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NMCC to foster domestic production of key raw materials

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The Tata Chemicals pilot project for producing potash from sea water using technology developed by the Central Salt and Marine Chemicals Research Institute, Bhavnagar, Gujarat, may be only the first among several projects to indigenise production of key raw material using home-grown technologies.

The National Manufacturing Competitiveness Council, which midwived the technology transfer for the Tata Chemicals project, intends to replicate the initiative across many other raw materials.

NMCC's Chairman, Dr V. Krishnamurthy, told *Business Line* today that membranes



Dr V. Krishnamurthy

for producing potable water and CRGO steel, required for power transmission, are the next two products that the council would like to see manufactured in India. Today, they are imported.

Dr Krishnamurthy said the council was concerned about India's dependence on overseas sources for key raw mate-

rials, such as potash. India imports a lot of membranes for use in reverse osmosis plants that produce potable water.

According to Dr Krishnamurthy, India also imports 300,000 tonnes of CRGO (cold-rolled grain-oriented) steel. The quantity may appear small, but it is a high-value commodity, whose prices are four to five times as much as flat steel products.

India could also draw upon the resources of SAIL, which once tried to produce CRGO but gave it up, said Dr Krishnamurthy, a former Chairman and Managing Director of the public sector steel major.

In addition, NMCC has recommended to the Government that when companies

like Posco or Arcelor Mittal come to India to set up steel plants here, they should be asked to also produce CRGO steel. Asked whether the companies would not themselves make the product here if it made economic sense, Dr Krishnamurthy said that they would not. "Why would they, when they can supply it from abroad?" he said.

Similarly, for producing membranes in India, NMCC is trying to rope in the National Textile Corporation. Why NTC? Because NTC knows 'technical textiles' (such as tarpaulin, industrial filter cloth, parachute canopy fabric) and could possibly apply the process to make membranes.