



Since 1916

CHEMICAL & ACIDS UPDATE

APRIL 2024



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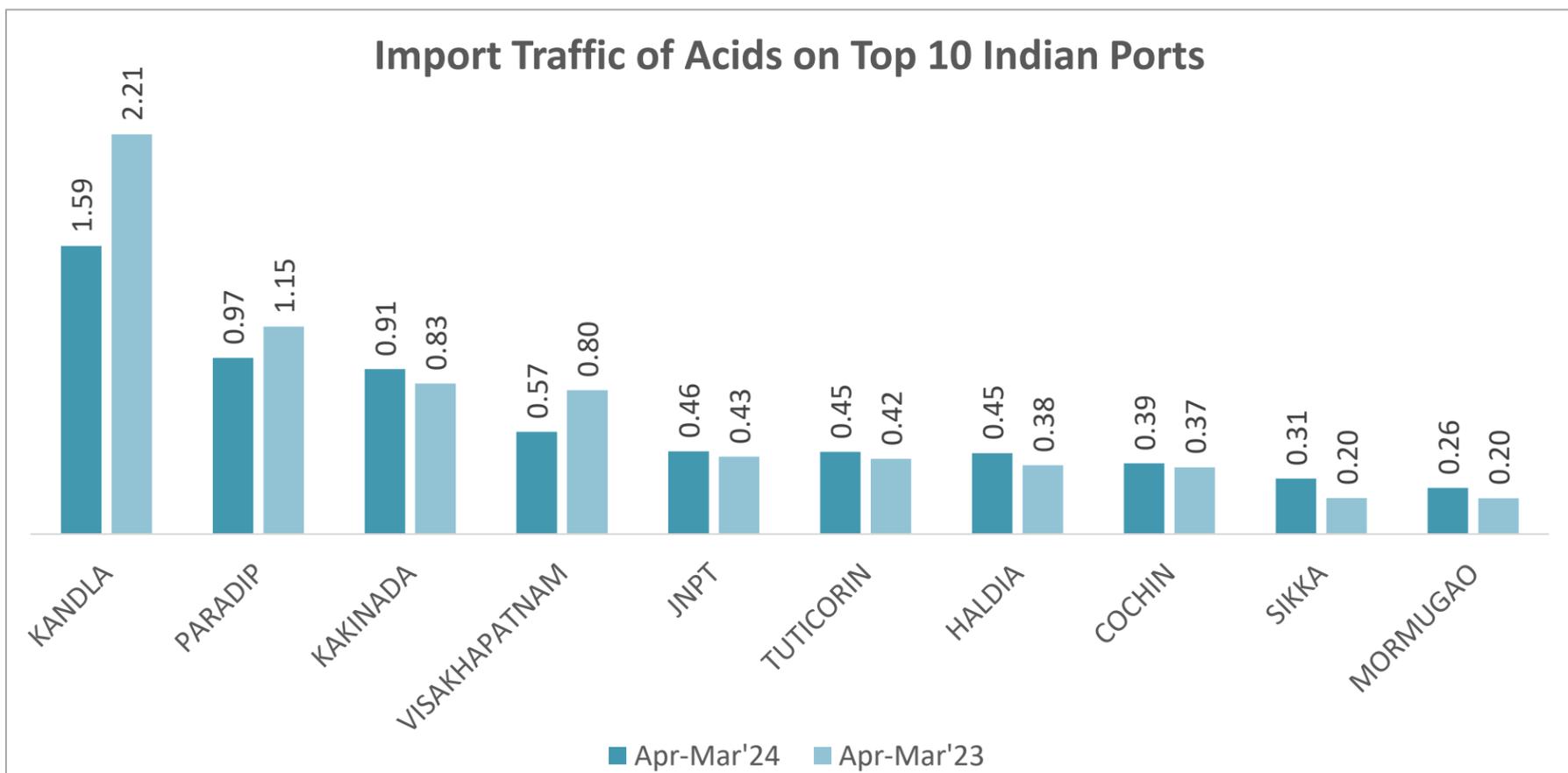
