



Since 1916

# **CHEMICAL & ACIDS UPDATE**

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**NOVEMBER 2024**



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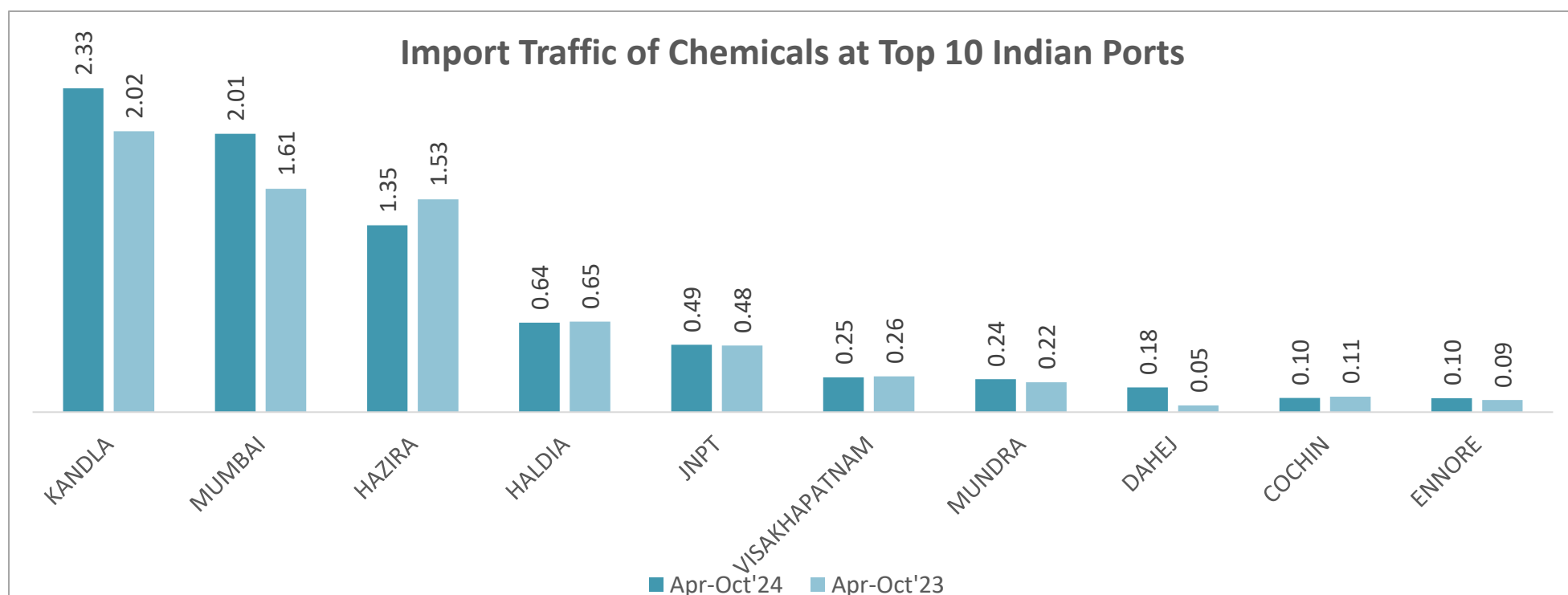
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# PORT ANALYSIS

- The Import of Chemical was 7.69 MMT in Apr-Oct'24 which was an increase from the previous fiscal which was at 7.39 MMT..

