



# Dharmendra Pradhan calls for a new eco-system for accelerated growth of petrochemicals and ancillary industries in Odisha

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Union Minister for Petroleum and Natural Gas, Skill Development & Entrepreneurship, Shri Dharmendra Pradhan inaugurated a first-of-its-kind Petrochemical Investors Conclave in Bhubaneswar today in the presence of Shri Shashi Bhusan Behera, Minister of Finance and Excise, Govt. of Odisha, Shri Prafulla Samal, Minister of Micro, Small & Medium Enterprises, Govt. of Odisha, and other dignitaries. Over 750 delegates attended the Conclave.

Addressing the gathering, Shri Pradhan said that India's petrochemicals sector is going through a golden period, with growth rates of 14-15% per annum. Odisha, with ready availability of raw material from Paradip Refinery and other units from all over the country, skilled, low-cost manpower, port infrastructure & rail connectivity and a large regional market, must fully utilise the opportunity to create investment opportunities in the downstream industries such as Plastic Park and Textiles Park in the State.

Highlighting the developmental vision of the Prime Minister, Shri Narendra Modi for Eastern India, Shri Pradhan said that accelerated development of Eastern States is one of the top priorities of the Govt of India. While the per capita consumption of plastics in India is only 10 kg as compared to the world average of 32 kg, it is much lower at 5 kg in Eastern India, he said. The Petrochemical Investors Conclave has been organised to create a new inspiration and a new eco-system for the growth of petrochemicals sector in the State of Odisha, and generate wealth for a new generation of entrepreneurs, while at the same time creating employment opportunities for the youth of the State on a large scale, he said.

Sri Pradhan complimented Indian Oil Corporation and IDCO (Industrial Development Corporation of Odisha) for signing an MoU at the Conclave to collaborate in the setting up of a Plastics Park at Paradip. IndianOil is setting up a 700 KTA (kilo tonnes per annum) Polypropylene unit at Paradip Refinery, to be commissioned in 2018, to serve as a mother plant for downstream polymer/plastics ancillary units.

Shri Pradhan also complimented IOC and Institute of Chemical Technology (ICT), Mumbai for signing on MoU to set up a campus of ICT in Bhubaneswar to be hosted by IOC.

Indian Oil Corporation has signed another MoU with MCPI Ltd. for setting up a Textiles Park in Odisha. With the coming up of an MEG (Mono Ethylene Glycol) Unit at Paradip Refinery and availability of PTA (Purified Terephthalic Acid) in the East, the polyester downstream industry can flourish very well in Eastern Region as well, Shri Pradhan said. By achieving synergy of cotton fibre with polyester fibre to promote and popularise synthetic textiles, the Textiles Park will primarily benefit Micro, Small & Medium Enterprises (MSMEs), with employment potential of around 22 lakhs, he added.

Shri Pradhan hoped that the Conclave, with the theme "*Purvodaya - The Dawn of New Investment Opportunities in Eastern India*," would serve as an effective platform for young investors to interact with business leaders of the petrochemicals industry, Government functionaries, financial institutions, supply chain professionals as well as incubators in the academia at one place. He complimented the organisers for setting up an Investor Facilitation Lounge to clarify issues raised by prospective investors on the spot.

Shri Pradhan announced that CIPET will set up a technology service centre in Paradip to support the development of Plastic units there.

Shri Pradhan also inaugurated an exhibition set up at the Conclave venue. The exhibition, with over 35 exhibitors, focussed on how the petrochemicals sector caters to a number of other sectors, by providing raw material for clothing, housing, construction, furniture, automobiles, household items, toys, agriculture, horticulture, irrigation and packaging to medical appliances.

Mr. Rajeev Kapoor, Secretary, Dept. of Chemicals and Petrochemicals (DCPC), Govt. of India, who also spoke on the occasion, said that the Department is in the process of developing a master plan for the petrochemicals sector in India to serve as a road map for the next 15-20 years.

Mr. Tony Potter, Vice President (Asia Pacific), IHS Market, in his presentation in the inaugural session, said that India's polymers demand is projected to grow from 13 million metric tonnes per annum (MMTPA) currently to 55-60 MMTPA by the year 2040. Therefore, it is very important that the country's investments in petrochemical plants keep pace with the rising demand to avoid imports in the coming years, he said.

Petrochemicals can be a major national economic driver, according to Mr. Vipul Tuli, CEO, Sembcorp India. Looking into the future, petrochemicals will not only be an attractive but a crucial and profitable growth area for Indian refiners, he added.

Prof. GD Yadav, Vice Chancellor, Institute of Chemical Technology (ICT), Mumbai, in his presentation, elaborated on the scope of chemical and petrochemical industries in Eastern India and the role of academic institutions in nurturing the entrepreneurs and acting as incubators for promising start-ups.

Earlier, welcoming the gathering, Mr. Sanjiv Singh, Chairman, IndianOil, said that the oil industry in India is going in for Refinery-Petrochemicals integration on a big scale to capitalise on the huge opportunities available both in India and abroad. This would lead to assured refinery product uptake, assured feedstock availability, major savings in investments in view of shared utilities, infrastructure and logistics, and resultant savings in operating costs, leading to improved GRMs.

Senior officials of the Ministries of Petroleum & Natural Gas and Chemicals & Fertilisers, Government of India; CEOs of oil & gas sector companies; and other dignitaries are participating in the event with a host of eminent speakers making presentations during the conclave.

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