

3rd National Conference on Agro Chemicals 30th July 2013, New Delhi

Speech by Mr. Indrajit Pal, Secretary, Department of Chemicals & Petrochemicals, Government of India

Distinguished dignitaries on the dais, ladies and gentlemen,

It gives me great pleasure to address this learned gathering on the occasion of the Third “National Conference on Agro Chemicals” organized by the Federation of Indian Chambers of Commerce and Industry (FICCI), in association with the Department of Chemicals and Petrochemicals, and Department of Agriculture and Co-operation, Government of India.

India loses several thousands of crore of rupees worth of agricultural produce annually due to pests and diseases. It is, therefore, essential to control pests and diseases through primary plant protection for providing food security to the growing population of the country. Ensuring food security for about 1.2 billion population, with diminishing cultivatable land, is a herculean task. During the 1960s and 1970s, the agrochemicals formulation industry contributed in a big way to the green revolution, as a result of which India today enjoys self reliance in the production of cereals. The country has now been able to reduce its dependence on the imports, in non-cereal crops also.

Agrochemicals and its formulation industry has developed substantially in India and ranks fourth largest in the world after USA, Japan and China. There are about 125 technical grade agrochemical manufacturers and about 800 formulators in the country. Most Indian manufacturers are focused on off-patent agrochemicals. The size of the Indian agrochemical industry is approximately 1,30,000 metric tonnes per annum in quantity terms, out of which 50% is exported. In India, per hectare approximate consumption of agrochemicals is 0.58 kg as against 16.6 kg in Korea, 11 kg in Japan, 13.4 kg in Italy and 4.5 kg in USA. There is potential for growth of this industry.

The domestic agrochemicals industry suffers from low capacity utilization and low investment in R&D. Besides, the formulation market is highly fragmented and generally operates small capacity plants. Globally, there is a growing trend towards the use of low dosage, high potency agrochemicals as against the use of high volume agrochemicals prevalent in India. In order to remain globally competitive, the industry needs to innovate in products, for which innovative state-of-the-art R&D laboratories and financial resources would be required. At present, the Indian chemical sector spends 1-2% of their total turnover on R&D as compared to around 5-10% by the chemical industry in the developed countries. As an incentive, Government allows

weighted deduction on expenditure incurred on approved in-house R&D units under Income Tax Act. One of the emerging areas for R&D is green agrochemicals and the Indian industry is the development of eco-friendly green agrochemicals.

The sale of sub-standard and spurious agrochemicals is a major problem having serious implications for the farmers, consumers and exporters. For ensuring quality of agrochemicals, the Government has set up 71 pesticides testing laboratories across the country that include 68 state laboratories, 2 regional laboratories and 1 central laboratory. Manufacturing units should adopt GMP (good manufacturing practices) and take all such measures that are necessary to ensure delivery of quality products to the farmers.

I am happy to inform you that the Institute of Agrochemicals Formulation Technology (IPFT), an autonomous body of the Department of Chemicals and Petrochemicals, has been developing state-of-the-art user and environment friendly formulations for the agrochemicals industry. During the last 5-6 years, IPFT has developed many formulations and transferred them to the industries. It also conducts workshops and seminars to disseminate the information regarding its R&D activities. I urge the industry to take full advantage of the facilities offered by the institute.

A number of eminent speakers and experts would talk about the latest developments in the agrochemicals area during the course of this Conference.

With these words, I again congratulate FICCI for organizing this conference and wish it all success.