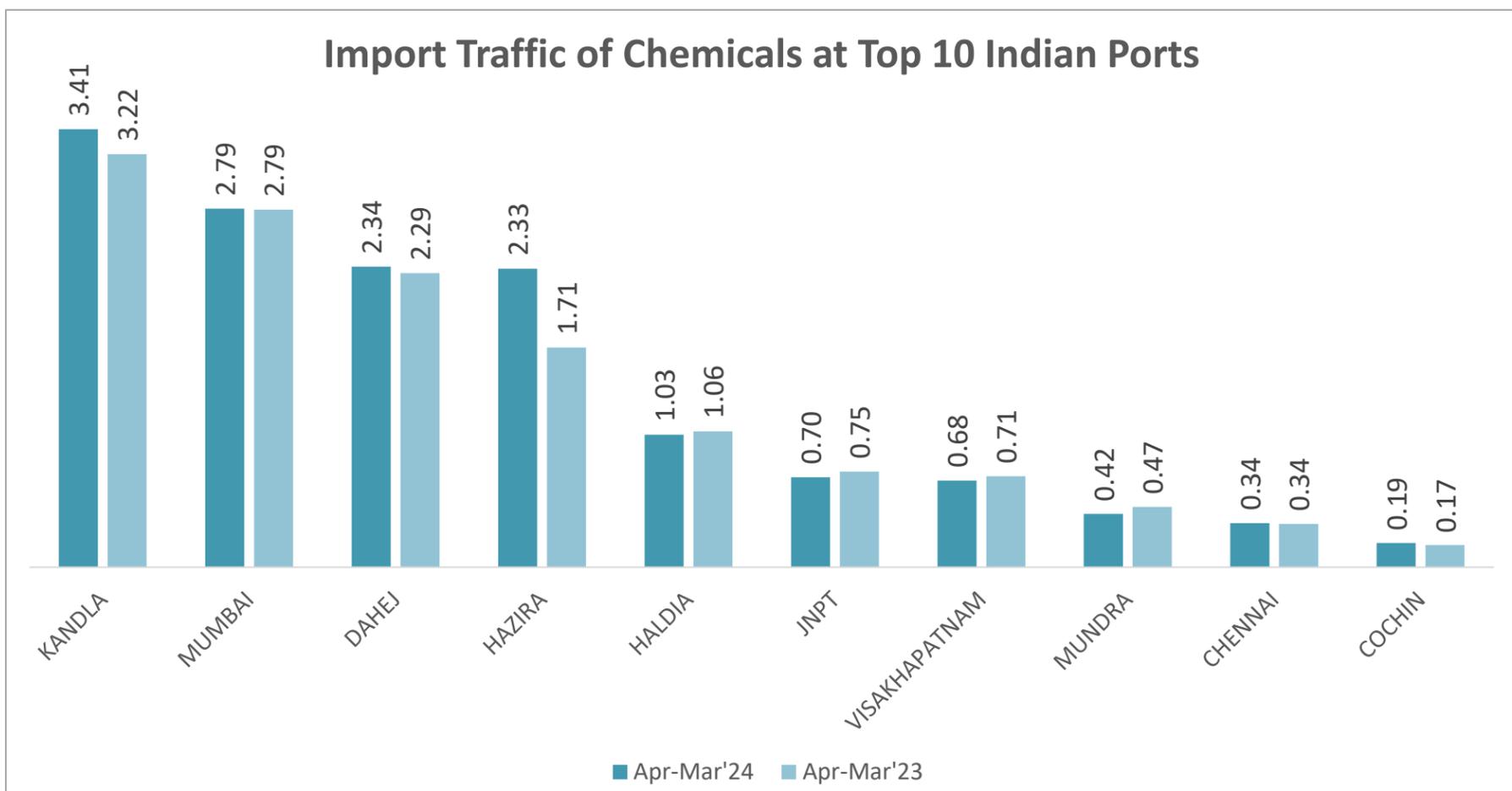
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PORT ANALYSIS

