

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO. 2227 TO BE ANSWERED ON: 01.08.2025**

**Indigenous Production of Fertilizers**

**2227. SHRI RAMASAHAYAM RAGHURAM REDDY:**

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

- a. the steps undertaken by the Government to develop indigenous reserves of potash so as to reduce the dependence on imports;
- b. the steps taken to ramp up the production of Ammonium Nitrate in order to reduce the dependence on imports;
- c. whether the Government plans to offer protection in terms of subsidies or import barriers in order to provide support to indigenous manufacturers of Ammonium Nitrate against cheap imports, particularly from Russia, if so details thereof; and
- d. whether the Government has a blueprint to promote research and development for development of green fertilizers and insecticides, if so, the details thereof?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

**(SMT. ANUPRIYA PATEL)**

**(a):** Potash and Glauconite(Potassic mineral) have been classified as Critical and Strategic Minerals under “The Mines & Minerals (Development and Regulation) Amendment (MMDR) Act, 2023” by Ministry of Mines which aims to enhance domestic production and achieve self- sufficiency in critical minerals. MMDR Act, 1957 ensures that critical minerals are produced, processed, and recycled by catalyzing investments from governments and the private sector across the full value chain, emphasizing the

importance of sustainable and responsible mineral management practices. The Central Government has also commenced the auction of mineral blocks for critical & strategic minerals as per provisions of MMDR Act, 1957. As on 24.07.2025, Ministry of Mines have successfully auctioned 7 mineral blocks of Glauconite (Potassic mineral).

Further, Potash Derived from Molasses (PDM) which is a by-product of sugar industry, has minimum 14.5% potash and can be used by farmers in field as an alternative to MOP (Muriate of Potash with 60% potash content). Thus, PDM can reduce the dependence on imported potash. PDM was notified under Fertilizer Control Order (1985) in 2009, and in order to incentivize the use of PDM, it was inducted under Nutrient Based Subsidy scheme since Rabi, 2022. During 2024-25, Rs. 345 per tonne of subsidy has been fixed for PDM.

**(b):** Chemical sector is broadly de-regulated and delicensed sector. The manufacturing, import, export, transportation etc. of Ammonium Nitrate are being regulated by Ammonium Nitrate Rules, 2012. Petroleum and Explosives Safety Organisation (PESO) issues licenses for manufacture, storage, transportation, import and export of Ammonium Nitrate under these rules. The licenses for manufacturing of Ammonium Nitrate are issued based on Industrial Licenses issued by Department of Promotion of Industry & Internal Trade (DPIIT).

**(c):** In Budget 2024-25, Basic Custom Duty (BCD) on Ammonium Nitrate increased from 7.5% to 10% to support existing and new capacities in pipeline. Directorate General of Trade Remedies (DGTR), Department of Commerce provides a level playing platform to the domestic industry against the adverse impact of the unfair trade practices viz. dumping, actionable subsidies, circumvention etc. from any exporting country by using effective Trade Remedial measures such as anti-dumping and safeguard measures. However, currently, there are no pending applications seeking protection in terms of import barriers like anti-dumping duty or countervailing duty/anti-subsidy duty on Ammonium Nitrate.

**(d):** The Government has approved the Market Development Assistance (MDA) @ Rs. 1500/MT to promote organic fertilizers, i.e. manure produced at plants under

GOBARdhan initiative covering different Biogas/CBG support schemes/programmes of stakeholder Ministries/Departments such as Sustainable Alternative Towards Affordable Transportation (SATAT) scheme of Ministry of Petroleum and Natural Gas (MoPNG), 'Waste to Energy' programme of Ministry of New & Renewable Energy (MNRE), Swachh Bharat Mission (Rural) of Department of Drinking Water & Sanitation (DDWS), etc. with total outlay of Rs. 1451.84 crore (FY 2023-24 to 2025-26), which includes a corpus of Rs. 360 crore for research gap funding, etc.

Further, Institute of Pesticides Formulation and Technology works on supporting adoption of greener technologies and development of user & environment friendly new pesticide formulations. UNIDO FARM (Financing Agrochemical Reduction and Management) Project undertaken by HIL (India) Ltd. to detoxify the agriculture sector by eliminating the use of highly hazardous pesticides and Persistent Organic Pollutants. The project focuses on three types of bio-pesticides: Btk (*Bacillus thuringiensis kurstaki*), Neem, and *Trichoderma* spp. Btk, a strain of the bacterium *Bacillus thuringiensis*, which is effective for controlling caterpillar pests, while Neem controls a wide range of insect pests. *Trichoderma* provides effective control against soil-borne fungal diseases and enhances plant growth.

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