

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF CHEMICALS AND PETROCHEMICALS  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 898**  
ANSWERED ON:29.11.2024

**INDIA CHEM, 2024**

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

- (a) the salient features of 13<sup>th</sup> edition of India Chem 2024;
- (b) the role of Chemical and Petrochemical sector in economic growth of the automotive, construction and healthcare sectors;
- (c) whether the measures are being taken by the Government to support the Chemical Industry to increase production and achieve the target of five trillion economy;
- (d) if so, the details of such Scheme formulated by the Government; and
- (e) the name of State leading in Petrochemical production alongwith the role played by Gujarat in the same?

**ANSWER**

THE MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a): Department of Chemicals and Petrochemicals organised the 13<sup>th</sup> edition of the mega event “India Chem 2024”, an exhibition cum conference during 17<sup>th</sup>-19<sup>th</sup> October, 2024, in Mumbai. The key objectives of India Chem 2024 were to showcase the opportunities being offered by rapidly growing Indian Chemicals and Petrochemicals Industry and various Government initiatives for accelerating growth in the sector and provide a platform for investors, both domestic and international and other stakeholders to interact and forge alliances. The event highlighted the investment potential in Indian Chemicals & Petrochemicals Industry to support “Make in India” initiative. It also provided a platform for collaboration and business expansion of foreign companies in India.

The event saw participation from 172 exhibitors, including 49 international exhibitors and attracted 78 global CEOs, 135 speakers, and 689 foreign participants, 1,115 Indian delegates and 8,720 business visitors. There were sector specific sessions on Dyes, Agrochemicals, Petrochemicals as also Process, Plants and Machinery. Besides, there were dedicated sessions focusing on region specific issues including the India-EU, India-East Asia, India-US and India-Russia Chemicals & Petrochemicals Forums, bringing together stakeholders from each of these regions. A Global CEOs’ Conclave, presided over by the Union Minister for Chemicals & Fertilizers was organized during the event wherein industry leaders from across the globe discussed the opportunities and challenges of the Indian chemical industry. Netherlands was the Partner Country for this edition, and several Indian states, including Gujarat, Odisha, Andhra Pradesh, Madhya Pradesh, and Rajasthan, featured as Partner States. On its third and final day, the event hosted an engaging job fair featuring leading chemical companies from different sectors and students from CIPET - Central Institute of Plastic Engineering and Technology. During the job fair, the companies made presentations on the details of skill required by them for different roles and the students got an opportunity to interact with the industry to explore possible career prospect.

(b): The Chemical and Petrochemical sector plays a pivotal role in the economic growth of industries like automotive, construction, and healthcare by providing essential materials, products, and technologies.

Automotive industry is one of the largest consumers of chemicals and petrochemicals in India. Petrochemicals such as polymers, plastics, and synthetic rubbers are essential for manufacturing automotive components like bumpers, dashboards, seats, and tires. Materials like polypropylene (PP), polyvinyl chloride (PVC), and polyurethane (PU) are widely used in vehicle production. Refined petrochemical products such as lubricants and motor oils are vital for the proper functioning of vehicles. Additionally, fuel additives improve engine efficiency and emissions control. In construction, chemicals contribute to the production of materials like adhesives, paints, and insulation material, as well as high-performance polymers and coatings that enhance building durability and energy efficiency. The healthcare sector relies on chemicals for producing medical devices, pharmaceuticals, and diagnostic tools, including Active pharmaceutical ingredients (APIs), polymers used in medical devices like syringes, sterilization materials and materials for personal protective equipment (PPE).

Overall, the Chemical and Petrochemical sector serves as the backbone of these industries, driving technological advancements, economic growth, and sustainable practices.

(c)&(d):Department of Chemicals and Petrochemicals has been taking various measures to support the Chemicals and Petrochemicals Industry to promote investment and innovation in this sector. The measures are as follows:

**Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR):** To attract mega investments in chemicals & petrochemicals sector, Department had notified the Petroleum, Chemicals and Petrochemical Investment Region (PCPIR) Policy. PCPIRs are conceptualized as cluster-based model of Development with common infrastructure and support services. Three PCPIRs have been set up at Dahej (Gujarat), Vishakhapatnam–Kakinada (Andhra Pradesh) and Paradeep (Odisha). Currently, 824 Petroleum, Chemicals, Petrochemicals and ancillary industries are functional in these PCPIRs having a cumulative investment of Rs. 2,43,000 crore and these regions have generated employment of 3.7 lakh persons.

**Plastic Parks:** The Department implements the Scheme for Setting up of Plastic Parks under the 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. Under the Scheme, the Government of India provides grant funding up to 50% of the project cost to the State government subject to a ceiling of Rs. 40 crore per project. In accordance with the Scheme Guidelines, 10 Plastic Parks have been approved so far and the same are at different levels of implementation.

**Centre of Excellence:** The Department of Chemicals and Petrochemicals has formulated a scheme on setting up of Centres of Excellence. The objective is to provide grant-in-aid to educational and research institutions to improve existing technology and promote development of new applications of polymers and plastics. The emphasis of the Scheme is on modernization and upgradation of existing manufacturing processes as well as improving the quality of products. Under the scheme, the Government of India provides financial support up to 50 per cent of the total project cost subject to an upper limit of Rs. 5 crores. So far, 18 CoEs have been approved under the Scheme. Earlier the CoE scheme was only available for petrochemical sector, now revised scheme includes chemicals sector also.

**Chemical Promotion Development Scheme (CPDS):** The objective of the scheme is to facilitate growth and development of Chemicals and Petrochemicals Industry by creation of knowledge products through studies, survey, data banks, promotional material as also to facilitate seminars, conferences, and exhibitions to facilitate development of the sector. The Scheme also promotes research and innovation by awarding outstanding efforts in the field of chemicals and petrochemicals.

**Quality Control Orders (QCOs):** The Department of Chemicals and Petrochemicals has initiated an exercise to make product Standards as mandatory so that both domestic manufacturers and

overseas suppliers meet the Bureau of Indian Standards (BIS) parameters in the public interest for protection of human, animal or plant health; safety of the environment; prevention of unfair trade practices and national security, under Section 16 of BIS Act, 2016. Accordingly, Quality Control Orders (QCOs) are being notified in the Gazette of India making these standards mandatory. So far, QCOs for 72 Chemicals & Petrochemicals have been notified by the Department.

**New Harmonized System of Nomenclature (HSN) Codes:** Department of Chemical & Petrochemicals has also initiated an exercise for assigning dedicated HSN codes for distinguishing different commodities so that correct data, particularly for import-export of these chemicals can be gathered, which enables targeted policy interventions such as differential rates of duty for such chemicals.

(e): The leading States in Petrochemical production are Gujarat, Haryana, West Bengal, Maharashtra and Punjab. These 5 states account for 84% of the total petrochemical production in the country. The state-wise Production of Petrochemical Products (FY 2023-24) are as under:

<b>S. No.</b>	<b>State</b>	<b>Quantity (in MT) for FY2023-2024</b>	<b>% Share of Production in India</b>
1	Gujarat	23387025	55.5%
2	Haryana	4130203	9.8%
3	West Bengal	3699393	8.8%
4	Maharashtra	2433411	5.8%
5	Punjab	1731626	4.1%
7	Other States	6753911	16%
Total		42135569	100%
Note : Production data are based on reports received from Petrochemical industries under large and medium scale category.			

From the table above, it is observed that Gujarat is playing a significant role in production of petrochemicals in the country with a 55.5% share of the total production in the country, with its advanced infrastructure including strategically located ports and a robust industrial ecosystem that includes common utilities.

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