

No 12012/1/2015-FPP  
Government of India  
Ministry of Chemicals & Fertilizers  
Department of Fertilizers

New Delhi,  
Dated the 28<sup>th</sup> March, 2018

To

CMD/MDs

RCF/MFL/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/YFIL/ZACL  
/GIL/SPIC/KFL/MCFL/KFCL

All Urea Manufacturing Units.

**Subject Revision of Energy Norms under New Urea Policy (NUP) – 2015.**

Sir,

I am directed to refer to this Department's letter No 12012/1/2015-FPP dated 25<sup>th</sup> May, 2015 regarding implementation of New Urea Policy (NUP) – 2015 and letter No 12018/4/2014-FPP dated 17<sup>th</sup> June, 2015 regarding continuation of production of Urea by MFL, MCFL & SPIC using Naphtha as feedstock till connectivity of gas pipeline is obtained and to convey the approval on the following decisions with regard to Target Energy Norms given to all urea manufacturing units (except BVFCL):

(i) For 11 urea manufacturing units viz., YFIL, NFL-Vijaipur-II, GIL, CFCL-Gadepan-I & II, IFFCO-Aonla-II, RCF-Thal, IFFCO-Kalol, IFFCO-Aonla-I, IFFCO-Phulpur-I & II, the target energy consumption norms as mentioned in Para 3.2 of NUP – 2015, will come into force w.e.f. 1<sup>st</sup> April, 2018.

(ii) The existing norms under New Urea Policy-2015 for remaining 14 urea manufacturing units viz., NFL Vijaipur-I, KRIBHCO-Hazira, KFL-Shahjahanpur, NFCL- Kakinada-I, NFCL-Kakinada-II,GNFC-Bharuch, GSFC-Vadodara, NFL-Bathinda, NFL-Nangal, NFL-Panipat, SFC-Kota, KFCL-Kanpur, RCF Trombay-V, ZACL-Goa are hereby extended for further period of 2 years i.e. till 31<sup>st</sup> March, 2020 with the following penalties:

(a) Penalty equivalent to 2% energy of difference between NUP Energy norms and Target Energy norms of NUP-2015, for the first year i.e. 2018-19.

(b) Penalty equivalent to 5% energy of difference between NUP Energy norms and Target Energy norms of NUP-2015, for the second year i.e. 2019-20.

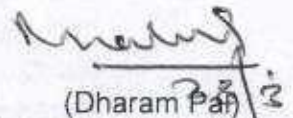
(c) Urea manufacturing units must achieve Target Energy Norms during the extended period of 2018-19 to 2019-20 failing which additional penalties may be imposed on defaulting units in consultation with the Department of Expenditure.

PTO.

(iii) The aforesaid target energy norms may be continued upto 31<sup>st</sup> March, 2025. Meanwhile, an expert body under NITI Aayog would be engaged to recommend the energy norms to be achieved from 01<sup>st</sup> April, 2025.

(iv) The three Naphtha based urea units viz., MFL, MCFL, SPIC are also allowed the existing energy norms under Para (2) of policy notification dated 17<sup>th</sup> June, 2015 for another two years i.e. till 31<sup>st</sup> March, 2020 or till these units get the gas pipeline connectivity, whichever is earlier. There will be no mopping up of energy efficiency for a fix period of 5 years from date of gas pipeline connectivity as per Para 3 (viii) and 5 (ii) of NPS-III policy dated 8<sup>th</sup> March, 2007.

Yours' faithfully,



(Dharam Prasad)

Additional Secretary to Government of India

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Copy to:

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