

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

**LOK SABHA
UNSTARRED QUESTION NO 1229
TO BE ANSWERED ON 18.12.2018**

Consumption of Chemicals

1229. SHRI A. ARUNMOZHITHEVAN:

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

- (a) whether it is a fact that the per capita consumption of chemicals in the country is 1/10th of the world's average with India being a low consumption country even among the developing nations;
- (b) whether Indian chemicals companies have started focusing on global markets for investment and if so, the details thereof;
- (c) whether there is a need for India to set a target to become the third largest player in the next few years; and
- (d) if so, the steps proposed to be taken up by the Government in this regard?

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) The Chemical sector includes numerous products covered under different segments. Chemicals are produced both in Small, Medium and Large Sector. Production of only major chemicals is monitored by the Department. As the Chemical sector is de-licensed, data about total consumption of chemicals in the country is not available. However, according to the knowledge paper prepared by Federation of Indian Chambers of Commerce and Industry (FICCI), the per capita consumption of chemicals in the country is estimated to be 1/10th of the world's average.

(b) Indian chemical companies are endeavouring to make investments domestically as well as globally depending upon techno economic feasibility and market scenarios.

(c & d) The Chemical sector is de-licensed. In the chemical sector, 100% FDI is permissible under the automatic route. Government has taken various steps to increase growth of the chemical sector by rationalization of custom duty on the feedstock/building blocks for having synergy in the complete value chain for boosting the Chemical sector and for enhancing competitiveness of the industry in the country. In addition, various seminars/workshops are held for facilitating information dissemination regarding exchange of technology, ideas and innovations for growth in the chemical sector.
