



# *Dynamics of Feedstock:*

## *Leveraging Synergies of Value Chains between Petroleum and Petrochemicals*

**November 2021**

# Robust growth expected in chemical segments

Access to feedstock will play a critical role to capture these growing markets and plan new investments

## Chemical Segments: Consumption & Growth Trends

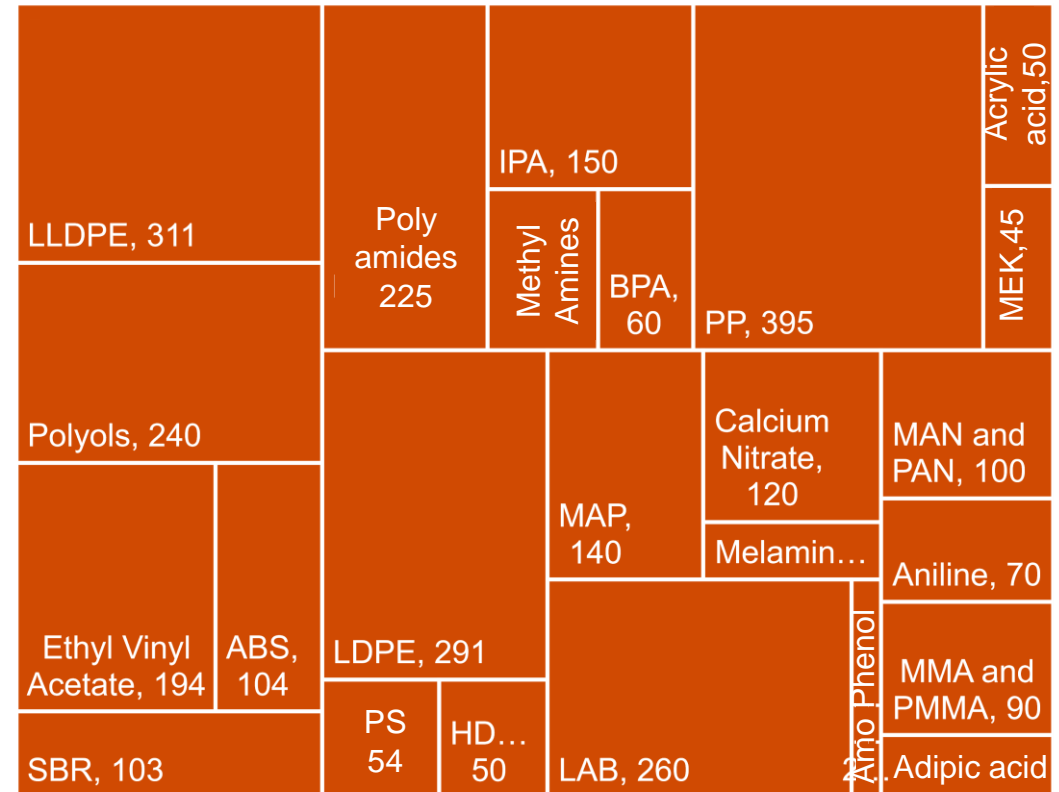
Segments	Consumption USD Billion (FY2019-20)	Growth Rate (2019-2025)
Bulk Chemicals	47	3%
Specialty Chemicals	39	12%
Petrochemicals	36	9%
Agrochemicals & Fertilizers	28	8%
Others (Biotech, Pharma API, etc.)	37	10%

- India Chemical Industry valued around 187 USD Billion in FY 2019-20 and expected CAGR in next five years is 6.2%
- Specialty chemicals is anticipated to register highest growth rate among all the chemical segments

Source : DCPC, Industry Sources, PwC Analysis

Note 1: Supply Deficit relative to PP (at 395 kT)

