

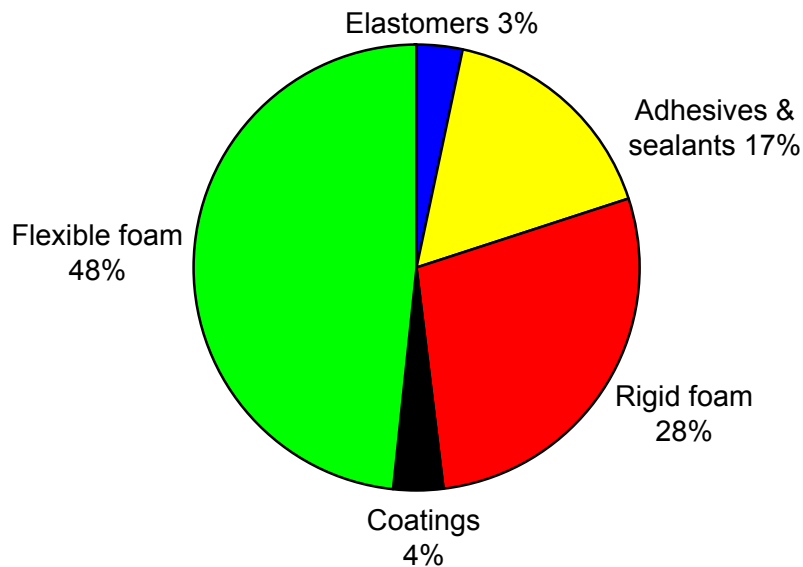
NEW FROM IAL CONSULTANTS

THE MARKET FOR POLYURETHANE CHEMICALS AND PRODUCTS IN INDIA AND PAKISTAN

IAL Consultants is pleased to announce the publication of *The Market for Polyurethane Chemicals and Products in India and Pakistan*, the third part of its three-volume series covering the Asian polyurethane industries and markets.

Total output of polyurethane products in India and Pakistan amounted to almost 132,000 tonnes in 2003, deriving from an Indian total of almost 109,000 tonnes and a Pakistani contribution of just over 23,000 tonnes. Indian output of polyurethane products is dominated by foams, as shown in the chart:

Indian Polyurethane Output by Sector, 2003 (Tonnes)



Source: IAL Consultants

- The fastest-growing sectors in India are flexible foams and elastomers, with growth rates of 13.3% and 8.5% pa respectively.
- In Pakistan, where PU foams also dominate output, very high growth will be experienced by the 20-tonne sector of polyurethane coatings (at about 38% pa over the next five years) and the 50-tonne adhesives and sealants sector (at about 8.5% pa over the next five years).

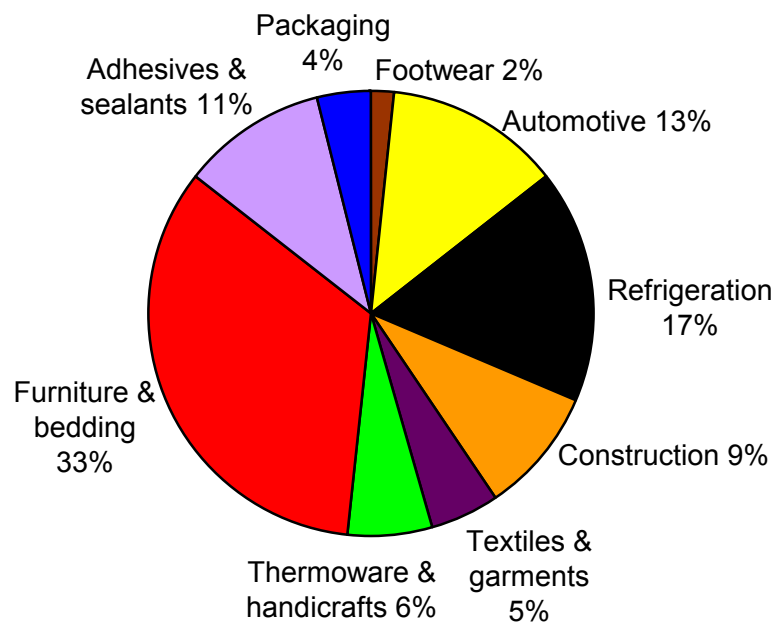
Output of polyurethane products has grown steadily over the last 13 years in both countries, as seen from the following table:

Total Polyurethane Production in India and Pakistan, 1990 – 2008 (Tonnes)

Year	India	Pakistan
1990	16,600	5,500
1995	32,500	7,200
1998	60,250	10,350
2003	108,730	23,040
2008	168,910	27,365

The major applications for PU in India and Pakistan are furniture and bedding, together with the refrigeration and automotive industries (as seen in the chart below). The demand for flexible foam would be larger except for the fact that cheap domestically-produced materials such as cotton and coir represent strong competition.

End Use of PU Output in India and Pakistan by Sector, 2003 (%)



Source: IAL Consultants

Despite the continued growth of the polyurethane sector in both countries, there are no plans for major raw materials producers to invest in new capacity. The forecast figures for 2008 assume a continuation of the current level of economic growth.

In India, such growth is strongly linked to the monsoon climate and also the future development of the country's information technology industry. Nevertheless, future growth is aided by India developing a good reputation for low-cost manufacturing, especially among the European and Asian Tier 1 and Tier 2 suppliers to the automotive industry. Despite continuing infrastructure problems, development of the Golden Quadrilateral road system will assist in the mobilisation of goods and people around India. Other factors which favour further economic development in India include its vital location between the Far East and Europe and attractive business practices in general.

The Market for Polyurethane Products and Chemicals in India and Pakistan, which contains in its 93 pages some 105 tables, is available from IAL Consultants, price €3,000.

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