- The port traffic for Chemicals & Acids was 30.70 MMT in Apr'23-Mar'24 and 2.63 MMT in Mar'24.
- The Import of Chemical for Feb'24 was 1.40 MMT and 15.21 MMT in Apr'23-Mar'24.
- Import of Acids for Mar'24 was 0.51 MMT and 7.11 MMT in Apr'23-Mar'24.



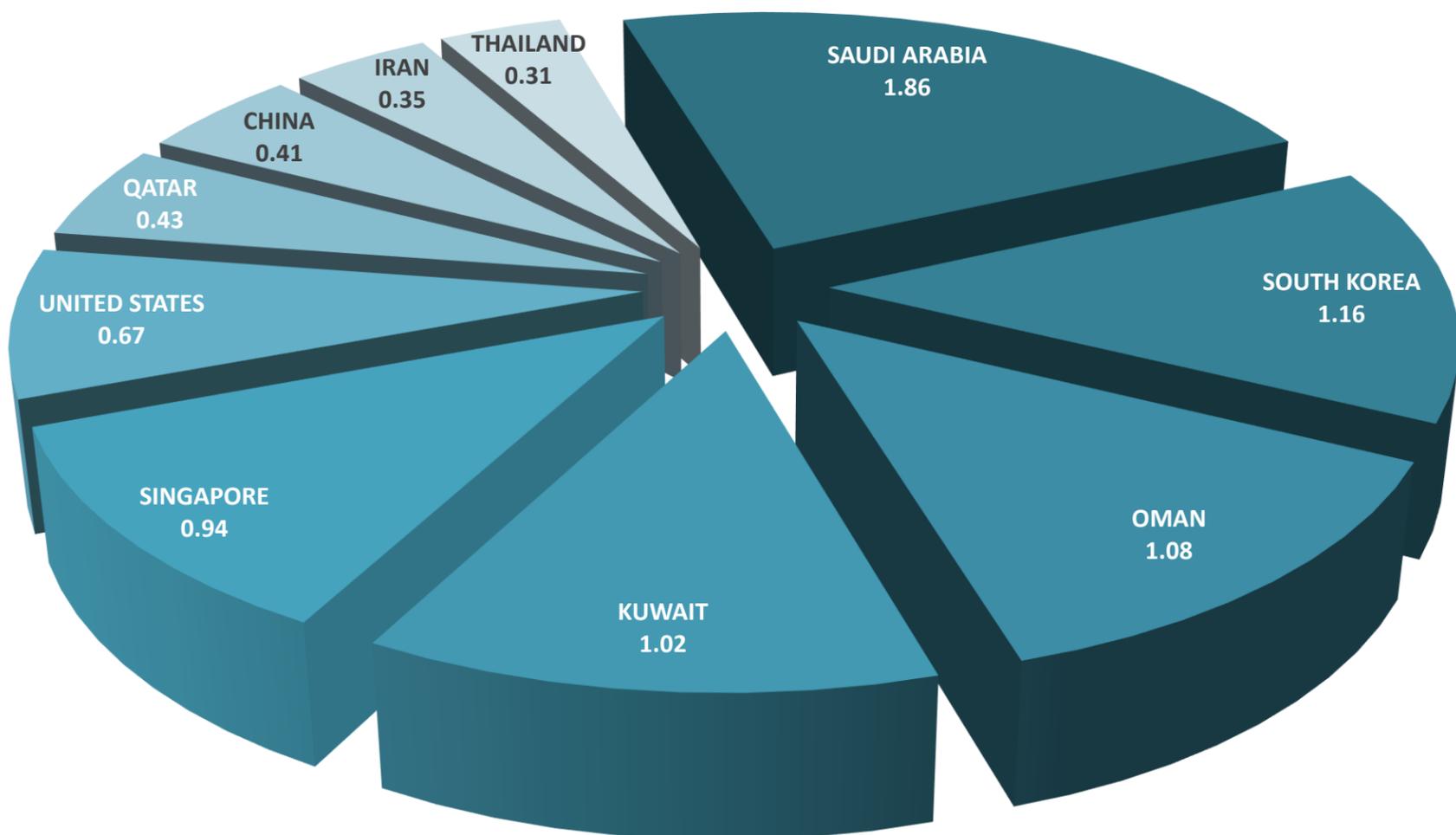


PORT ANALYSIS

- India Imported highest qty of Chemicals from Saudi Arabia at 1.86 MMT in the period of Apr'23-Mar'24.

