

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF CHEMICALS AND PETROCHEMICALS
RAJYA SABHA
UNSTARRED QUESTION No. 1621
ANSWERED ON 06.08.2024

MEASURES TO PROTECT DOMESTIC AGROCHEMICAL SECTOR

1621. Shri K.R.N. Rajeshkumar

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

- (a) whether Government is considering increasing the import tariffs on agrochemicals to mitigate the effects of Chinese predatory pricing and monopolistic practices on the domestic agrochemicals sector, and if so, the details thereof;
- (b) whether Government received any representation for the same, and if so, the details thereof;
- (c) whether Government plans to introduce a production-linked incentive (PLI) scheme to strengthen domestic manufacturing and supply chain capabilities of the domestic agrochemical sector, and if so, the details thereof; and
- (d) the measures taken by Government for fast-track trade remedy measures, including mandatory BIS standards for specialty chemicals and agrochemicals?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SMT. ANUPRIYA PATEL)

- (a) No such proposal for increase in import tariff on agrochemicals is under consideration of the Government.
- (b) Yes, Sir. A representation has been received from Pesticides Manufacturers & Formulators Association of India on 30th July 2024 with a request to impose higher Customs Duty tariff on imports of Technical Grade Pesticides as well as Pesticides Formulations, which at present stands at 10% on both Technical Grade Pesticides as well as Pesticides Formulations.
- (c) At present, there is no Production Linked Incentive scheme in the Department.
- (d) Government takes the following remedial measures: -

i. **Quality Control Orders:** BIS Standards for majority of Chemicals and Petrochemicals are voluntary in nature. To address the issue of substandard products being sold including those imported from China, DCPC has initiated an exercise to make Standards mandatory so that both domestic manufacturers and overseas suppliers meet the BIS parameters in the public interest i.e. for the protection of human, animal or plant health, safety of the environment, prevention of unfair trade practices, national security. This Department has implemented 20 QCOs on chemicals, which includes 15 Speciality chemicals.

ii. Directorate General of Trade Remedies (DGTR), Department of Commerce serves as nodal body responsible for providing trade remedial measures to our domestic industry, if it is facing any injury on account of dumping/subsidisation/ surge in imports, with an intention to create a fair and level playing field for the domestic industry including the chemicals and agrochemicals sectors. The proceedings of DGTR are quasi-judicial in nature. The procedures and timelines for these trade remedial investigations and actions are meticulously conducted in strict accordance with the Customs Tariff Act of 1975 and its corresponding Rules. In exigent circumstances where immediate protection of the domestic industry from significant injury is warranted, interim relief is granted through the recommendation of provisional findings/duties.

iii. **Minimum Import Price:** Minimum Import Price (MIP) is another such measure adopted by the Department to provide protection to the domestic industry from predatory pricing of imports under Foreign Trade (Development and Regulation) Act, 1992.
