

No. 12019/11/2003-FPP
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

...

Shastri Bhavan, New Delhi
2nd March, 2005

To

Shri B.K. Saha,
Director General,
Fertilizer Association of India,
10, Shaheed Jit Singh Marg,
New Delhi – 110 067

Subject: Specimen of the undertaking to be executed by urea companies wishing to set up new or expansion projects of urea – reg.

Sir,

As you are aware, the Department of Fertilizers has vide its letter of even number dated 29.1.2004 notified the pricing policy for investment made in new and expansion projects of urea. The urea companies intending to set up new or expansion projects of urea under the new policy are required to execute an undertaking and submit the same to the Department of Fertilizers at the time of the accord of the sanction of the project. A specimen of the undertaking is enclosed for information and circulation.

Yours faithfully,

(Manoj Kumar)
Director
Tel: 2338 7197

Copy to:

1. ED, FICC
2. DO (FP)

(Specimen of the undertaking)

From

To,

The President of India

Whereas the Government of India has decided to introduce a pricing policy for investment made in new or expansion of the existing projects of urea and consequent thereto has laid broad features of the policy in the Ministry of Chemicals & Fertilizers, Department of Fertilizers' letter No.12019/11/2003-FPP dated 29.1.2004;

Now M/s (which expression shall include its legal representatives/administrators/successors and assigns) do hereby undertake and promise to accept and abide by all the terms and conditions contained in different provisions of the pricing policy for investment made in new or expansion of the existing projects of urea as received by us vide Department of Fertilizers' letter No.12019/11/2003-FPP dated 29.1.2004 including the rules, notifications and regulations as applicable framed from time to time by the Department of Fertilizers or its delegate/Fertilizer Industry Coordination Committee (FICC) under the New Pricing Scheme (NPS);

1. We further undertake and promise to abide by

(i) the decisions of the Fertilizer Industry Coordination Committee which is the competent authority to determine the concession rate payable to the new or expansion of the existing projects of urea.

(ii) the methodology of determining the delivered price of Natural Gas (NG)/Liquefied Natural Gas (LNG) in the Long Run Average Cost (LRAC) based rate of concession on the basis of methodology being followed by FICC for existing urea units under New Pricing Scheme (NPS) for urea units or any other methodology as may be prescribed by the Department of Fertilizers or by FICC.

(iii) to receive payment of equated freight and dealers' margin as per the methodology and rates applicable to existing urea units under NPS or any other methodology as may be prescribed by Department of Fertilizers/FICC from time to time.

(iv) to carry out periodic financial transactions under the policy through such Account or Fund and in such manner as the Government/ FICC may, from time to time prescribe or direct;

SIGNED by authorized representative Shri/Smt on dated for and on behalf of M/sas holder of General Power of Attorney dated executed in pursuance of the Resolution No..... dated passed by the Board of Directors of

IN THE PRESENCE OF

Signed by

For and on behalf of

Witnesses

1.

2.

Power of Attorney