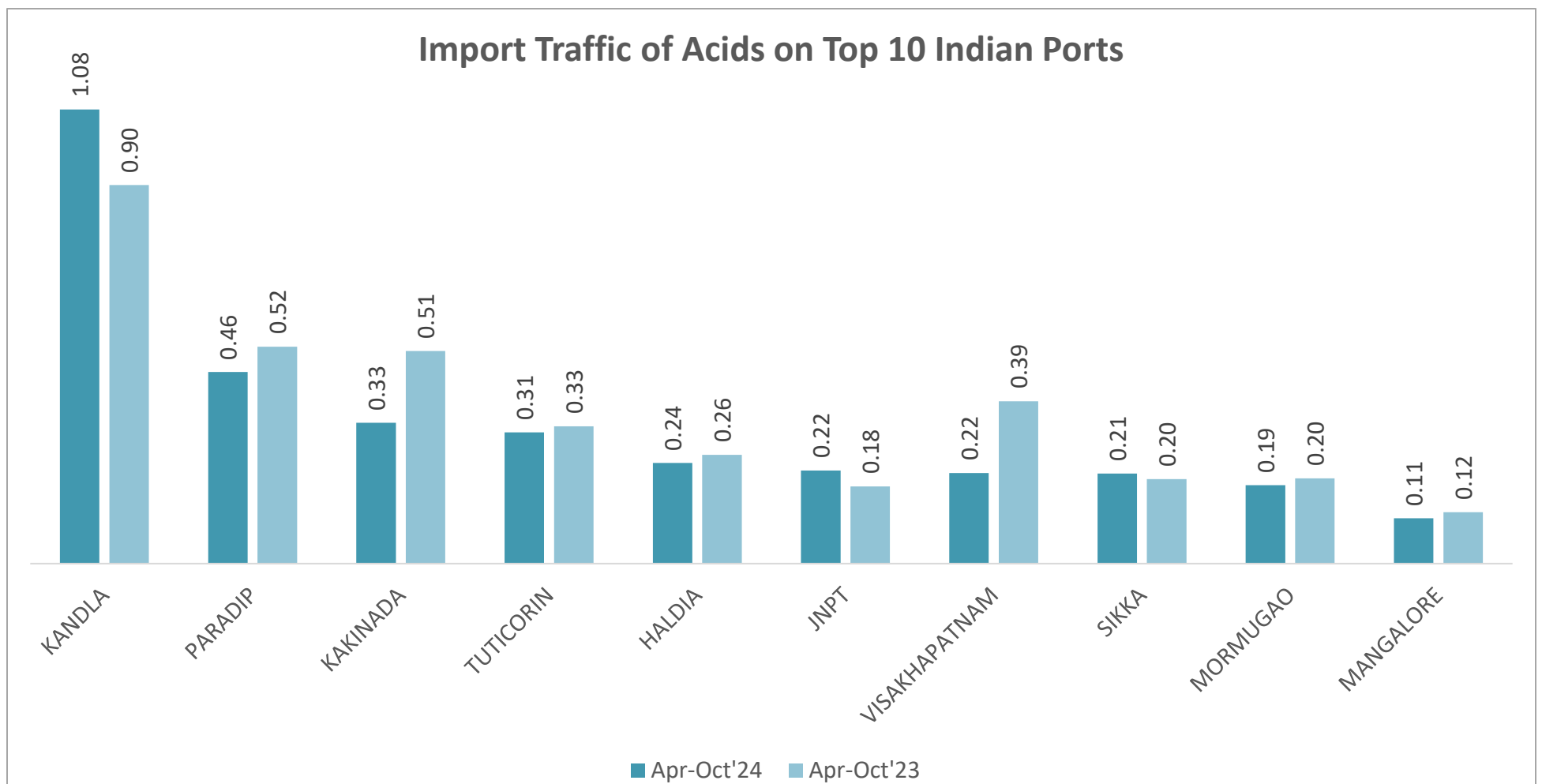


## Top 20 Chemical Commodities Imports in India (Apr-Oct 24)(Qty in MMT)

METHANOL	1.56
BASE OIL	1.13
PARAXYLENE	0.60
ACETIC ACID	0.53
STYRENE MONOMER	0.52
J 150 (CHEMICAL)	0.46
MONO ETHYLENE GLYCOL	0.30
ETHANOL	0.21
ETHYLENE DI CHLORIDE	0.19
LINEAR ALKALENE BENZENE	0.15
TOLUENE	0.14
MIXED XYLENE	0.13
PHENOL	0.12
TOULENE	0.12
CAUSTIC SODA	0.11
2 ETHYLHEXANOL	0.10
BUTYL ACRYLATE	0.10
VINYL ACETATE MONOMER	0.10
ANILINE	0.10
LUBE OIL	0.09

# PORT ANALYSIS

- Import of Acids in Apr-Oct'24 was 3.37 MMT, a decline compared to Apr-Oct'23.



<b>Category wise Indian Acids Imports (Apr-Oct 24) (Qty in MMT)</b>	
PHOSPHORIC ACID	2.20
SULPHURIC ACID	1.08
NITRIC ACID	0.07
MOLTEN SULPHUR	0.06
GLACIAL ACETIC ACID	0.04
PROPIONIC ACID PURE	0.01
COCONUT PALM FATTY ACID DISTILLATE	0.00
SPLIT FATTY ACID	0.00
<b>GRAND TOTAL</b>	<b>3.45</b>

