

Analysis of the effect of lockdown due to the COVID-19 on the Production of Chemicals & Petrochemicals during 01.04.2020 to 31.05.2020

- On the basis of data received for the Chemical and Petrochemicals units monitored by the D/o Chemicals & Petrochemicals, it is observed that there is a significant decrease (about 37%) in the production of **Total Chemicals & Petrochemicals** during April-May, 2020 as against the corresponding period of last year. The production during April-May, 2020 is also lower by 30% over the average production of last five years' (2015-16 to 2019-20) for the same period.

- **During May 2020, total production of Chemicals & Petrochemicals** has increased significantly to 31,64,278 MT (around 38 %) as against the production of 22,85,764 MT in April, 2020. However, the same is significantly lower by around 25% during May, 2020 than the last year's production of the same month.

A. Chemicals Product:

1. Significant decrease (about 50%) has been observed in the production of **Chemicals** during April-May, 2020 as against the corresponding period of last year. The production during April-May, 2020 is also lower by 43% over the average production of last five years' (**2015-16 to 2019-20**) for the same period.
2. Among the major groups of Chemicals, the reduction in the production during April-May, 2020 is in the range of 26% to 83% over the last year for the same period. The major reduction has been reported in the organic chemicals (around 83 %) followed by Dyes and Pigment (63%), Alkali Chemicals (48%), Organic Chemicals (41%) and Pesticides & Insecticides (26%) groups.
3. Production of **Chemicals** in the country has increased significantly to 6,89,879 MT in May, 2020 (around 110 %) as against the production of 3,27,831 MT in April, 2020. However, the same is significantly lower by around 33% during May, 2020 than the last year's production of the same month.

B. Petrochemicals Products:

1. There is a significant decline (about 33%) in the production of **Petrochemicals** during April-May, 2020 as against the corresponding period of last year. The production during April-May, 2020 is also lower by 27% over the average production of last five years' (2015-16 to 2019-20) for the same period.
2. Among the major groups of **Petrochemicals**, the reduction in the production during April-May, 2020 is in the range of 10 % to 87 % over the last year for the same period. The major reduction in the production of Petrochemicals has been seen in the Synthetic Fiber (around 87%) followed by Performance Plastic (58%), Polymers (38%), Synthetic Rubber

(37%), Olefins (33%), Fiber Intermediate (25%) and Synthetic Rubber (10%) groups. ***It is imperative to mention that among major Petrochemical groups, the production of Aromatics has increased to around 49% during the lockdown period of April-May, 2020 as compared to their last year's production of same period.*** However, it is lower by 17% during April-May, 2020 than the corresponding average production of last five years'.

3. Further, production of **Petrochemicals** has increased to 24,74,399 MT in May, 2020 (around 26%) as against the production of 19,57,933 MT in April, 2020. However, the Production of Petrochemicals is lower by around 23% during May, 2020 than the last year's production of the same month.

Note: The lower Chemical & Petrochemicals production during April and May, 2020 is due to the lockdown in the country under which most of the units were either closed or not functioned with their full capacity.