

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:1789  
ANSWERED ON:04.12.2006  
SHORTAGE OF PLASTIC RAW MATERIALS  
Kharventhan Shri Salarapatty Kuppusamy

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) whether there is shortage of raw materials for plastic goods;
- (b) if so, whether the prices of raw materials has been increased to manifold for the past few months;
- (c) if so, the details thereof;
- (d) wether the Government proposes to reduce its prices and to impose a ban on export of plastic raw materials;
- (e) if so, the details thereof and the time by which a final decision is likely to be taken in this regard;
- (f) whether there is proposal to open plastic raw material industries in various parts of the country;
- (g) if so, the details and locations thereof; and
- (h) if not, the reasons therefor?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF THE STATE OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) to (e) : Plastic raw materials are manufactured by the domestic industry and also can be imported under open general license. However, All India Plastic Manufacturers Association (AIPMA), All India Plastic Industries Associations have given representations on inordinate and frequent price rise in Commodity Plastics and requested for restricting the export of polymers, custom duty reduction from the current level of 5% to 0%, removal of anti-dumping duty on PVC resin and reduction of excise duty from 16% to 8%. While the Chemicals & Petrochemicals Manufacturers` Association have mentioned that the volatility in prices is a global phenomenon and not only specific to India. The Petrochemicals Industry is deregulated and delicensed. Government has not proposed to put any ban on export of plastic raw materials as on date. The prices of raw materials for plastic are market driven and prices are not controlled by Government.

(f) to (h): The Government has approved the setting up of the Assam Gas Cracker Project, at Lepet Kata in Assam which will produce polymers.