

Government of India  
Ministry of Commerce & Industry  
Department of Industrial Policy & Promotion

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**PRESS RELEASE**

**DIPP abolishes Licencing for Ammonium Nitrate Fuel Oil**

Ammonium Nitrate Fuel Oil (ANFO) explosive is prepared by mixing Ammonium Nitrate with Fuel Oil in an aluminum or wooden tray with hand mixing and immediately charging into the bore holes in the adjacent quarry or mines for blasting. No packaging, storage, sale or transportation of ANFO is involved in the conventional manufacturing and using process. The licencees prepare ANFO for their own use and on the spot captive consumption for blasting purposes in metaliferous mines/quarries.

2. ANFO manufacturers are required to take licence for possession and use of blasting accessories viz booster, safety fuse, detonating fuse and detonators under Explosive Rules, 2008 for which a firm has to obtain No Objection Certificate (NOC) from District Authorities and NOC from Director General of Mines Safety (DGMS). Monthly returns are filed by the licence holders under the Explosive Rules, 2008 to District Authorities as well as Petroleum & Explosives Safety Organization (PESO). Monthly returns are also filed by them for use of Ammonium Nitrate returns under Ammonium Nitrate Rules, 2012.

3. The Government advised ANFO manufacturers in November 2013 to apply for Industrial licence under Industries (Development & Regulation) Act, 1951. After issue of this advisory, The Department of Industrial Policy & Promotion received almost 300 applications for grant of industrial licence for manufacturing ANFO, which were under consideration in the Department of Industrial Policy & Promotion. Representations were

received from stakeholders about hardship faced in getting licence under the provisions of Industries (Development & Regulation) Act, 1951.

4. The Government after due consideration has decided that no licence under the IDR Act will be necessary by mine owners to manufacture ANFO explosives. This will help mine owners using ANFO to continue mining operations and will help the development of cement industry as well as the construction sector.

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