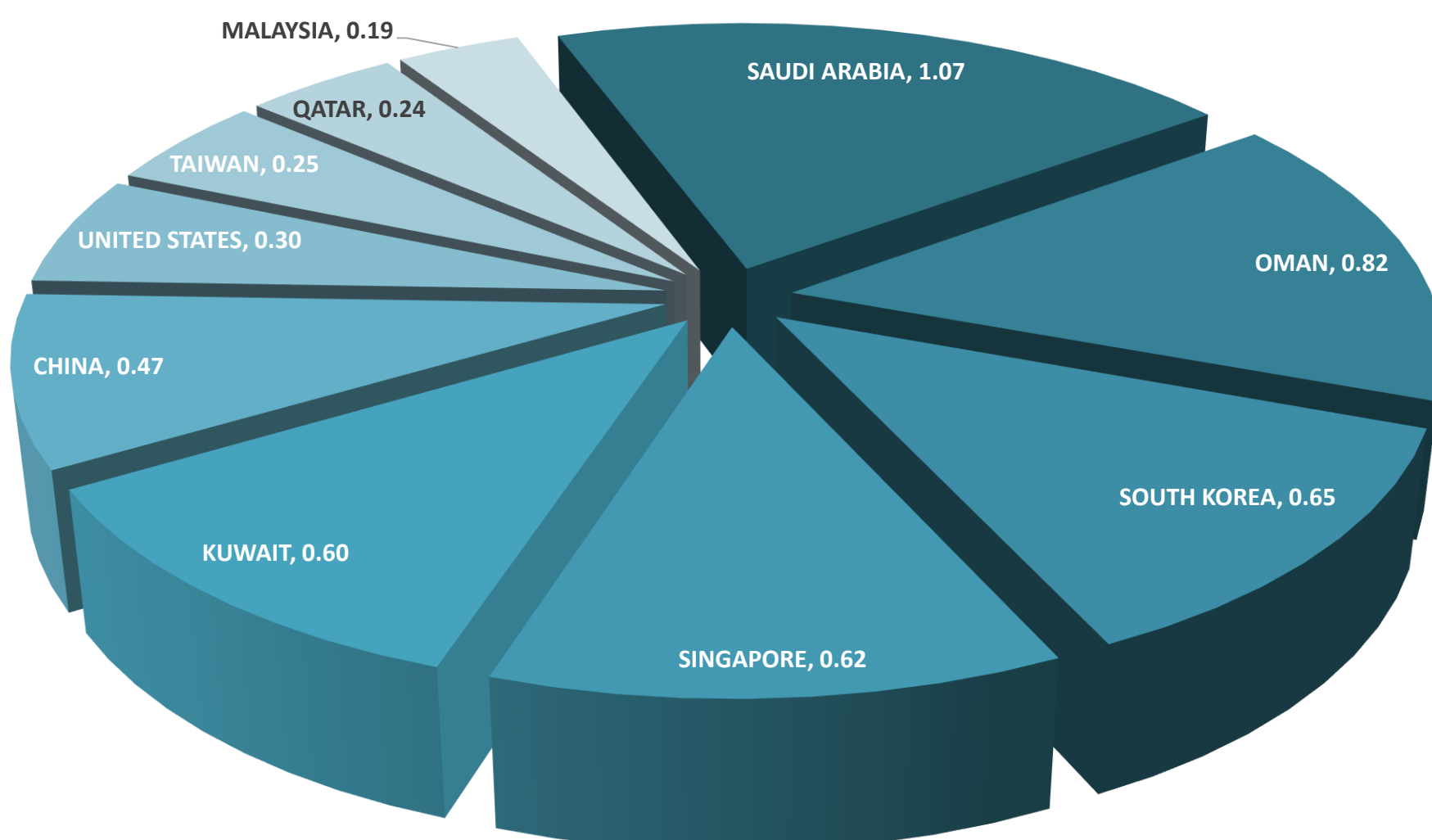


# PORT ANALYSIS

- India imported highest quantity of Chemicals from Saudi Arabia at 1.07 MMT in the period of Apr-Oct'24.

Top Ten Indian Importers	Import Quantity in MMT
MCPI PVT. LTD.	0.48
RELIANCE INDUS. LTD.	0.41
C. J. SHAH AND CO.	0.32
KLJ GROUP	0.25
EARNEST ENERGY PVT. LTD.	0.22
JUPITER DYCHEM PVT. LTD.	0.20
CHEMFORM TRADING CO.	0.15
B. K. SALES CORPN.	0.15
JUBILANT	0.13
AARTI INDUSTRIES LTD.	0.10

