

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 1619
ANSWERED ON 29.07.2026

USE OF RENEWABLE ENERGY FOR PRODUCTION OF GREEN AMMONIA

1619. SHRI UMMEDA RAM BENIWAL:

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Government has undertaken any study regarding the use of renewable energy for production of green ammonia for fertilizer manufacturing;
- (b) if so, the details thereof including the regions identified as suitable for establishment of such facilities;
- (c) whether Barmer district of Rajasthan has been considered for setting up green ammonia production units in view of its high solar energy potential and if so, the details thereof;
- (d) the details of policy measures and incentives provided for promotion of green ammonia-based fertilizer production in the country;
- (e) whether the domestic production of fertilizers is sufficient to meet the country's demand and if so, the details thereof and if not, the reasons therefor; and
- (f) the details of measures taken by the Government to augment fertilizer production?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER

(SHRI SHRIPAD YESSO NAIK)

(a) & (b) The Government of India is implementing the National Green Hydrogen Mission (NGHM), with an objective to make India a global hub of production, usage and export of green hydrogen and its derivatives.

Under the mission, the fertilizer manufacturing has been identified as the potential sector for consumption of Green Ammonia.

Accordingly, Department of Fertilizers (DoF) has aggregated demand of 7.24 lakh tonnes per annum of Green Ammonia for supply to 13 fertilizer units across India.

(c) As per information available, no developer has reported Green Ammonia production unit in Barmer district of Rajasthan.

(d) Under the NGHM, the scheme guidelines have been issued for incentives towards Green Ammonia Production. As per the scheme, the incentives provided are ₹ 8.82/kg of Green Ammonia in the first year of production and supply, ₹ 7.06/kg during the second year of production and supply, and ₹ 5.30/kg during the third year of production and supply.

(e) & (f) The Government has implemented Nutrient Based Subsidy (NBS) Scheme w.e.f. 01.04.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the Scheme, P&K fertilizers are covered under Open General License (OGL) and companies are free to import/manufacture these fertilizers as per their business dynamics.

To reduce dependence on imported Phosphatic fertilizers and make country self-reliant measures have been taken to encourage domestic production through guidelines 18.01.2024 on reasonableness of MRP, wherein importers/manufacturers and integrated manufacturers are given reasonable profit of 8%/10% and 12% respectively; based on the requests, the new manufacturing units or increase in manufacturing capacity of existing units have been recognized/taken on record under the NBS Scheme; the number of P&K fertilizers covered under NBS Scheme has increased from 22 grades in 2021 to 28 grades; Freight Subsidy on SSP, which is an indigenously manufactured fertilizer, is being provided since Kharif, 2022 to promote SSP usage for providing Phosphatic or 'P' nutrient to the soil. Further, the rates of nutrients under NBS scheme are decided on biannual basis to ensure availability of fertilizers under the Scheme.