Top Ten Indian Importers	Import Quantity in MMT
RELIANCE INDUS. LTD.	3.04
MCPI PVT. LTD.	0.78
EARNEST ENERGY PVT. LTD.	0.45
KLJ GROUP	0.43
C. J. SHAH AND CO.	0.40
JUPITER DYECHEM PVT. LTD.	0.31
B. K. SALES CORP.	0.25
INDIAN OIL CORP. LTD.	0.24
CHER LIFE HEALTHCARE PVT. LTD.	0.22
SUPREME PETROCHEM LTD.	0.18

Imports of Chemical Products From Top 10 Countries

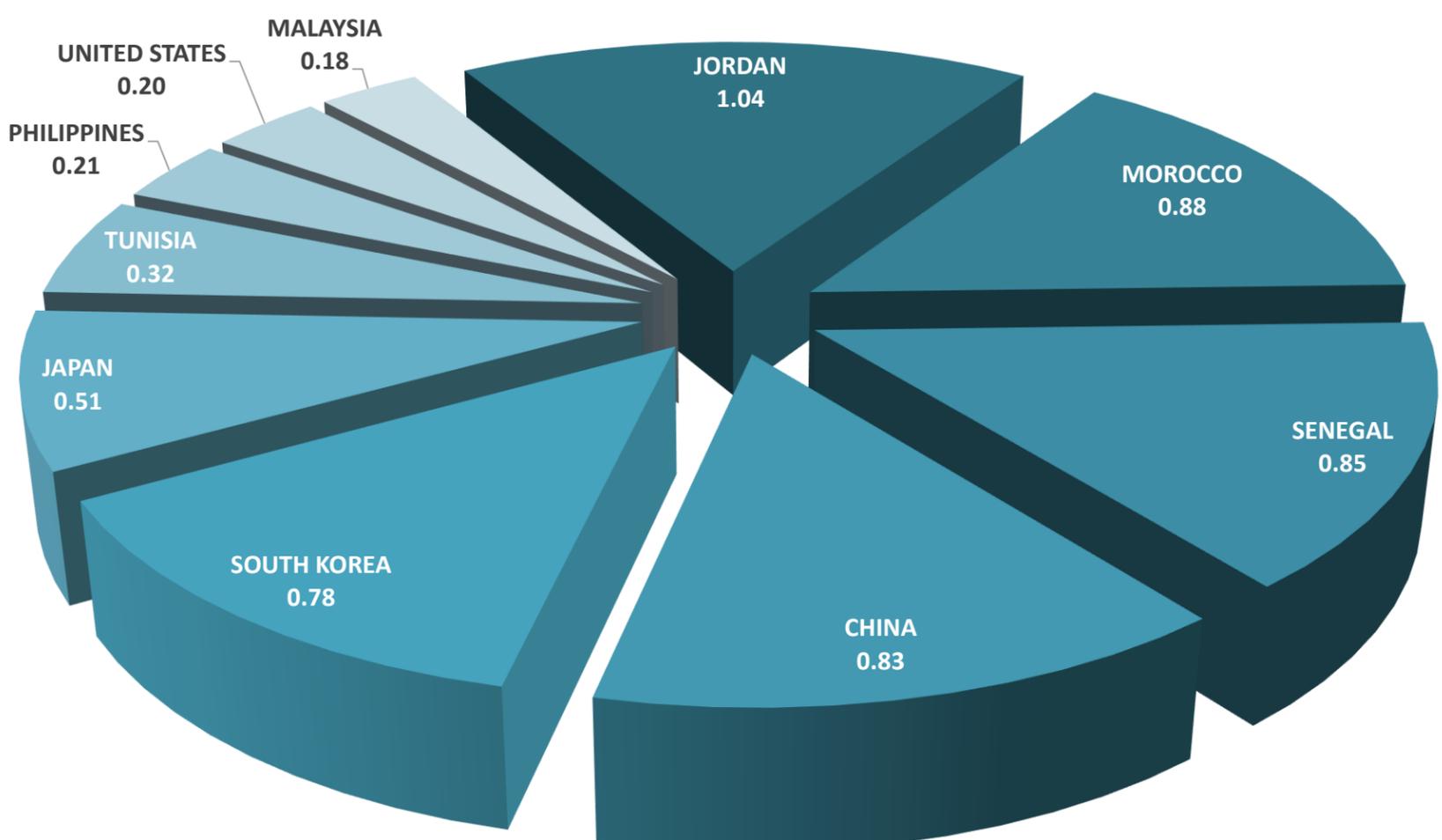


PORT ANALYSIS

- India Imported highest qty of Acids from Jordan at 1.04 MMT in the period of Apr'23-Mar'24.

