

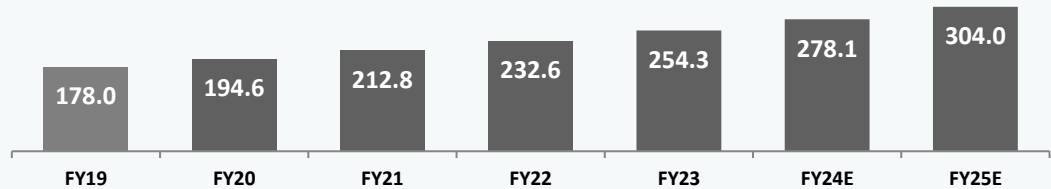


CHEMICALS



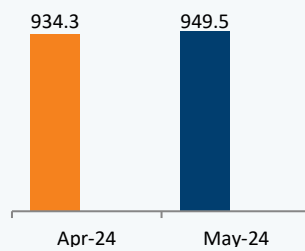
MARKET SIZE

Market Size of Indian Chemical Sector (US\$ billion)

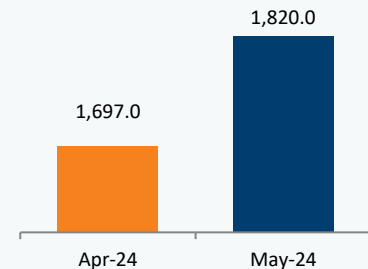


PRODUCTION CAPACITY

Production of Chemicals ('000 MT)

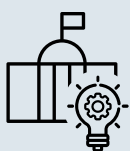
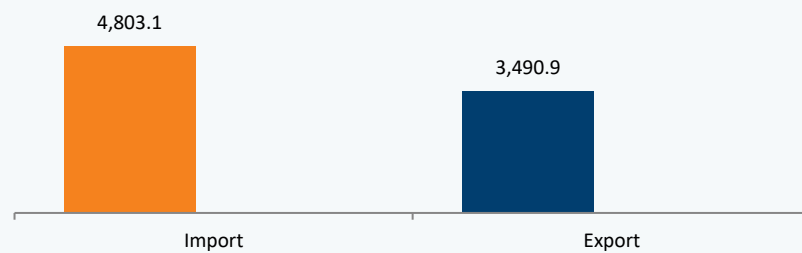


Production of Petrochemicals ('000 MT)



KEY TRENDS

Imports and Exports of Chemicals (US\$ million) – FY25* (April-May)



GOVERNMENT INITIATIVES



Make in India

Production-Linked Incentive (PLI) scheme



100% FDI



ADVANTAGE INDIA

• **Growing demand:** Rise in demand from end-user industries such as food processing, personal care and home care is driving the development of different segments in India's specialty chemicals market. Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040. Exports of Organic and Inorganic Chemicals reached US\$ 4.78 Billion in April-May 2024.

• **Increasing Investments:** FDI inflows in the chemicals sector (other than fertilisers) reached US\$ 22.146 billion between April 2000-March 2023. Prime Minister, Mr. Narendra Modi, laid the foundation stone of development projects worth more than Rs. 50,700 crore (US\$ 6.11 billion).

• **Policy support:** Under the Interim Budget 2024-25 the government allocated Rs. 192.21 crore (US\$ 23.13 million) to the Department of Chemicals and Petrochemicals. PLI schemes were introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million). The Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) set up at Paradip has attracted investments worth US\$ 8.84 billion (Rs.73,518 crores) resulting in employment of about 40,000 people.

• **Opportunities:** India's specialty chemicals companies are expanding their capacities to cater to rising demand from domestic and overseas. The Indian chemical industry is currently valued at US\$ 220 billion and is expected to reach US\$ 300 billion by 2030 and US\$ 1 trillion by 2040. This industry remains an active hub of opportunities, even in an environment of global uncertainty.