

Import of chemicals & petrochemicals adversely impacting domestic value addition and wealth creation: Secy. Dept. of C&PC

NEW DELHI, 7 July 2015: India has emerged as one of the biggest importers of petrochemicals, resulting in sizeable capital outflow apart from impacting the economy because of its inability to produce finished products and its consequent import resulting in sub-optimal wealth creation, said **Mr. Surjit K Chaudhary, Secretary, Department of Chemicals & Petrochemicals.**

While addressing a symposium on **‘Potential of Coal Gasification in India’** organized by FICCI jointly with the Department of Chemicals and Petrochemicals, Government of India, Mr. Chaudhary said that India lacks reserves of petroleum and gas but has rich reserves of coal. Still, the country has not been able to provide adequate coal feedstock to its plants. He suggested that it was time to encourage use of better technology and modern methods of exploration and production to enhance coal gasification.

While the symposium debated the potential of coal as a source for making chemicals and petrochemicals and the global developments, especially, in relation to China as also emerging technologies in the sector, especially, in the context of environmental ramifications, Mr. Chaudhary said that though it is one of the sectors which was delicensed and allowed 100% FDI early on, the sector never realized its true potential. He added that India was importing chemicals and petrochemicals and was selling it to other countries. These countries were then exporting finished products to India, making a dent on India’s economy and also destroying local community crafts.

Mr. Shyam Bang, Executive Director, Jubilant Lifesciences, said that India needs to adopt a strategic approach for coal gasification and industry too needs to invest in chemical coal. With new policies in place, India is bound to increase its production and start generating surplus within a span of two years. He added that the government should promote more coal-based gas plants on the lines of the one which is in Odisha.

Coal has high ash content, said Mr. Bang and added that technology would play a major role in coal gasification. He also stated that the pricing which is being decided by Coal India should become competitive to match the global standards.

During the symposium, presentations were made by **Ms. Malini Hariharan, Global Course Director/Head of South Asia Markets, ICIS,** on ‘The use of Coal as a Chemicals Feedstock – the experience in other countries around the world, especially China, the opportunities for India and key challenges’; **Mr. Sanjay Sharma , Managing Director , Middle East & India , IHS Chemical Consulting , Dubai** on ‘Coal to Chemicals Opportunities with special focus to India’; **Ms. Prema Viswanathan, Associate Editorial Director – Petrochemicals, PLATTS McGraw HILL Financial, Singapore,** on ‘Coal to petrochemicals developments in China and lessons for India’; **Dr. Ajay Kumar Singh, Head, Methane Emission & Degasification, Central Institute of Mining and Fuel Research, Dhanbad,** on ‘Coalbed Methane and Allied Activities’ and **Prof. D K Sharma, Centre for Energy Studies, IIT Delhi,** on ‘Clean Coal Technologies with reference to Gasification and CO – Gasification of Coal’.