Top Ten Indian Importers	Import Quantity in MMT
INDIAN FARMERS FERTILIZERS CO OP LTD.	2.03
COROMANDEL INTL. LTD.	1.48
PARADIP PHOSPHATES LTD.	0.56
GREENSTAR FERTILIZERS PVT. LTD.	0.45
FERTILIZERS & CHEMICALS TRAVACORE LTD.	0.39
INDORAMA INDIA PVT. LTD.	0.36
GUJARAT STATE FERTILIZERS CO. LTD.	0.31
MANGALORE CHEMICAL AND FERTILIZERS LTD.	0.21
SMARTCHEM TECHNOLOGIES LTD.	0.18
RELIANCE INDUS. LTD.	0.11

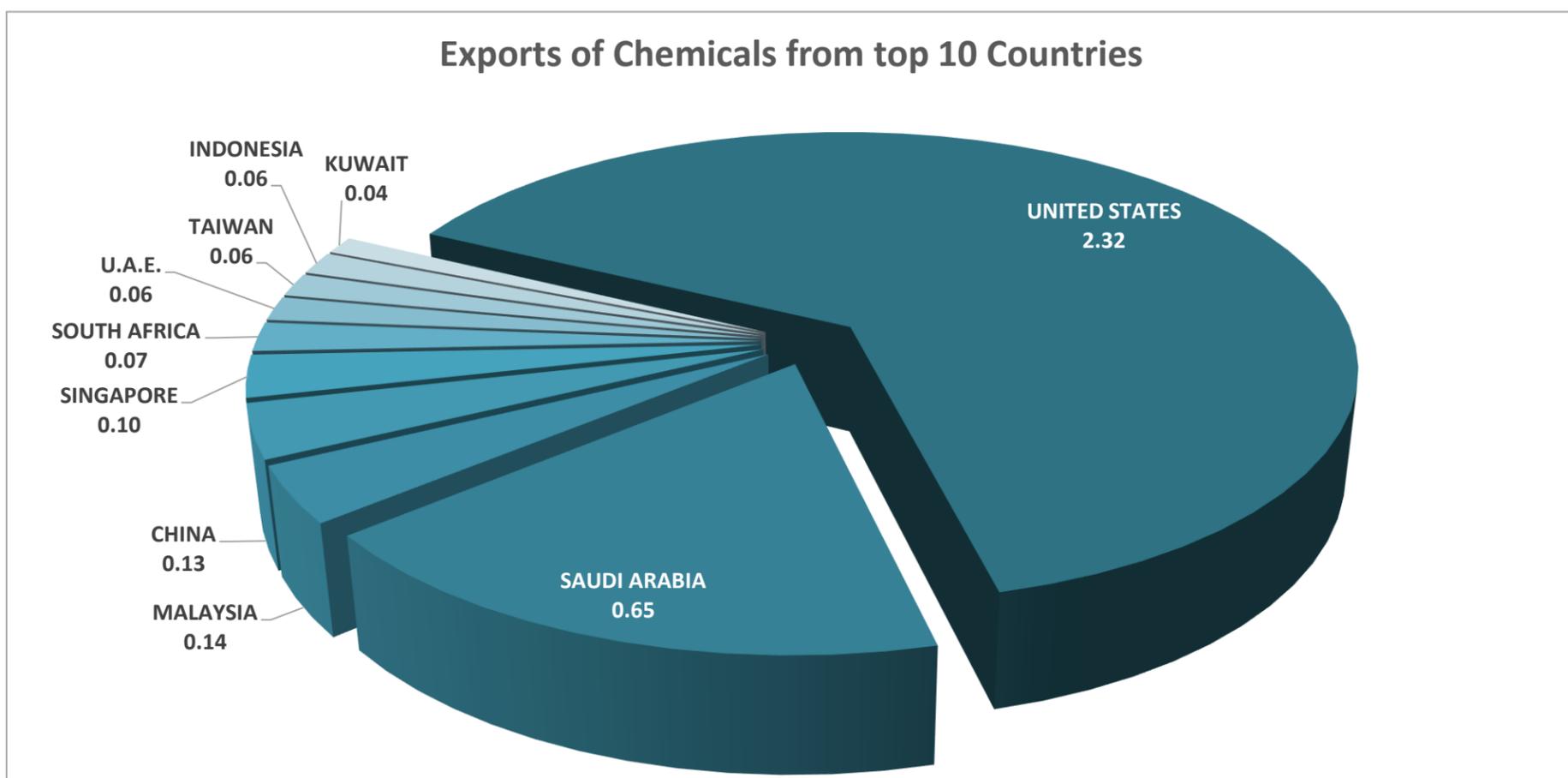
