

# Industry Insight

## INDIAN CHEMICAL INDUSTRY

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## Synopsis

Indian chemicals industry during 2005-06 was US\$30.59 billion, a growth of 10.23% over the previous year and a CAGR of 8.68% during the last 3 years.

Chemical industry occupies an important place in the country's economy. During 2005-06, it contributed about 3% of GDP and 17.6% of the manufacturing sector. However, India continued to be a net importer in 2005-06, with imports of US\$7.92 billion and exports at US\$5.95 billion.

In the post WTO era, Indian chemical industry is undergoing a massive expansion, brand building and increased global reach. The industry is expected to grow at a CAGR of over 10% for the next 3 years, in line with the growth of manufacturing industry.

The wide and diverse spectrum of chemical products can be broken down into a number of categories - inorganic and organic (commodity) chemicals, drugs and pharmaceuticals, plastics and petrochemicals, dyes and pigments, fine and specialty chemicals, pesticides and agrochemicals and fertilizers. This report covers all the segments except petrochemicals, drugs and pharmaceuticals.

The report covers overall industry scenario in the context of global chemicals industry, various segments, growth drivers, critical success factors, issues and challenges and future outlook for the industry. The report also profiles the major 17 companies in the Indian industry (11 Indian companies and 6 MNCs).

The report is useful for industry analysts, banks and financial institutions, investors, consultants, corporates engaged directly or indirectly in the chemicals industry and international readers who want to keep abreast of the Indian manufacturing sectors.

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