

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF CHEMICALS AND PETROCHEMICALS  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 873**  
ANSWERED ON:29.11.2024

**CHEMICALS AND PETROCHEMICALS INDUSTRY**

873. SHRI SHRIRANG APPA CHANDU BARNE:  
SMT. BHARTI PARDHI:  
SHRI ARVIND GANPAT SAWANT:

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

- (a) whether the chemicals and petrochemicals industry has been facing challenges in boosting its growth;
- (b) if so, the facts in this regard;
- (c) whether Government interventions are needed to address challenges to boost the sector's growth;
- (d) if so, the steps taken by the Union Government in this regard;
- (e) whether the Chemicals and Petrochemicals Industry requested the Union Government for Production-Linked Incentive (PLI) scheme to boost manufacturing and reduce the import; and
- (f) if so, the action taken by the Union Government to give production-linked incentive to the chemical and petrochemicals sector and the time by which the final decision is likely to be taken in this regard?

**ANSWER**

THE MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a)&(b): The chemicals and petrochemicals industry in India has been experiencing significant growth in recent years, driven by factors such as increasing domestic demand, government initiatives, and foreign investments. As per current CAGR of 6.29% (on the basis of Annual Survey of Industries), the chemical sector market is estimated to be of \$ 185 Bn (Rs.15,52,421 Cr) in 2023-24. Various Government initiatives focusing on 'Make in India' have the potential to accelerate the growth further.

(c)&(d): Government is taking various steps to boost the sector's growth like:

- The Department of Chemicals and Petrochemicals (DCPC) implements the Scheme for Setting up of Plastic Parks under the umbrella Scheme of New Scheme of

Petrochemicals. The Scheme promotes setting up of need-based Plastic Parks with requisite state-of-the-art infrastructure and enabling common facilities. The objective is to consolidate and synergize the capacities of downstream plastic processing industry to help increase investment, production and export in the sector as well as generate employment. In accordance with the Scheme Guidelines, 10 Plastic Parks have been approved so far and the same are at different levels of implementation.

- With the objective of promoting research and development efforts in the chemical and petrochemical sector to develop new molecules and technologies, the Department of Chemicals and Petrochemicals has formulated a New Scheme of Petrochemicals, which includes a sub-scheme on setting up of Centres of Excellence. The objective of the scheme is to provide grant-in-aid to educational and research institutions to improve existing technology and promote development of new applications of polymers, chemicals and plastics. The emphasis of the Scheme is on modernization and upgradation of existing manufacturing processes as well as improving the quality of products. So far, 18 CoEs have been approved under the Scheme.
- Government of India has notified the PCPIR Policy, 2007 to attract investment and for the generation of employment in the Petroleum, Chemical and Petrochemical Investment Regions (PCPIRs). PCPIRs promote the Chemical and Petrochemical sectors in an integrated and environmentally friendly manner on a large scale. PCPIRs are conceptualized in a cluster- based approach with high-class common infrastructure and support services to provide a competitive environment conducive for setting up businesses. At present three Petroleum, Chemical and Petrochemical Investment Regions (PCPIRs) are being implemented in the States of Andhra Pradesh (Vishakhapatnam), Gujarat (Dahej) and Odisha (Paradeep) to promote investment and industrial development in these sectors. These PCPIRs has attracted investment of Rs. 2.6 Lakh Crore in Petroleum, Chemicals, Petrochemicals and ancillary industries and generated employment to 3.7 Lakh persons.

(e)&(f): Yes Sir, request to give Production-Linked Incentive (PLI) to the chemical and petrochemicals sector has been received from the Industry. A decision will be taken on the same after due analysis and consideration.

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