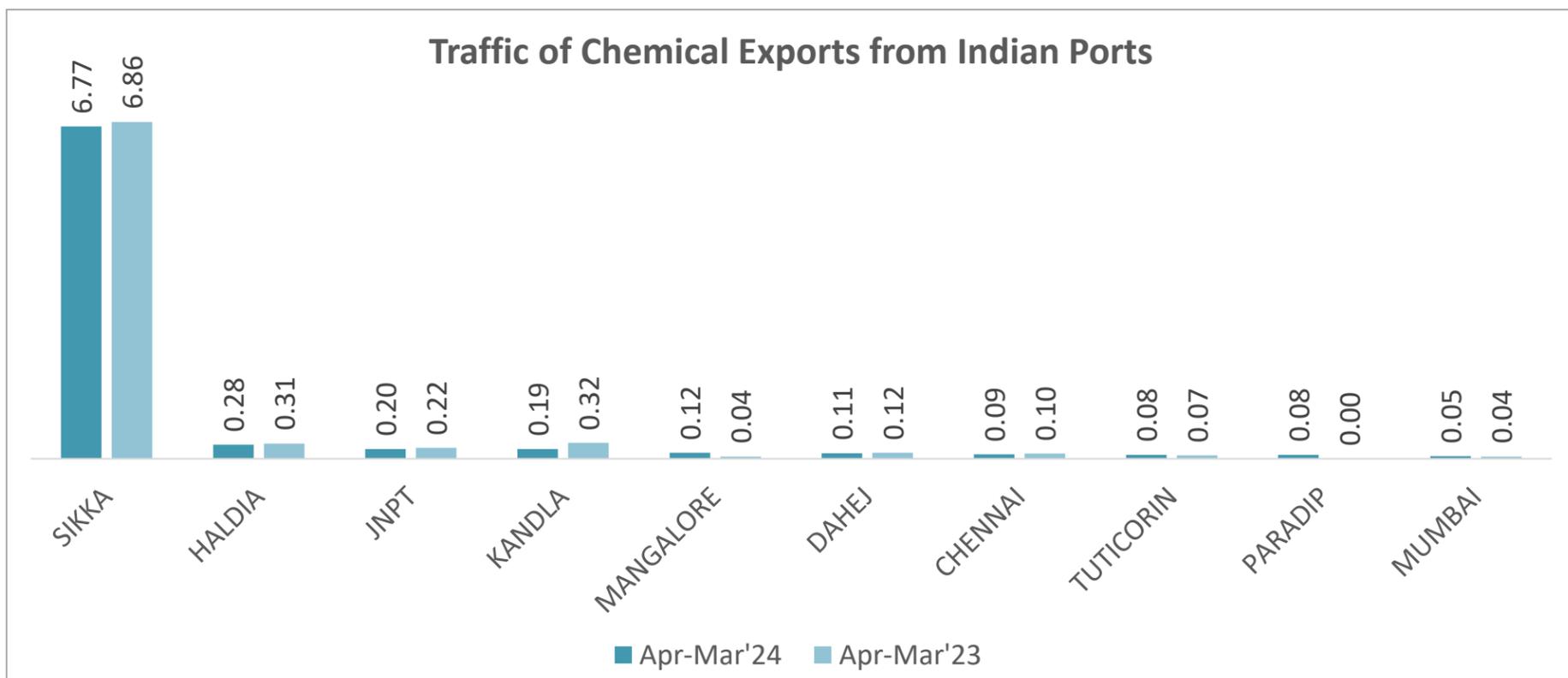
Imports of acids from top 10 countries





PORT ANALYSIS

- India exported 8.01 MMT of Chemicals in the period of Apr'23-Mar'24. Exports saw a decrease by 3.31% as compared to the same period of the previous year.
- Sikka port saw the highest export traffic at 6.77 MMT in Apr'23-Mar'24.
- India exported the highest qty of chemicals to U.S.A at 2.32 MMT in Apr'23-Mar'24.