Imports of Chemical Products From Top 10 Countries

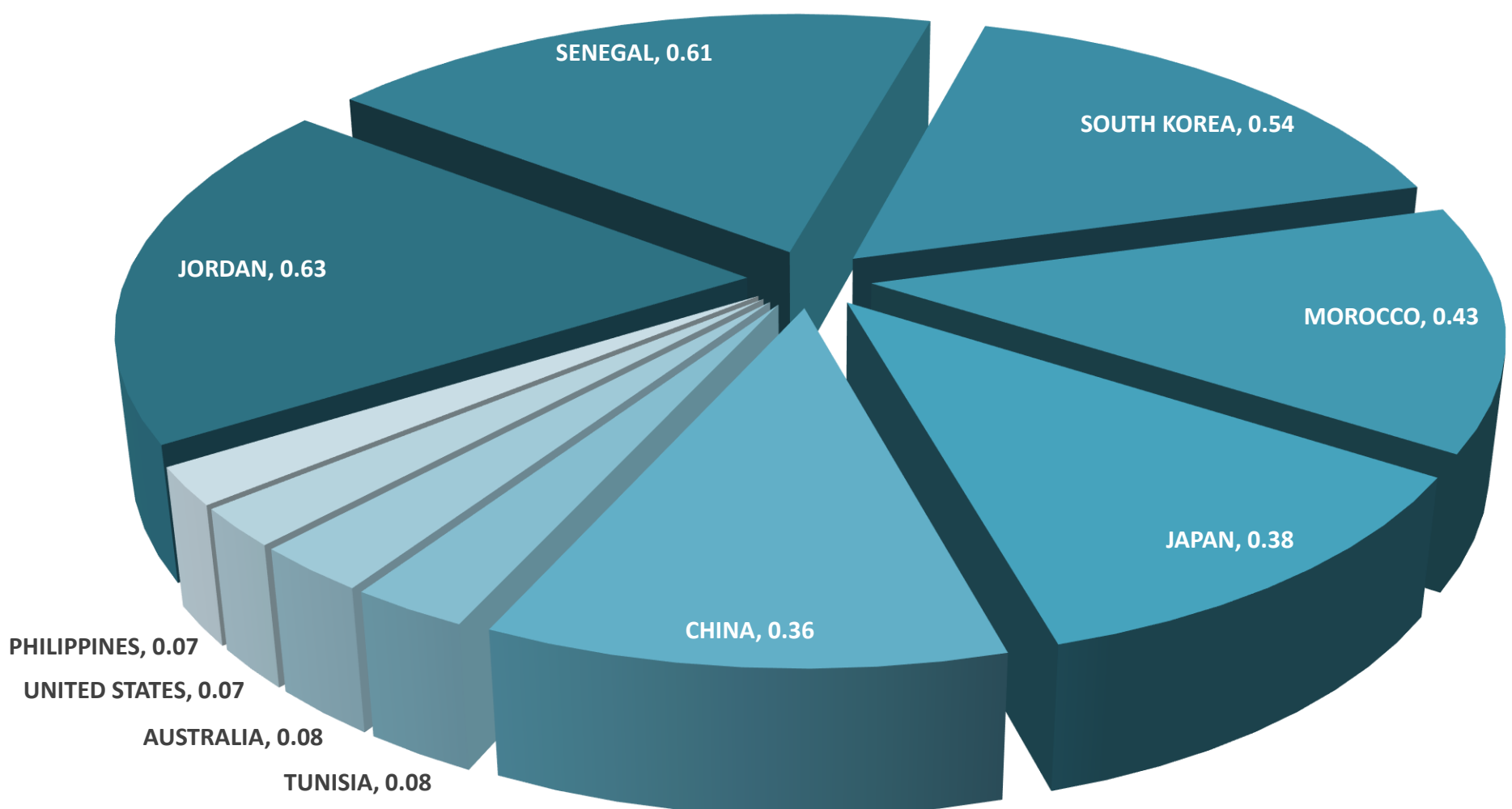


# PORT ANALYSIS

- India Imported highest qty of Acids from Jordan at 0.63 MMT in the period of Apr-Oct'24.

Top Ten Indian Importers	Import Quantity in MMT
INDIAN FARMERS FERTILIZERS CO OP LTD.	1.08
COROMANDEL INTL. LTD.	0.53
PARADIP PHOSPHATES LTD.	0.47
GREENSTAR FERTILIZERS PVT. LTD.	0.29
INDORAMA INDIA PVT. LTD.	0.23
GUJARAT STATE FERTILIZERS CO. LTD.	0.21
MAHADHAN AGRITECH LTD.	0.21
MANGALORE CHEMICAL AND FERTILIZERS LTD.	0.11
FERTILIZERS & CHEMICALS TRAVACORE LTD.	0.08
LASONS INDIA PVT. LTD.	0.04