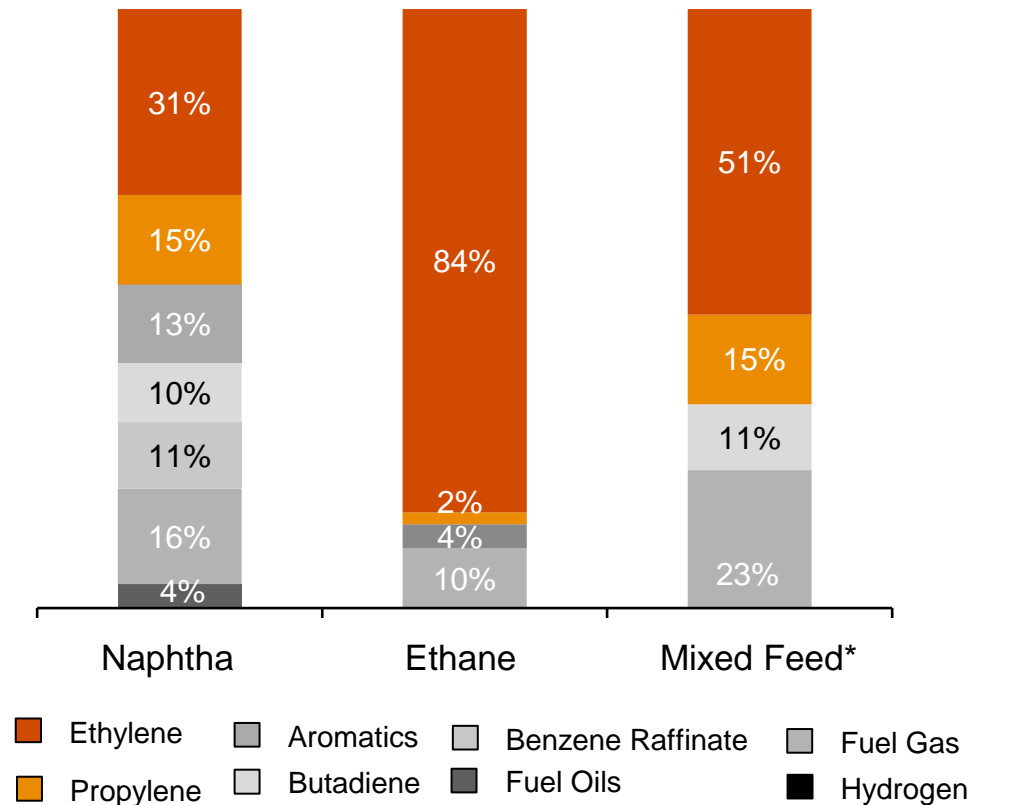
## India Supply Deficit, kT (FY2019-20)<sup>1</sup>



