

No. 12012/1/2015-FPP
Government of India
Ministry of Chemical & Fertilizers
Department of Fertilisers

Shastri Bhavan, New Delhi
Dated the 7th April, 2017.

To

CMD/MDs
RCF/NFL/KRIBHCO/IFFCO/GSFC/GNVFC/SFC/NFCL/CFCL/TCL/ZACL/INDO-
GULF/KSFL/KFCL

Subject: Amendment to New Urea Policy-2015.

Sir,

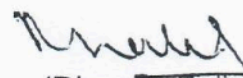
I am directed to refer to this Department's letter of even number dated 25th May, 2015 notifying New Urea Policy (NUP)-2015 for existing gas based urea manufacturing units and to state that it has been decided to make the following amendment to Para '5' of New Urea Policy (NUP)-2015 only in respect of the production beyond Re-assessed Capacity (RAC) for the year 2016-17:

"For production beyond Re-Assessed Capacity (RAC) during 2016-17, the units will be entitled for their respective variable cost and a uniform per MT incentive equal to the lowest of the per MT fixed costs of all the indigenous urea units subject to sum of import parity price, other incidental charges which the government incurs on the import of urea and weighted average Central Government levies per MT of urea paid by the urea manufacturing units."

2. Further, it has been decided to include para '8' in NUP-2015 as under:-

"8. In the event of any fluctuation in Import Parity Price that would have adverse impact on the production beyond RAC by urea units, Department of Fertilizers is authorized to take an appropriate decision in consultation with Department of Expenditure."

Yours faithfully,


(Dharam Pal)

Joint Secretary to the Government of India
011-23386800

Copy to:
The Executive Director,
Fertilizer Industry Coordination Committee,
08th Floor, R.K. Puram,
New Delhi.