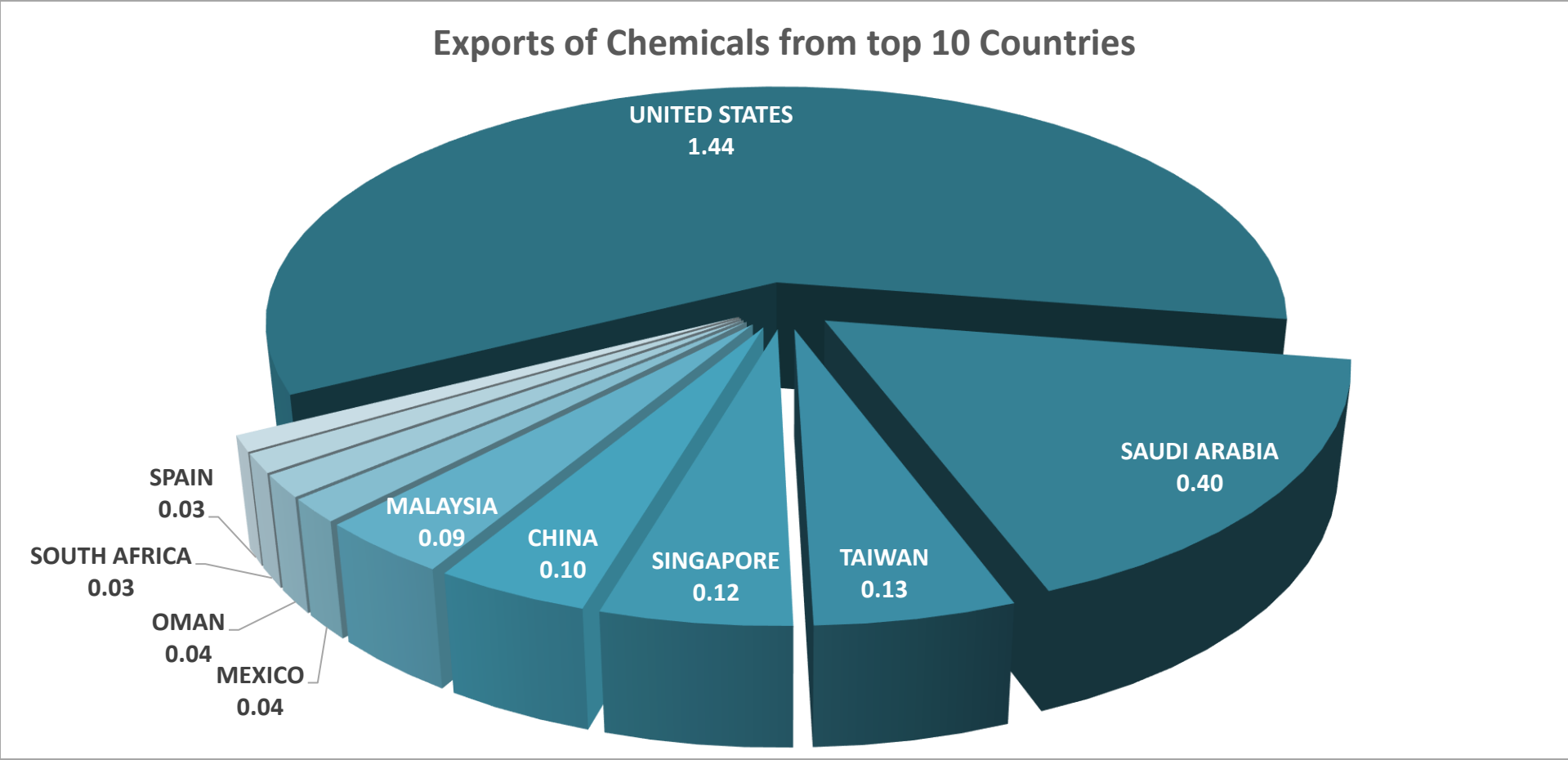
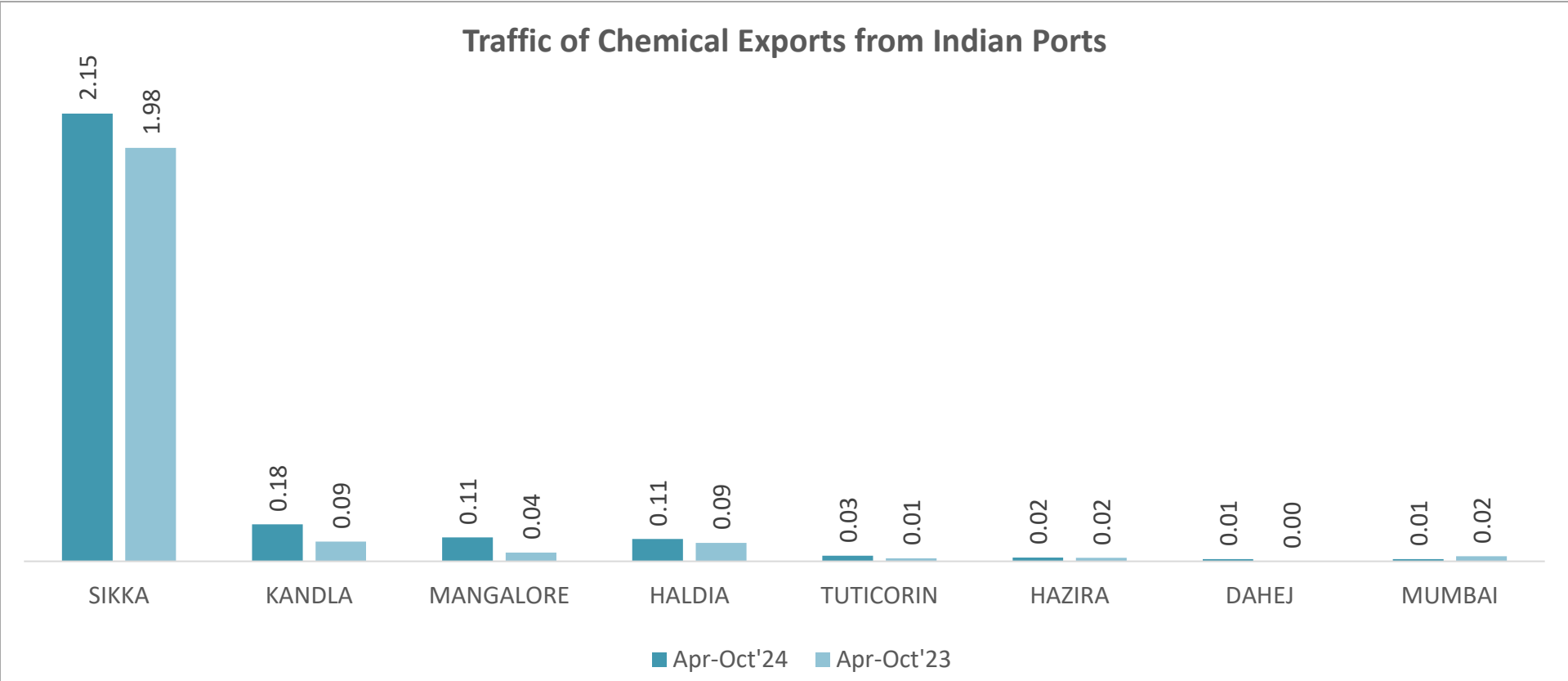
Imports of Acids from top 10 countries





