

**SPEECH OF THE HON'BLE PRESIDENT OF INDIA, SHRI PRANAB  
MUKHERJEE AT THE INAUGURAL FUNCTION OF THE 7TH  
EDITION INDIA CHEM 2012**

**MUMBAI, MAHARASHTRA: 04-10-2012**

It is a pleasure to be here today for the inaugural function of India Chem 2012.

The theme for this year's event, '**Emerging India: Sustainable Development of the Chemical Industry**' underscores the importance and the role of the chemical and petrochemical industry in the Indian economy. It also underlines, very appropriately, that this growth has to be sustainable. I am glad to see the enthusiastic participation from diverse regions of India and the world. There is today a global focus on sustainability in the chemical industry. Increasingly, leaders in the chemical industry are rebooting, using the latest technology to make their enterprises 'green' inspired by Gandhiji's words, "*be the change you want to see*".

India Chem 2012 is being held at an opportune moment . It is an occasion for all involved in this sector to be informed of global trends, exchange views on green chemistry and showcase their own products and capabilities. I am confident that the Indian participants have much to share and significant achievements to display. I am equally confident that interaction at the Conference would sensitize the foreign delegates about the various opportunities offered by India in this sector.

Distinguished guests,

Virtually all sectors of the economy are closely connected if not directly dependent on the chemicals sector for their sustenance. This

sector provides them a variety of raw material and key input in the form of chemical products and enabling technical solutions.

The chemical industry is also one of the most diversified sectors. As it covers thousands of commercial products, this sector is the mainstay for the industrial & agricultural development of the country & provides building blocks for several downstream industries, such as textile, paper, paint, soap, detergent, pharmaceutical, varnish, etc. Similarly the petrochemicals and plastic industry is making significant contribution to many sectors, including agriculture, horticulture, and healthcare and construction industry.

The development of the chemical industry in India today is, therefore, a key requirement for her progress. Along with its key consumer industries, this industry, is increasingly locating its units in Asia. The share of Asia in the global chemical industry has increased from 31% to 45% between 1999 and 2009. With Asia's increasing contribution to the global chemical industry, India emerges as one of the focus destinations for chemical companies worldwide. The global chemicals market is estimated at about US\$ 3.4 trillion. The Indian chemical industry is currently estimated to be about US\$ 108 billion, that is 3% share of the global market. This is a very good reason for policy makers and industry to take the lead and prepare a roadmap. The accelerated growth of this sector should be a priority given the talent pool and current untapped demand within the country.

A key factor in its accelerated growth would be research. I am told that at present the R&D expenditure in this sector is only about 1-2% of turn-over. This needs to be addressed. It is in the larger and long-term interest of the industry to increase its spending on R&D to about 5-6% of the total turn-over. The aim should be to bring new products that are competitive in the international market. For

achieving this, Govt. of India has taken several pro-active steps in expanding Research and Development and infusing energy and support for Human Resource training institutions.

Efforts should be made to nurture the talent and make sure that the skill development programme matches the growth requirement of the industry.

Distinguished Guests,

Our National Manufacturing Policy envisages increasing the share of manufacturing from the present level of 16% to 25% in GDP by 2025 and creation of 100 million additional jobs by the manufacturing sector by 2022. The Chemical sector has a very important role to play in this endeavour. I understand the National Chemical Policy is currently under preparation and will include measures to facilitate this.

I would like to emphasize, that along with growth, the industry must also ensure increased adherence to safety and international health and environmental standards. The industry must also promote sustainable development by investing in technologies that safeguard the environment and stimulate growth while balancing economic needs and financial constraints. New technologies are evolving for tackling the problem of industrial waste and the Indian industry should optimally utilize them. The Indian chemical industry would need to set targets and standards and take up research and collaborations without delay.

This is an occasion for the industry representatives in the fields of Chemicals and Petrochemicals from across the world to come together to share their vision for the future growth of the industry.

I am confident that this three day International Conference would result in fruitful deliberations on all issues concerning the chemical industry from both domestic as well as global perspectives.

I thank the Department of Chemicals and Petrochemicals, Ministry of Chemicals and Fertilizers, Government of India and Federation of Indian Chambers of Commerce and Industry (FICCI) for their initiative in jointly organizing this event.

With these words, I have great pleasure in inaugurating India Chem 2012.

Jai Hind.