

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:82

ANSWERED ON:26.02.2007

NEW PRICING SCHEME FOR UREA UNITS

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**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

(a)whether the Union Government has approved a policy for Stage- III of New Pricing Scheme(NPS) for urea units as reported in Hindu dated February, 2, 2007;

(b)if so, the salient features of scheme; and

(c)the extend to which the new scheme is likely to be helpful to meet the shortage of urea in the country?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI B.K.HANDIQUE)

(a) to (c)The Government has approved the New Pricing Scheme Stage – III for urea to increase the urea production in the country.The policy is aimed at promoting further investment in the urea sector, to maximize urea production from the indigenous urea units including through conversion of non-gas based Units to gas, incentivising additional urea production and to encourage investment in Joint Venture (JV) projects abroad. It is also aimed at establishing a more efficient urea distribution and movement system in order to ensure availability of urea in the remotest corners of the country.