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India to Lead Asian Chemical Market Growth, says LANXESS Chairman

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LANXESS described the companyâ??s policy and plan towards sustainability



The chairman of the LANXESS AG Matthias Zachert has said that the Asian market of chemicals for various purposes, including nutrition, health, consumer goods, agriculture and bio-sciences will grow and India will be a key country in that growth.

Zachert, who was in India last week, interacted with media persons in Mumbai. He said that India is a prospering country and has a prospering chemical industry. “What happens at the global level, happens in India,” he said, adding that earlier whenever Asia was mentioned, China was referenced, but now, that place has been taken by India.

He expressed concern that the global chemical industry was passing through a ‘stormy phase and was in turmoil’ due to weak demand, wars in Ukraine and the Middle east, no rebound of the Chinese market and global uncertainties.

“But, in this global turmoil, India is a stable growth pillar and it will be at the centre of the LANXESS’s attention”, he said. The company’s expected CAGR from 2024 to 2026 in India is 5.9 per cent, which will be the highest in all other regions and world average for the company.

The countermeasures to meet the challenge are structural measures like optimisation of processes and sustainable cost reduction and sharpening business model, in addition to some ad-hoc measures like short term stabilisation of business results of 2023.

Zachert also described the company’s policy and plan towards sustainability. “By 2023, LANXESS was already ahead of this plan”, he said, “and will become climate neutral by 2040 as emissions from its operations will be eliminated by decoupling emissions and growth, among other measures”. Emissions will be eliminated by 2050 along the entire value chain by making use of sustainable raw materials, transitioning to green logistics and increasingly offering low-carbon and climate neutral products.

In India, by achieving 84 per cent climate neutrality on an annualised basis in 2023, climate neutral production is on track by changing fuel from coal to biomass, process improvement and green power purchase agreement. Zachert lauded the performance of LANXCESS’s India team for giving marvelous sales results which contributed immensely in global sales.