# PORT ANALYSIS

- India exported 2.61 MMT of Chemicals in the period of Apr-Oct'24. Exports saw an increase as compared to the same period of the previous year which stood at 2.27 MMT.
- Sikka port saw the highest export traffic at 2.15 MMT in Apr-Oct'24.
- India exported the highest qty of chemicals to U.S at 1.44 MMT in Apr-Oct'24.





# MARKET OVERVIEW AND TRENDS

## KEY HIGHLIGHTS

- **Confident of achieving \$31 billion chemical export target this fiscal**
- **Deepak Nitrite arm announces Rs. 5,000-crore outlay for polycarbonate project in Dahej; to relocate Trinseo's facility from Germany**
- **Nayara Energy starts up polypropylene plant at Vadinar refinery site**
- **BASF, AM Green B.V join forces to explore business opportunities in low-carbon chemicals with RE**
- **Global carbon black industry projected to grow by 50% to USD 42 bn by 2032**
- **Thermax to acquire Buildtech Products India**





# KEY HIGHLIGHTS

## Confident of achieving \$31 billion chemical export target this fiscal

CHEMEXCIL Director General Raghuvver Kini expressed confidence in achieving the USD 31 billion chemical export target for 2024-25. Strong demand from markets like Brazil, the US, and Japan is driving growth, despite challenges posed by EU carbon taxes and infrastructure bottlenecks. Kini highlighted the need for improved infrastructure and expanded rupee-ruble trade mechanisms to further boost exports. The export target of USD 31 billion for 2024-25 will be achieved, as there is a healthy demand for 'made in India' chemicals in countries like Brazil, the US, Japan and Saudi Arabia, CHEMEXCIL. The Basic Chemicals, Cosmetics and Dyes Export Promotion Council (CHEMEXCIL) is set by the commerce ministry to promote exports of these goods.

The total exports of chemicals during April-September rose by 4.57 per cent to USD 14.1 billion. "So far, we are registering good growth, and we are confident of achieving the USD 31 billion target this fiscal. Last year, it was around USD 30 billion". During the second half of this year, the exports will grow at a faster pace, he noted. "Last year, because of drought in Brazil, which is the key market for us, exports were down. But this year, the situation is good, and we expect high growth." India exports these goods worth about USD one billion annually to the South American nation.

The director general said that the council is holding awareness programmes for exporters about the preparedness of the European Union's carbon tax and quality control orders. "The EU's carbon tax is a reality, and we have to be prepared for that. Exporters should not be caught unaware. We are explaining the paperwork required to deal with this tax. The EU's Carbon Border Adjustment Mechanism or CBAM is its unilateral measure, which India is opposing strongly. CBAM is a kind of import duty that will apply to energy-intensive goods imported into the European Union.

It has decided to impose a carbon tax from January 1, 2026, on seven carbon-intensive sectors, including steel, cement, chemicals, and fertiliser. there has been a rising demand for chemicals globally by end-user industries like pharmaceuticals, agriculture, and manufacturing. "Indian chemicals have gained popularity in overseas markets due to their improved quality and adherence to international standards such as REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and other regulations." He suggested that poor infrastructure around major ports like Nhava Sheva and Mundra causes delays in shipments as there is a need to expand road networks, improve maintenance, and address traffic congestion to facilitate smoother transport of goods. "Issues in payments and settlements under the rupee-ruble trade mechanism due to sanctions on designated banks like Sberbank are affecting trade with Russia. Our suggestion is to increase the number of authorised banks in India and Russia to facilitate the transactions."

