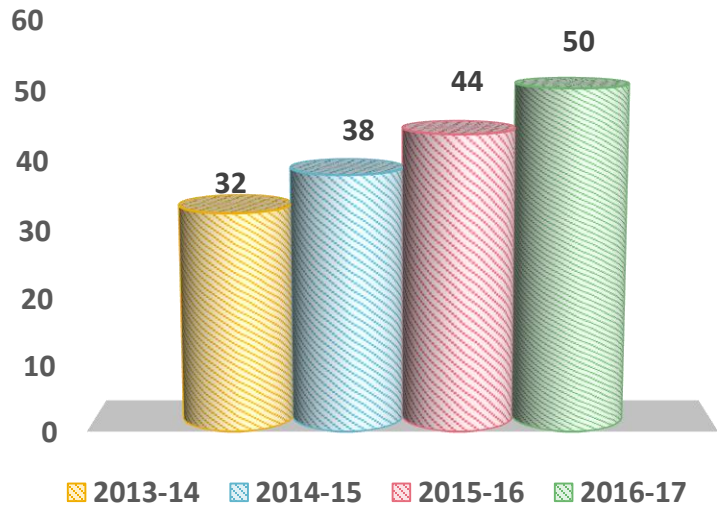


Market for Construction Chemicals in India

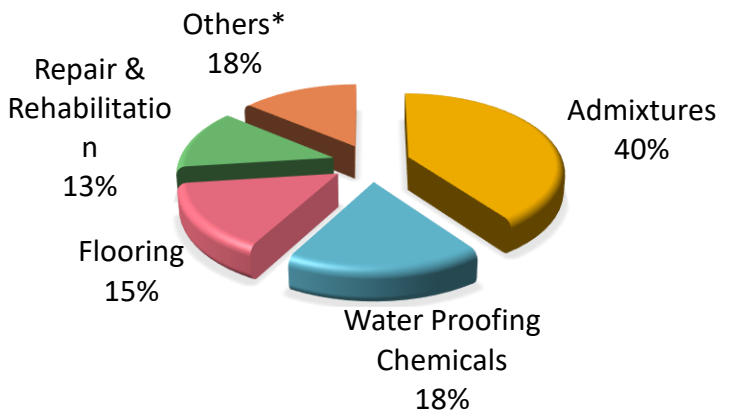
- Construction chemicals industry in India is fragmented with the presence large Indian companies and multinational players as well as of several small single product local companies
- Top 5 players account for around 50-60% of the market; there are over 300 local manufacturers that produce low value products
- The market for construction chemicals was valued at around INR 50 billion in 2016-17, witnessing a CAGR of 15% p.a

Construction Chemicals: Trend in market size, 2013-2017, INR Bn



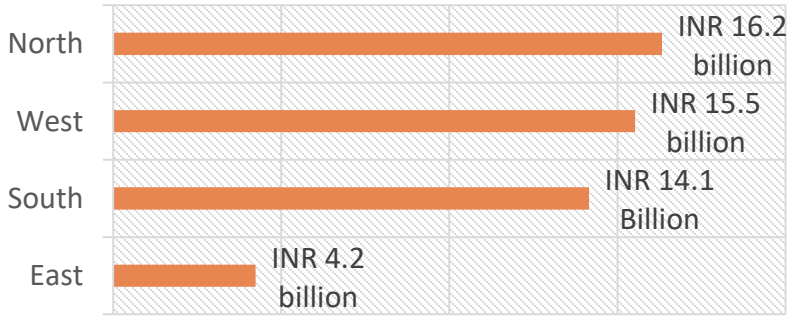
Source: MCG estimate

Construction Chemicals: Market break-up, 2016-17
Total Market Size: INR 50 billion



Source: MCG estimate

Construction chemicals market by region, 2016-17



Source: MCG estimate

Impediments for growth



- Low awareness about the technology and application of construction chemicals among the contractors
- Shortage of skilled workers and technical expertise in the construction chemicals sector
- Price conscious consumers
- Limited demand for high value products

Drivers for growth



- Expansion of infrastructure and building construction
- Increasing awareness on benefit and usage of construction chemicals
- Products with features like longer durability, environment friendly, and anti-corrosion

Key players and recent developments

- Pidilite, BASF, SIKA, FOSROC and SWC are the leading players in the construction chemicals industry in India
- In 2016, BASF inaugurated the company's sixth construction chemicals plant in Kharagpur, West Bengal
- Fosroc India inaugurated its new Powder Plant in Kolkata on 8th May 2017