# Feedstock availability will drive new investments in petrochemicals

## Indian Chemical players can target import dependent Value Chains

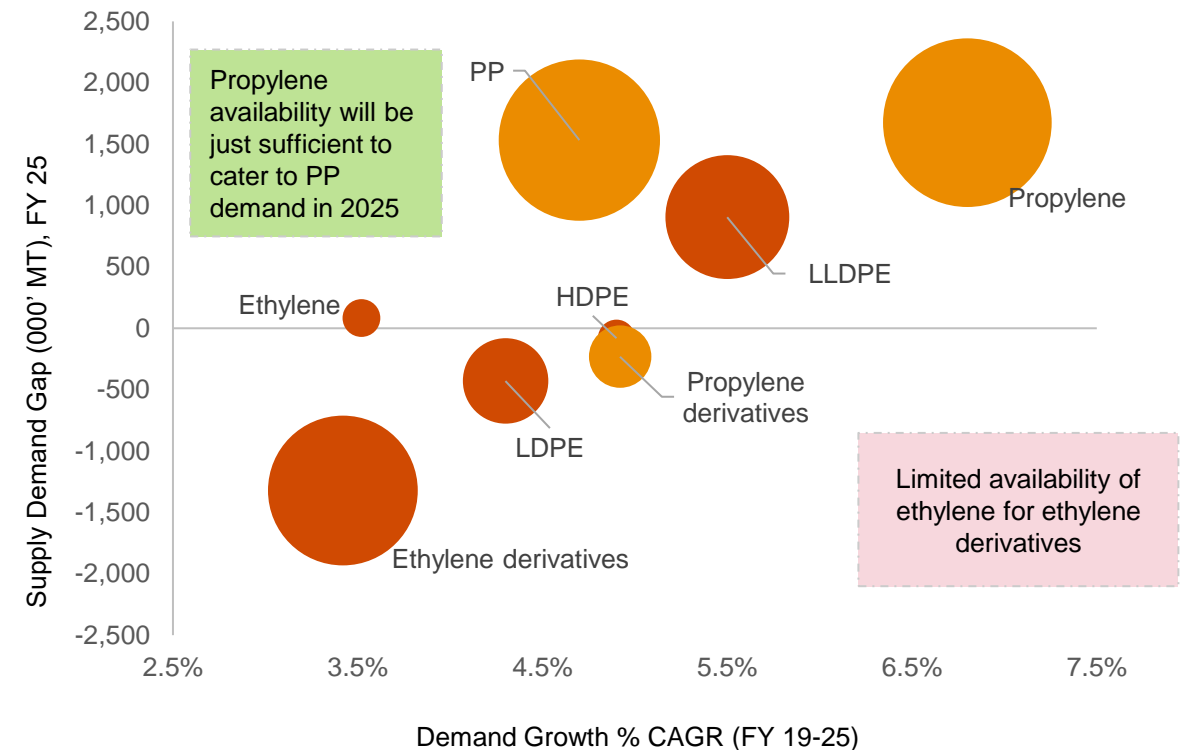
### Product Mix By Different Feedstock



\* Ethane : 36% ; Propane : 10% ; Naphtha : 54%

Source : Industry Sources, PwC Analysis

### India Supply Demand Scenario, 2019-25



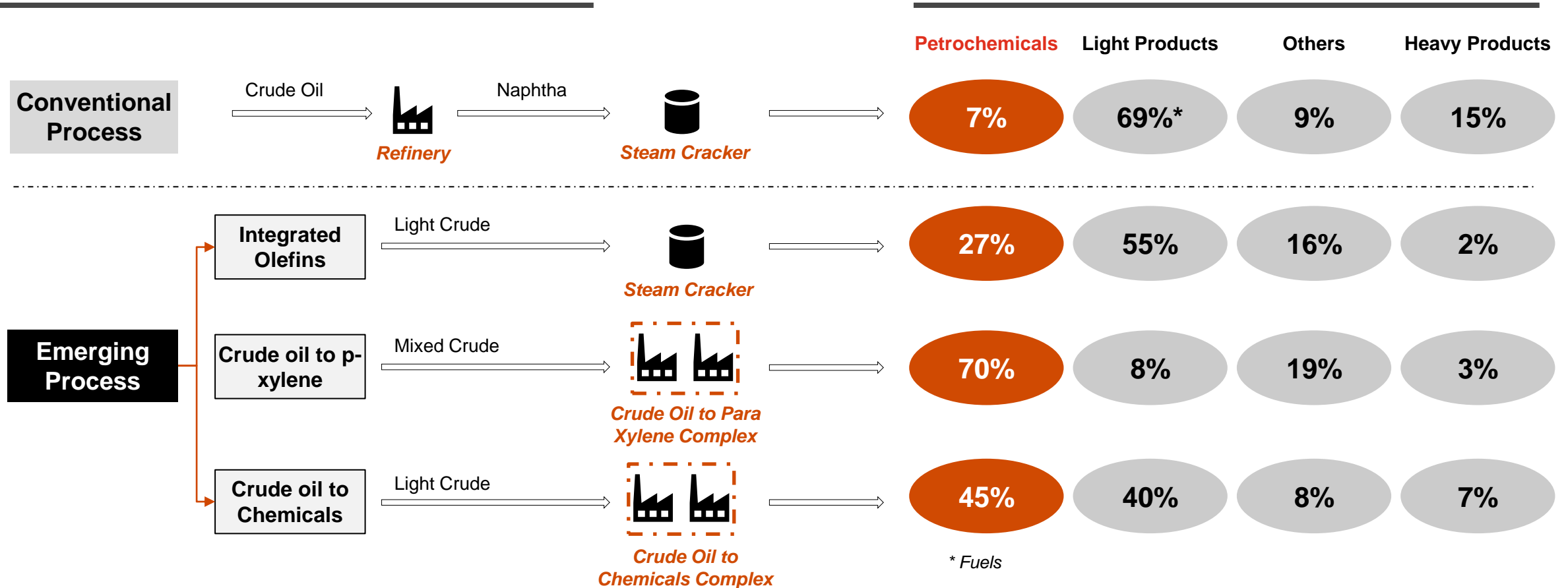
Note: Bubble size indicates the supply-demand gap; Ethylene derivatives - EDC and MEG, Propylene derivatives - Propylene oxide and Acrylonitrile

