

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

LOK SABHA
UNSTARRED QUESTION NO. 3510
ANSWERED ON 13/03/2026

SCHEME FOR CHEMICAL PARKS

3510. SHRI EATALA RAJENDER:
SMT. SHAMBHAVI:

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

- (a) whether the Government proposes any scheme to support States in setting up three dedicated Chemical Parks, if so, the details thereof, State-wise;
- (b) whether the new scheme for the said parks effectively addresses long-standing infrastructure gaps in the domestic chemical sector, if so, the details thereof, State-wise particularly in Bihar;
- (c) whether the challenge route on a cluster-based plug-and-play model significantly lower entry barriers for MSMEs and boost industrial competitiveness; and
- (d) if so, the quantum of funds sanctioned and spent so far in this regard, State-wise?

ANSWER

THE MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) to (d): Subsequent to the announcement in the Union Budget of FY 2026–27, the proposed scheme for establishment of Dedicated Chemical Parks is currently under formulation. As per the budget announcement, an allocation of Rs 600 crores has been made for the financial year 2026–27. The scheme envisages the development of three such Parks as greenfield projects. Under the proposed scheme, the three Chemical Parks will be developed with plug-and-play facilities for the industry. The scheme will involve development of common infrastructure facilities and basic utilities.

The Government of India would provide partial financial support towards the cost of establishing these facilities and utilities, with the rest to be provided by the concerned State Government. As the scheme is currently being formulated, no funds have been spent so far in this regard.

The establishment of these Chemical Parks shall enhance the cost competitiveness of the Indian chemical industry including MSMEs by providing common infrastructure facilities and basic utilities, thereby reducing the capital cost requirement for an individual industry. It will also promote logistics-related efficiencies, while encouraging sustainability and the circular economy.

The Scheme is proposed to be implemented through the challenge route. Accordingly, the Scheme would allow any State in the country including Bihar to submit proposals for the establishment of Chemical Parks. The proposals would be evaluated based on the selection criteria to be laid down in the Scheme and the most suitable proposals would be selected.
