

Case Study

A Leading Japanese Industrial Conglomerate

Service(s) offered: Pre-Investment Advisory & Market Research

Sector/Industry: Chemicals



Evaluation of Market Dynamics for EP and PP Compound Goods in India for a Multinational Japanese Chemical Company

A global leader from Japan in the production of chemicals and materials approached Nexdigm to understand the demand for Engineering Plastic (EP) and Polypropylene (PP) compound goods in India in order to evaluate whether to set up operations. The study's objective was to evaluate the potential opportunities for the client.

Solution

Nexdigm prepared a detailed report highlighting the size, structure, segmentation, and growth drivers in India's EP and PP market.

The team conducted extensive primary and secondary research to obtain critical information about the market which was further analyzed to provide market intelligence. Some of the key observations included:

- **Demand for PP compound** in India is primarily driven by automotive sector and is projected to grow at a CAGR of 8.5% from 2020 to 2025
- The Indian market for PP compound players is primarily organized with few major players accounting for nearly 70%-80% of the demand, with rest of the demand met by unorganized players
- PP compound growth will further be spurred by increase in production of EVs which will require lighter parts to offset heavy battery weight and low requirement of high temperature performance of EPs

- India's domestic manufacturing for PP compound is expected to increase in light of consolidation of competition and emergence of newer business avenues outside of automotive sector

The team also provided a detailed analysis of **sector-wise consumption of EP and PP compounds** with their type and usage, along with competitor mapping.

Over 25 interviews were conducted with key players, industry experts, and other ecosystem stakeholders.

Outcome

The client benefitted from our analysis which factored in essential aspects such as market demand and potential of Engineering Plastic and Polypropylene (EP and PP) compound goods in India.

With these insights, the client could make an informed decision regarding the set up of operations in India.

For more information on this case study, please write to us at:

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You can also visit our website to know how our services resulted in tangible business benefits:

www.nexdigm.com