

No. 12012/5/2014-FPP  
Government of India  
Ministry of Chemicals & Fertilizers  
Department of Fertilizers

Shastri Bhawan, New Delhi,  
Dated 26<sup>th</sup> June, 2015

**OFFICE MEMORANDUM**

Subject: **Notification of Import Parity Price (IPP) 2014-15 under New Investment Policy-2008.**

In pursuance of Department of Fertilizers letter No. 12012/3/2008-FPP dated 8<sup>th</sup> March, 2007 as extended vide letter No. 12012/9/2009-FPP dated 17<sup>th</sup> March, 2010 regarding policy for Stage-III of New Pricing Scheme for Urea manufacturing units and further extended by modified NPS-III dated 2<sup>nd</sup> April, 2014 and letter No. 12012/12/2007-FPP dated 4<sup>th</sup> September, 2008 regarding policy for new Investments in urea sector and long term offtake of urea from joint venture abroad, the Import Parity Price (IPP) of urea which needs to be considered under aforesaid policy along with the floor and the ceiling price are as below: -

Month	IPP to be Recognised Under New Investment Policy (Lower of IPP and C&F Price) (Rs./MT)	Cap @ US \$ 425/MT (Rs./MT)	Floor @ US \$ 250/MT (Rs./MT)	Quarterly rates of IPP under NPS-III policy (Rs./MT)
Apr – 14	21345.45	26257.06	15445.33	20511.48
May – 14	20777.53	26013.49	15302.05	
Jun – 14	19411.46	25595.71	15056.30	
Jul – 14	18491.37	25413.91	14949.36	18411.99
Aug – 14	18344.09	25371.69	14924.52	
Sep – 14	18400.50	25596.96	15057.04	
Oct – 14	17571.16	25757.64	15151.56	17531.48
Nov – 14	17095.02	25939.46	15258.51	
Dec – 14	17928.27	26054.07	15325.92	
Jan – 15	18761.17	26321.54	15483.26	18938.59
Feb – 15	19033.36	26438.10	15551.82	
Mar – 15	19021.25	26485.34	15579.61	

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2. The above notified IPP is applicable for recognition of incentivisation of additional urea production, both under the NPS-III policy and the New Investment Policy 2008 quoted above.
3. It may be noted that no expansion projects/revival projects or Greenfield projects have been commissioned under the policy so far. However, there may have been instances of production from indigenous urea unit beyond the cut off quantities under the policy.
4. It may also be noted that the indigenous units producing beyond the cut off quantity are eligible for payment at 85% of IPP subject to floor and ceiling price only if the total production of the units crosses 105% of the cut off quantity or 110% of reassessed capacity, whichever is higher. Moreover, the APM gas should not be considered for production beyond the cut off quantities notified for each urea unit and should be necessarily taken for production of urea below the cut off quantity.
5. This issues with the concurrence of IFD vide their Diary No. 340/SS&FA dated 24.06.2015.

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The Executive Director (FICC),  
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Director (FA), DoF  
Jt. Director (Mov), DoF  
Director (Finance), DoF