



## CHEMICALS

The Chemicals & Petrochemicals sector in India holds a market size of approximately \$215 billion, and there are anticipations for substantial growth, projecting a rise to \$300 billion by the year 2025.

The Chemicals & Petrochemicals sector in India is valued at around \$215 billion, with expectations of reaching \$300 billion by 2025. This reflects an optimistic outlook for substantial growth in the industry. In terms of exports, Chemicals and Chemical products, excluding pharmaceuticals and fertilizers, constituted 11.7% of total exports in the fiscal year 2021-22, indicating a slight decline from the previous year's figure of 12.9%. However, the sector remained a significant contributor, making up 10.8% of total exports up to September 2022 in the fiscal year 2022-23. The Compound Annual Growth Rate (CAGR) in the export of total Chemicals and Chemical products, excluding pharmaceutical and fertilizer products, from 2017-18 to 2021-22 stood at an impressive 13.86%, surpassing the CAGR of total national exports, which was 12.62%.

The manufacturing sector, specifically Chemicals and Chemical Products, maintained a stable CAGR of 4.4% during the same period based on the Wholesale Price Index (WPI). In July 2022, the Index of Industrial Production for Chemical & Chemical products reached a record high of 137.2, marking a significant rebound from the lowest value of 109.1 recorded in May 2021. Despite this positive trend, there was a slight decrease in the quantum of production for Major Chemicals, totaling 53.54 lakh tonnes during 2023-24 (up to Aug 2023) compared to the corresponding period in the previous year. However, certain Petrochemicals, such as Synthetic Detergent Intermediates, exhibited a production increase, reaching 34.07 lakh tonnes in 2023-24 (up to Aug 2023). On a positive note, Organic Chemicals production showed a noteworthy increase of 4.52% up to Aug 2023 compared to the same period in the previous year. Additionally, Major Petrochemicals recorded growth, with a 6.08% increase in production up to Aug 2023 compared to the corresponding period in the previous year.

### 1. Basic Chemicals:

1. Overview: This sector involves the production of basic chemicals such as petrochemicals, polymers, and basic inorganic chemicals.
2. Products: Petrochemicals (ethylene, propylene), basic inorganic chemicals (chlor-alkali products), and industrial gases.

## 2. Specialty Chemicals:

1. Overview: Specialty chemicals are produced for specific applications and industries, often with a high degree of research and development.
2. Products: Specialty polymers, industrial gases, adhesives, flavors and fragrances, and catalysts.

## 3. Agrochemicals:

1. Overview: This sector focuses on the production of chemicals used in agriculture, including pesticides, herbicides, and fertilizers.
2. Products: Insecticides, fungicides, herbicides, and fertilizers.

## 4. Pharmaceuticals:

1. Overview: The pharmaceutical sector within the chemical industry involves the production of active pharmaceutical ingredients (APIs) and intermediates.
2. Products: APIs, intermediates, and other chemicals used in pharmaceutical manufacturing.

## 5. Polymers and Plastics:

1. Overview: This sector is involved in the production of polymers and plastic resins used in various applications.
2. Products: Polyethylene, polypropylene, PVC, PET, and other polymer products.

## 6. Specialty Polymers:

1. Overview: Specialty polymer sector focuses on high-performance polymers with specific applications in industries like aerospace, electronics, and healthcare.
2. Products: High-performance polymers, engineering plastics.

## 7. Rubber and Plastics Additives:

1. Overview: This sector involves the production of additives used to enhance the performance of rubber and plastic products.
2. Products: Plasticizers, stabilizers, antioxidants.

## 8. Biochemicals:

1. Overview: This emerging sector involves the production of chemicals using biological processes, often derived from renewable resources.
2. Products: Bio-based chemicals, biofuels, and enzymes.

## 9. Water Treatment Chemicals:

1. Overview: Chemicals used in the purification and treatment of water for various industrial and municipal applications.
2. Products: Coagulants, flocculants, biocides.

## 10. Adhesives and Sealants:

1. Overview: Production of chemicals used for bonding and sealing applications across various industries.
2. Products: Industrial adhesives, sealants.