**Source- The Economic Times**



# KEY HIGHLIGHTS

## Deepak Nitrite arm announces Rs. 5,000-crore outlay for polycarbonate project in Dahej; to relocate Trinseo's facility from Germany

- Deepak Chem Tech Ltd. (DCTL), a wholly-owned subsidiary of Deepak Nitrite Ltd, has announced its board's approval to undertake the project for manufacturing polycarbonate (PC) resins involving an investment of around Rs. 5,000-crores including greenfield infrastructure capex, subject to completion of detailed engineering. The company will license the PC technology from American engineered polymers firm, Trinseo. It will also acquire Trinseo's manufacturing assets, including all proprietary equipment, having an annual capacity of 165,000 metric tonnes (mt) which are presently located at Stade, Germany. The agreement also provides access to Trinseo's Calibre resins and trademark. Trinseo will support the asset transfer to DCTL and operationalising the same, and Deepak is targeting to commission manufacturing at a greenfield site at Dahej, Gujarat, by fourth quarter of FY 2028. PC is a versatile engineering polymer finding extensive applications in automotive, electronics & electrical, construction, appliances, medical devices, and other sunrise sectors. PC resins are currently not manufactured in India.
- "Domestic production, along with Calibre resins' established credibility will support an accelerated approval cycle for new and existing consumers in India where annual imports already account for more than 240,000-mt," DCTL said in a press note. PC is a natural choice to begin the downstream integration in phenolics value chain and aligns with Deepak's strategy to become an integrated manufacturer of PC from the basic building blocks of benzene and propylene.
- Commenting on the development, Mr. Deepak Mehta, Chairman and Managing Director of Deepak Nitrite said, "This historic collaboration between DCTL and Trinseo opens up strategic opportunities for both the companies to explore partnerships in downstream compounds as well as complimentary technology tie-ups to service India's burgeoning appetite for high quality engineering polymers. The tagline of 'Made in India' coupled with world scale capacities and formidable brand credibility, opens up a new horizon of opportunities in the Advanced Materials front". A press statement from Trinseo, valued the combined agreements at \$52.5-mn. The company said it expects to receive approximately \$9-mn by the end of 2024 and an additional approximately \$21-mn in the first half of 2025, subject to key milestones. With this disposition of the manufacturing assets in Stade, Trinseo has decided to exit the site. "While Trinseo recently announced its decision to exit virgin polycarbonate production, our PC technology is highly valued and the manufacturing equipment in Stade, can be utilised in India by Deepak," said Mr. Frank Bozich, President and CEO of Trinseo. "These are the initial steps of a strategic, collaborative partnership with Deepak, as we explore additional opportunities to leverage our technology portfolio and expand in higher-growth areas such as India," he added.

Source: Chemical weekly





# KEY HIGHLIGHTS

## Nayara Energy starts up polypropylene plant at Vadinar refinery site

- W.R. Grace & Co., the world's leading independent supplier of polypropylene (PP) process technology and polyolefin catalyst technology, has announced that Nayara Energy Ltd. has successfully started-up its new 450-ktpa PP plant in Vadinar, Gujarat.
- The plant uses Grace's non-phthalate Consista catalysts with the Unipol PP process technology, and will produce the entire range of PP grades suitable for resins in pharmaceutical, health and hygiene industry applications. Nayara is also utilizing Grace's Unipol Unippac process control software to operate the plant with optimal performance. "We are glad to partner with Grace for our first PP unit which is a big milestone in the company's growth journey.
- We aim to produce the best quality non-phthalate based homopolymer, random copolymer, and impact copolymer polypropylene resin for domestic and international markets," said Mr. Sergey Denisov, Chief Development Officer, Nayara Energy. "The petrochemical industry is growing aggressively in India and today there is increasing demand for innovative products for wide ranging applications. Leveraging strong partnerships to create best-in-class offerings, Nayara Energy aims to set new quality benchmarks for our clients.
- With this latest foray Nayara Energy aims to capture around 8% market share and be a strong partner to India's energy security needs," said Mr. Alessandro des Dorides, CEO, Nayara Energy. "We are pleased to support Nayara Energy's growth using our licensing technology coupled with our catalysts and process control software. This combination will help optimize their reactor performance and enable the Vadinar refinery to serve the growing demand for polypropylene in the region," said Mr. Thomas Deman, President, Specialty Catalysts, Supply Chain and Procurement, Grace. With more than 34-mtpa of global licensed production capacity and more than 5-mtpa in India, Grace is a leading global licensor of PP process technology. The high-performance PP resins produced using the Unipol PP process technology are ubiquitous and can be found in many applications, such as automotive parts, packaging, and consumer goods.