# New routes are emerging to maximize petrochemicals/feedstock

**Oil-to-chemicals technologies can reorient crude value chain from conventional fuels to chemicals**

## Crude oil to petrochemical feedstock routes

## Yield (% Weight)



Source : PwC Analysis

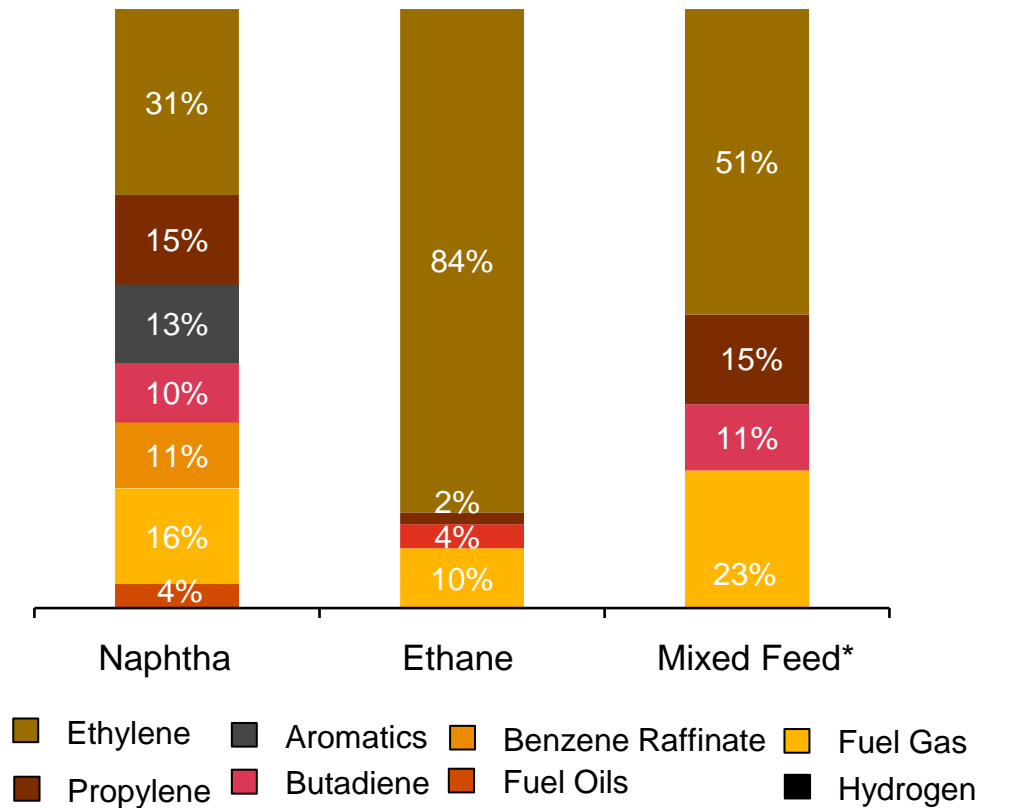
# Thank you!

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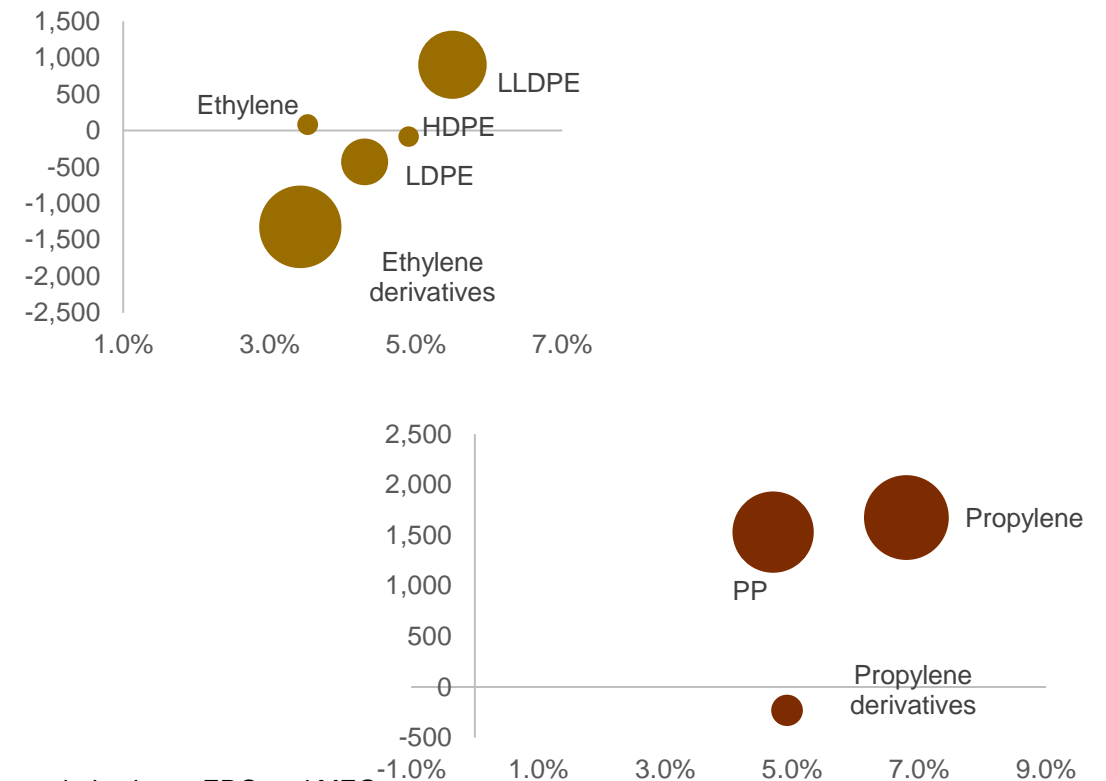
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### India Supply Demand Scenario



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 Propylene derivatives : Propylene oxide and Acrylonitrile  
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