

Other chemical products

Industry Code (as per CMIE Prowess): 0101012090000000'

June 2022

Overall Industry Risk Score: **13/20 | Marginally Favourable**

Sample Size: 57 Companies

Median Rating Value of sample size: A-

Individual Parameters Contributing to the Score

Demand & Supply Balance  **16/20**

Moderate Demand

Healthy growth prospects in both domestic and export demand. As per CMIE data, the industry sales reported a y-o-y growth by 57.5% from Rs.152.2 billion for March 2021 quarter to Rs.239.9 billion for the quarter ended March 2022. As per Ministry of Commerce data, the exports of Miscellaneous Chemical Products grew by 38.3% from Rs.37.8 billion in FY21 to Rs.52.3 billion in FY22.

Extent of Competition  **12/20**

Neutral

Level of competition is moderate; Higher focus on domestic production vis a vis imports will boost domestic capacity creation over medium term.

Regulatory Risk



12/20

Predictable Regulatory environment

Exports are actively supported by the Government to identify new potential markets abroad. Slow progress in environmental clearance is however, a major concern for this industry. Government is working on a draft chemical policy that will focus on meeting the rising demand for chemicals and reduce imports.

Input Related Risk



12/20

Largely predictable supply of inputs from diversified sources or Raw Materials with rare, occasional disruptions / fairly predictable price band

Volatility in input price is a major challenge for the industry. Other Challenges are vulnerability to exchange rate and volatility of imported raw materials.