MARKET OVERVIEW AND TRENDS

KEY HIGHLIGHTS

- **SPIC moves to using 100% natural gas feedstock for urea production**
- **India to lead global caustic soda capacity additions through 2028, forecasts GlobalData**
- **Tata Projects bags Deepak Fertilisers' nitric acid expansion project**
- **Govt notifies specifications of IFFCO's Nano Urea Plus**



KEY HIGHLIGHTS

SPIC moves to using 100% natural gas feedstock for urea production

- Southern Petrochemical Industries Corporation Ltd. (SPIC), the Chennai based fertiliser company, has completely transitioned to 100% natural gas as a raw material source for the production of urea. The completion of Indian Oil Corporation's (IOC's) Ennore cross-country pipeline and ONGC's supply of domestic gas through IOC cross-country pipeline presented SPIC with the opportunity to transition to the cleaner fuel, the company said.
- "This shift aligns with our commitment to environmental sustainability and underscores our responsiveness to government policies promoting cleaner fuel sources. This will bring down the final cost of production of fertilisers. Feedstock will now be continuously available with no storage requirements and minimum logistics and freight overheads". The journey towards this transformation began with the commissioning of IOC's Ramnad Thoothukudi Pipe Line (RTPL) in March 2021. SPIC was then allotted 0.9-mmscmd of high-pressure gas at its plant by the oil ministry from ONGC's Cauvery basin.
- Considering the reassessed capacity of urea production at 6,20,400-mt, SPIC required approximately 1.4-mmscmd of natural gas per day. This transformation became achievable with the commissioning of IOC's Ennore pipeline, operating on Regasified Liquefied Natural Gas (RLNG). In preparation for this transition, SPIC adapted its primary reformer catalyst to handle 100% natural gas. Fuel oil and naphtha were traditionally the primary fuels in fertiliser production, despite their higher impurity levels and environmental pollution potential. Recognising the importance of ecological conservation, the Government of India has advised all fertiliser manufacturers to switch to natural gas. This is a significant step towards India's Urja Aatmanirbharta (energy self-reliance) programme.

Source: Chemical Weekly



KEY HIGHLIGHTS

India to lead global caustic soda capacity additions through 2028, forecasts GlobalData

- India is set to register the highest caustic soda capacity additions globally by 2028, contributing about 40% of the total capacity additions, according to GlobalData, a leading data and analytics company.

GlobalData's latest report, "Caustic soda Industry Capacity and Capital Expenditure Forecasts with Details of All Active and Planned Plants to 2028" reveals that India is likely to witness caustic soda capacity additions of 2.55 million tonnes per annum (mtpa) between 2024 and 2028 through seven new build plants and two expansion projects. Nivedita Roy, Oil and Gas Analyst at GlobalData, Comments: "The caustic soda industry in India has been experiencing robust growth because of its versatile applications across various sectors such as textiles, soaps and detergents, and water treatment." In India, the major capacity additions are from a planned project, Mundra Petrochem Mundra Caustic Soda Plant, with a capacity of 1.30 mtpa. Mundra Petrochem Ltd has a 100% stake in the plant and is also the operator of the project. Located in the state of Gujarat, it is expected to commence production in 2027. The Grasim Industries Bikkavolu Caustic Soda Plant represents another significant addition to India's caustic soda production capacity. The facility is anticipated to commence operations in 2024, with an initial capacity of 0.07 mtpa. Plans are in place to augment this capacity by an additional 0.15 mtpa in 2025. Grasim Industries Ltd., holding full equity, will also serve as the operator of this plant situated in the state of Andhra Pradesh.

