate reforms in the fertiliser sector to ensure health and growth of both the vital sectors of the economy i.e. fertiliser and agriculture. However, there was not much head way in last several years.

More recently, industry worked closely with the Government to find a way forward in the interest of all stake holders. It was recognized that any change in fertiliser pricing policy should not affect the Indian agriculture and farmers adversely. After lot of debate, discussions and considering various options, a Nutrient Based Subsidy (NBS) scheme was found to be a pragmatic and holistic solution for carrying out reforms in the fertiliser sector. Finally, Government notified NBS Scheme for phosphatic and potassic fertilisers effective from 1st April, 2010. For SSP it was made applicable from 1st May, 2010.

The important features of NBS though already known to the industry but are again given below:

- i) Fixed subsidy per unit of N, P₂O₅, K₂O and S
- ii) Subsidy for micronutrients (Zinc and Boron) in fortified fertilisers
- iii) Floating MRP
- iv) The MRPs to be determined by the market forces
- v) Bringing more fertilizers under subsidy/concession scheme
- vi) Mechanism for implementation simplified

The NBS scheme is one step in the reform process and many more steps will have to be taken gradually for the fertiliser sector. As on today, NPS III for urea has been extended further without any time frame. NPS III for urea has many lacunae. Urea, consisting more than 50% of the fertiliser consumption should also be brought within the ambit of NBS Scheme. Further, its imports should be decanalised. The basket of products should be expanded to include innovative and specialty products like water soluble and customized fertilisers. Such steps will certainly help in ensuring balanced fertilization which is key for sustenance of soil health and higher crop productivity.

OBJECTIVE

The initial reports suggest that new NBS Scheme is showing positive results. The fertiliser industry has started operating now in new regime of NBS for P&K fertilisers. The task of marketing and material management departments will have to be more need based and extension services will become important. The industry will have to strengthen its reach out to farmers. The fertiliser marketing will have to be more focused to meet the need of the farmers in every respect.

Looking to the approaches of business strategy to be adopted in view of the reforms for the desired results, it is thought appropriate to organize one day non-residential workshop on '**Implications of Reforms for Business Strategy in Fertiliser Sector**' on the 26th August, 2010 at the Casuarina Hall, India Habitat Centre, Lodhi Road, New Delhi. Various topics to be deliberated during the course of the workshop are enlisted below:

1. An Overview of 'Nutrient Based Subsidy', its Implementation and Future Prospects
2. Procurement Strategy for Raw Materials / Finished Fertiliser Products under Reforms Regime
3. Marketing Strategy in Changing Environment of Fertiliser Reforms
4. Scope and Requirement of Innovative and Specialty Fertilisers
5. Reorientation of Fertiliser Promotion Programmes under Fertiliser Reforms
6. Fertiliser Reforms, Issues and Challenges – Government Views

THE VENUE

Casuarina Hall
India Habitat Centre
Lodhi Road
New Delhi - 110003

Tel: 91-11-43663333



ABOUT INDIA HABITAT CENTRE

India Habitat Centre (IHC) has been conceived as an ideal physical environment with a range of facilities that would maximize the effectiveness of the individuals and institutions, in their holistic support of the habitat.

Spread over nine acres in the heart of New Delhi, IHC has a built up area of approximately one million square feet. It incorporates innovative new technologies in building management systems, conference systems, communication and energy conservation, creating probably the most intelligent building in the country.



Several leading corporate entities and non-profit organizations sharing a common concern for the 'Habitat', have come together to participate in this exciting venture of institution building and have evolved a unique equation of synergy within the complex. India Habitat Centre is now home not only to these offices and research organizations but houses a club, India's most comprehensive convention centre as well as several restaurants and performance venues for cultural activities.

THE PARTICIPANTS

All the middle and senior level officials in the industry in Marketing, Commercial, Procurement, Materials Management, Finance, Production, Importers, Stevedoring Agents, Port Personnel, or any other department involved in / needing exposure to the new reforms in fertiliser sector in view of implementation of NBS will find this workshop very useful. It will tremendously help them in improving their professional skills and also performance at their work place.

THE FACULTY

The subject matter specialists from the Fertiliser Industry, FAI and Officials of Department of Fertilizers, Government of India will act as the faculty.

REGISTRATION

Registration form duly filled in along with the fee by Demand Draft / Bankers' Cheque may please be sent to :

Dr. D.S. Yadav

Director (Marketing)

The Fertiliser Association of India

10, Shaheed Jit Singh Marg

New Delhi - 110 067

Tel : 4600 5210; Fax : +91-11-2696 0052

Email : mktg@faidelhi.org, Website : www.faidelhi.org

It is requested that nominations should reach us latest by the 14th August, 2010. Early communication on nominations will be highly appreciated as the seats available in the 'Casuarina Hall' are limited. The registration will be done on first come first serve basis.

COURSE FEE

The course fee of this non-residential workshop is Rs.3,000/- (Rs. Three Thousand only). This covers workshop fee, reading material, conference facilities, lunch and forenoon / afternoon tea / coffee etc. The fee can be remitted through a Banker's cheque / demand draft in favour of **The Fertiliser Association of India** payable at New Delhi.

REGISTRATION FORM

FAI Workshop on Implications of Reforms for Business Strategy in Fertiliser Sector

26th August, 2010

Casuarina Hall, Habitat World,
India Habitat Centre, Lodhi Road, New Delhi-110003
(Entry from Gate Number 3 on Vardhman Marg)

To:
Director (Marketing)
The Fertiliser Association of India
10, Shaheed Jit Singh Marg
New Delhi - 110 067

Please register the following for the above programme:

Sl. No.	Name in CAPITAL LETTERS (Dr./Mr./Ms.)	Designation	City	Cell / Phone (O)	Email / Fax
1.					
2.					
3.					
4.					
5.					

Organisation.....

Sponsored by :

Name: Designation:

Email:..... Signature:..... Date:

Photocopies can be used, if additional forms are needed.
You may also email the filled in nomination form to mktg@faidelhi.org