Source: Chemical Weekly



# KEY HIGHLIGHTS

## **BASF, AM Green B.V join forces to explore business opportunities in low-carbon chemicals with RE**

- BASF and AM Green B.V. signed an MoU to explore low-carbon chemical production using renewable energy in India. The agreement includes feasibility studies and a non-binding intent for BASF to purchase 100,000 tons of ammonia annually from AM Green's renewable energy-powered plants, complying with EU standards.
- BASF and AM Green B.V. signed an agreement to explore business opportunities for low-carbon chemicals produced exclusively with renewable energy. Under the MoU, BASF and AM Green intend to conduct feasibility studies on low-carbon chemicals production in India including a joint evaluation of potential technologies, the companies said in a joint statement.
- "The cooperation also includes a non-binding letter of intent for the offtake of 100,000 tons annually of ammonia produced exclusively with renewable energy including energy from pumped storage projects." This ammonia will meet EU standards for renewable fuels of non-biological origin (RFNBO) as defined in the Renewable Energy Directive (RED III).

**Source-The Economic Times**

## **Global carbon black industry projected to grow by 50% to USD 42 bn by 2032**

- The global carbon black market is projected to grow by 50 per cent, reaching USD 42 billion by 2032, driven by increasing demand in the Asia-Pacific region. Investments in the global tyre industry and rising exports from India will play significant roles in substantiating this growth.
- The global carbon black market is expected to grow by 50 per cent to touch USD 42 billion by 2032, industry body Asia-Pacific Carbon Black Confederation (APCBC) said on Wednesday. The carbon black industry is currently valued at around USD 28 billion. "The carbon black industry is expected to grow to USD 42 billion by 2032, offering substantial opportunities, particularly in the Asia-Pacific region, which remains a key driver of growth." The global tyre industry is projected to invest USD 27.3 billion between 2023 and 2028, with India contributing USD 1 billion through new projects.
- The global carbon black industry is entering a new phase, with accelerating demand in emerging markets like India and across the Asia Pacific region, he said noting India is also increasing its exports to the EU and North America to fill the gap left by reduced Russian carbon black supplies. Carbon black is produced by burning of fossil fuels in gas and diesel engines, thermal plants.

**Source-The Economic Times**





# KEY HIGHLIGHTS

## Thermax to acquire Buildtech Products India

- Thermax has announced its acquisition of Buildtech Products India for approximately Rs 72 crore, aiming to enhance its footprint in the construction chemicals sector. This acquisition, involving a 100% stake, underscores Thermax's commitment to supporting India's infrastructure development with advanced chemical solutions. Buildtech, established in 1995, specializes in admixtures and other products used in major infrastructure projects.
- It has inked a pact to acquire critical construction chemicals maker Buildtech Products India for about Rs 72 crore. This partnership solidifies Thermax's presence in the construction chemicals sector. The company has signed an agreement to acquire a 100 per cent stake in Buildtech Products India Pvt Ltd for approximately Rs 72 crore, subject to various transaction adjustments.
- Established in 1995, Buildtech Products India manufactures admixtures, accelerators and capsules used in tunnels, infrastructure and railway projects. The Indian construction chemicals market is worth USD 3.76 billion and is expected to reach USD 5.17 billion by 2030 with a CAGR (compound annual growth rate) of 5.64 per cent. The acquisition of Buildtech will be completed in due course.
- "Chemicals has been a key area of investment for Thermax. Buildtech's products have created a niche in the sector with specialised offerings in the field of major civil repairs, waterproofing, plumbing, painting and allied works of multi-storied buildings and structures. This strategic acquisition further reinforces our commitment to support India's infrastructure development with advanced solutions that meet the industry's evolving needs.

**Source-The Economic Times**



## **OTHER REPORTS FOR NOVEMBER 2024**

- J. M. BAXI Monthly Agri Products Update
- J. M. BAXI Monthly Automotive Industry Update
- J. M. BAXI Monthly Cement Update
- [J. M. Baxi Monthly Chemical Update](#)
- J. M. BAXI Monthly Coal Update
- J. M. BAXI Monthly Container Update
- J. M. BAXI Monthly Cruise Shipping Update
- J. M. BAXI Monthly Veg Oil Update
- J. M. BAXI Monthly Fertilizer Update
- J. M. Baxi Monthly LNG & LPG Update
- J. M. BAXI Monthly Mineral and Metal Update
- J. M. BAXI Monthly Oil and Petroleum Update
- J. M. BAXI Monthly Port Update
- J. M. BAXI Monthly Project Cargo Update
- J. M. BAXI Monthly Seafarers Insights Update
- J. M. BAXI Monthly Steel Update



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