Source: Global Data



KEY HIGHLIGHTS

Tata Projects bags Deepak Fertilisers' nitric acid expansion project

- Tata Projects Ltd (TPL), a leading Engineering, Procurement and Construction (EPC) company, has bagged its first chemicals industry project from Deepak Fertilisers and Petrochemicals Corporation Ltd. (DFPCL). The nitric acid expansion project, situated at DFPCL's Dahej plant in Gujarat, entails the provision of comprehensive engineering, procurement, and construction management (EPCM) services, alongside Front End Engineering Design (FEED) responsibilities for offsites and utilities. Central to the project's scope is the expansion of the nitric acid plant, encompassing a 900-tpd weak nitric acid (WNA) plant, two 225-tpd concentrated nitric acid (CAN) plants, and associated offsites and utilities, including storage and loading/unloading facilities. Licensors for the project include Switzerland's Casale for weak nitric acid project and US-based KBR for the concentrated nitric acid plant.
- Commenting on the significance of the project, Mr. Rajiv Menon, President and COO – Energy & Industrial Business, Tata Projects, said, "The journey of Tata Projects has been quite noteworthy in recent years, evolving from its notable presence in onshore terminals to venturing into core process refinery units. The DFPCL acquisition further strengthens our resolve to be a diversified and technology driven EPC company."
- "This nitric acid plant is designed to optimise both capital and operational expenditure while prioritizing energy efficiency and environmental sustainability with minimal NOx emissions. With this partnership, we have aligned ourselves with the escalating demands of our customers across the rapidly growing pharma, steel, solar, and agri-industry sectors, where India is emerging as a prominent manufacturing hub," said Mr. Arun Vijay, President- Projects, DFPCL. DFPCL is the leading player in the Indian nitric acid market, with a market share of over 45%. Currently, the company's total nitric acid production capacity (CNA + WNA) is 1,120-ktpa, which is projected to increase to approximately 1,600-ktpa post-expansion, solidifying DFPCL's position as one of Asia's largest merchant nitric acid players. Having commenced on the 19th February, 2024, and scheduled for mechanical completion by September 30, 2025, the project's contract is structured as a FEED plus EPCM Open Book Value contract convertible to LSTK later.

Source: Chemical Weekly



KEY HIGHLIGHTS

Govt notifies specifications of IFFCO's Nano Urea Plus

- The Indian government has approved a new product, 'Nano Urea Plus', to be manufactured by cooperative IFFCO in the next three years. The product, which has a 16% nitrogen content, is designed to meet crop nitrogen requirements at critical growth phases. IFFCO will manufacture the product for three years, replacing conventional urea with a more nitrogen-rich version.

The government has notified specifications of a new product 'Nano Urea Plus' fertiliser to be manufactured by cooperative IFFCO in the country in the next three years. Nano Urea Plus is a new version of nano urea meant for meeting crop nitrogen requirements at critical growth phases. According to a gazette notification, the government has approved Nano Urea Plus in liquid form with 16 per cent nitrogen content in weight by weight, and pH value of 4-8.5 and viscosity of 5-30. This product will be manufactured by the cooperative major IFFCO for a period of three years, it said. Currently, IFFCO offers 'Nano Urea' which has 1-5 per cent weight by weight nitrogen content. The Nano Urea Plus has more nitrogen. "IFFCO's Nano Urea Plus is an advanced formulation of Nano Urea in which nutrition is redefined to meet crop nitrogen requirement at critical growth phases. It is used in place of conventional urea and other nitrogenous fertilisers for promoting soil health, farmer's profitability & sustainable environment," IFFCO Managing Director and CEO U S Awasthi said. It also enhances the availability and efficiency of micronutrients. It is a chlorophyll charger, yield booster and helps in climate smart farming, he added. According to an IFFCO official, the commercial production of the new product will start soon at its Kalol plant in Gujarat, Aonla and Phulpur in Uttar Pradesh. IFFCO launched the world's first 'Nano liquid urea' fertiliser in June 2021. Thereafter, it came up with 'Nano DAP' fertiliser in April 2023. The cooperative has sold 7.5 crore bottles of Nano Urea till date since August 2021, while 45 lakh bottles of Nano DAP till date, the official said.

Source: Economic Times



OTHER REPORTS FOR APRIL 2024

- » J. M. BAXI & CO. Monthly Agri Products Update
- » J. M. BAXI & CO. Monthly Automotive Logistics Update
- » J. M. BAXI & CO. Monthly Cement Update
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