

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

UNSTARRED QUESTION NO:4563
ANSWERED ON:03.05.2012
CONCESSION SCHEME FOR UREA UNITS
Tagore Shri Manicka

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

- (a) whether the Government has introduced a concession scheme for urea units based on feedstock used and the vintage of plants as recommended by the Expenditure Reforms Commission;
- (b) if so, the details thereof; and
- (c) the number of such units dismantled in the country?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION
AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) & (b): Yes, Madam. Keeping in view the recommendations of Expenditure Reforms Commission in its report on rationalizing fertilizer subsidy, Government introduced the Group Based Scheme i.e. New Pricing Scheme for urea units to replace the Retention Price Scheme(RPS). Six groups based on vintage and feestock were formed. NPS is being implemented in stages. Stage-I was of one year duration from 1.4.2003 to 31.3.2004. Stage-II was of two and a half years duration, from 1.4.2004 to 30.9.2006. The concession rates payable to the urea units were determined on the basis of group averaging of retention prices of urea units as on 31.3.2003.

(c) No urea unit has been dismantled so far.