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Secretary
Department of Pharmaceuticals
Ministry of Chemicals & Fertilizers
Government of India
New Delhi

Date: 20-04-2026

Sub Allocation of Ammonia to Bulk Drug Industry
Ref: Advisory OM dated 18th April 2026 from Department of Fertilizers
Order Dated 9th March 2026 issued by Ministry of Petroleum & Natural Gas

We refer to the Advisory OM dated 18th April 2026 issued by Department of Fertilizers directing all the Ammonia manufacturers to supply Ammonia only to the fertilizers manufacturers, in accordance with the Order issued by Ministry of Petroleum and Natural Gas on 9th March 2026.

In this connection, we wish to bring to your kind attention a critical issue concerning the above Advisory OM, which is severely impacting the Bulk Drug (API) manufacturing sector in India.

Ammonia is an essential raw material for the manufacture of APIs and intermediates and is widely used for pH control and neutralization processes, formation of ammonium salts, as a key building block in the synthesis of intermediates, and in critical utility services.

The Bulk Drug industry, which plays a vital role in ensuring the availability of life-saving medicines, is currently facing acute shortages and supply uncertainties due to the prioritization of ammonia for fertilizer production. While we fully appreciate the importance of fertilizers for agriculture, it is submitted that pharmaceutical manufacturing is equally critical, particularly from a public health and national security perspective. Any disruption in ammonia supply could lead to reduced production of essential medicines, supply chain disruptions in domestic and export markets and increased dependence on imports of critical drugs.

Further, we wish to respectfully highlight that a significant portion of pharmaceutical formulations fall under the price control through the DPCO 2013. Under this framework, manufacturers are required to supply essential medicines at controlled prices, limiting their ability to absorb sharp increases in input costs.

In this context, the current situation of restricted availability coupled with unduly escalated prices of ammonia places the Bulk Drug industry under severe financial and operational stress. This imbalance between controlled output prices and volatile input costs is not sustainable and may adversely affect the viability of manufacturing essential drugs.

In view of the above, we humbly request the Government to consider the following:

1. Recognition of the API industry as a priority sector for ammonia allocation, on par with fertilizers and allocate dedicated quota of Ammonia for the Bulk Drug and pharmaceutical sector
2. Ensuring supply of ammonia to the pharmaceutical sector at reasonable and controlled prices, in alignment with the price-controlled nature of essential drugs under DPCO
3. Issuance of suitable guidelines to ensure uninterrupted and equitable distribution
4. Facilitation of imports or alternate sourcing channels, where necessary

The Indian Bulk Drug industry is a cornerstone of the global pharmaceutical supply chain, and ensuring both availability and price stability of critical raw materials like ammonia is essential to sustain its operations.

Thanking you and look forward to your immediate co-operation in this regard.

Yours sincerely,



Ch A P Rameswara Rao
National President



CC to: Secretary, Department of Fertilizers, Govt. of India
Secretary, Department of Chemicals, Govt. of India