

**GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF CHEMICALS AND PETROCHEMICALS**

**LOK SABHA
UNSTARRED QUESTION NO. 1570
TO BE ANSWERED ON 12-02-2019**

Petrochemical Industry

1570. SHRI ANOOP MISHRA

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

- a) whether it is a fact that the manufacturing units under the Indian Petrochemical Industry mostly use obsolete format of technology and are not able to produce optimally; and
- b) If so, the details thereof along with the steps for rationalization of excise duty on synthetic fiber?

ANSWER

**MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING
AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND
FERTILIZERS (RAO INDERJIT SINGH)**

- a) & b) As per the Industrial Policy, 1991, the petrochemicals sector is delicensed, deregulated and decontrolled which has allowed the market forces to determine its growth based on the size of investment and available technologies.

A pre-budget exercise involving stakeholder consultations is conducted every year as a step towards recommending rationalization of duty structure in the sector. At present, GST is applicable in place of Excise duty and its current rate on Polyester staple fibre is 18%.
