Research Unit
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Government of India

Plastic Parks in India

Accelerating Growth of the Polymer-Based Industrial Ecosystem

Ministry of Chemicals and Fertilizers

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Introduction

The Department of Chemicals and Petro-Chemicals is implementing the **Scheme for Setting up of Plastic Parks** under the umbrella scheme of **New Scheme of Petrochemicals,** to support setting up **need-based Plastic Parks**, with requisite **state-of-the-art infrastructure**, enabling common facilities through **cluster development approach**, to consolidate the capacities of the **domestic downstream plastic processing industry**. The objective is to **consolidate** and **synergize** the **capacities** of **downstream plastic processing industry** to help **increase investment**, **production** and **export** in the sector as well as **generate employment**. Under the scheme, the government of India provides grant funding **up to 50%** of the project cost subject to a **ceiling of Rs.40 crore per project**.

A plastic park is an industrial zone specifically designed for plastic-related businesses and industries. It aims to consolidate and synergize the capacities of the plastic processing industry, promoting investment, production, and exports while generating employment. These parks also focus on achieving environmentally sustainable growth through waste management and recycling initiatives.

Plastic Parks have emerged as an integral part of India's strategy for managing plastic waste, promoting recycling, and supporting the chemical industry. **10 Plastic Parks** have been approved so far in different States. Details of funds released to these Plastic Parks during the **last five years** are:

Plastic Park Location	Approval Year	Total Project Cost (₹ crore)	Approved Grant-in-aid (₹ crore)	Amount Released (₹ crore)
Tamot, Madhya Pradesh	**2013**	108.00	40.00	36.00
Jagatsinghpur, Odisha	**2013**	106.78	40.00	36.00
Tinsukia, Assam	**2014**	93.65	40.00	35.73
Bilaua, Madhya Pradesh	**2018**	68.72	34.36	30.92
Deoghar, Jharkhand	**2018**	67.33	33.67	30.30
Tiruvallur, Tamil Nadu	**2019**	216.92	40.00	22.00
Sitarganj, Uttarakhand	**2020**	67.73	33.93	30.51
Raipur, Chhattisgarh	**2021**	42.09	21.04	11.57
Ganjimutt, Karnataka	**2022**	62.77	31.38	6.28

Plastic Park Location	Approval Year	Total Project Cost (₹ crore)	Approved Grant-in-aid (₹ crore)	Amount Released (₹ crore)
Gorakhpur, Uttar Pradesh	**2022**	69.58	34.79	19.13

Background and Objectives

India stands **12th** in the **world export** of **plastics**, as per the **2022 World Bank** estimates. It has grown exponentially from **2014**, when it was worth just **8.2 million thousand USD**, as compared to the **2022** estimates, where it reached **27 million thousand USD**. This growth has been a result of the constant efforts by the Indian government to promote the production and export of plastics, like setting up Plastic Parks.

The Indian plastics industry was large but highly fragmented with dominance of tiny, small and medium units and thus lacks the capacity to tap this opportunity. The **Department of Chemicals & Petrochemicals** formulated this scheme with a view to synergize and consolidate the capacities through cluster development and enhance India's plastic production and export capabilities. The scheme has the following **objectives**:

1. **Increase the competitiveness**, **polymer absorption capacity** and **value addition** in the domestic downstream plastic processing industry through adaptation of modern, research and

development led measurers.

2. **Increase investments** in the sector through additions in capacity and production, creating quality infrastructure and other facilitation to ensure value addition and increase in exports.
3. **Achieve environmentally sustainable growth** through innovative methods of waste management, recycling, etc.
4. **Adopt a cluster development approach** to achieve the above objectives owing to its benefits arising due to optimization of resources and economies of scale.

Process of setting up a Plastic Park

For the purpose of setting up Plastic Parks, the Department of Chemicals and Petrochemicals seeks **preliminary proposals** from state governments, highlighting the **proposed location**, **financial details**, **broad cost estimates** etc. Following in-principle approval from the **Scheme Steering Committee**, the State implementing agency is required to submit a **Detailed Project Report (DPR)** to the Department, which is evaluated and final approval is given by the Scheme Steering Committee based on the viability of the proposed project.

For example, in November, 2020, the Department invited proposals from the state governments for establishing two new Plastic Parks. Proposals were received from the state governments of **Bihar**, **Uttar Pradesh** (02 proposals), **Karnataka** and **Himachal Pradesh**. These were examined by an **Expert Committee**, based on which the setting up of Plastic Parks at **Gorakhpur, Uttar Pradesh**, and at **Ganjimutt, Karnataka**, was approved in **July, 2022** and **January, 2022** respectively.

The Government provides **grants-in-aid** for the establishment of the Plastic Parks. The implementation of these projects as well as the process of getting them **populated by industrial units** is largely in the hands of the **Special Purpose Vehicles** set up by the **State Government** or **State Industrial Development Corporation** or their agencies. The respective States have taken several steps to **promote private sector participation** in these Plastic Parks, including conducting awareness and sensitization programmes for the industry, providing **plots** at **competitive rates**, giving **tax incentives** etc.

Under the Scheme, common infrastructure for the **sustainability** and **eco-friendliness** of industrial units is provided **including effluent treatment plant**, **solid/ hazardous waste management**, **facilities for plastic recycling**, **incinerator** etc. Some of the Plastic Parks have also established **in-house recycling sheds** for recycling of plastic waste.

Other Government Initiatives for promoting Plastic Production in India

The other initiatives taken by the Government to enhance plastics processing are:

1. **Centres of Excellence (CoE):** To promote the research and development in polymer and plastics the department has established **13 Centres of Excellence** in various national level institutes.

Location of the Centre of Excellence (CoE)	Title of Centre of Excellence	Date of Approval
National Chemical Laboratory, Pune	Sustainable Polymer Industry to Research & Innovation	15.04.2011

Location of the Centre of Excellence (CoE)	Title of Centre of Excellence	Date of Approval
Central Institute of Plastic Engineering & Technology (CIPET), Chennai	Green Transport Network (GREET)	01.04.2011
CIPET, Bhubaneswar	Sustainable Green Materials	06.04.2013
Indian Institute of Technology (IIT), Delhi	Advanced Polymeric Materials	15.03.2013
IIT, Guwahati	Sustainable Polymers (Sus-Pol)	April 2013
IIT, Roorkee	Process Development, Wastewater Management in Petrochemical Industries	12.02.2019
CIPET, Bhubaneswar	Bio-engineered Sustainable Polymeric Systems	12.02.2019
National Chemical Laboratory, Pune	Specialty Polymers for Customized Applications	12.02.2019
CSIR - North East Institute of Science & Technology (CSIR-NEIST)	Polymers, Their Composites and Polymeric Membranes for Sustainable Development of Petroleum Industries	04.12.2020
CSIR-IICT, Hyderabad	Polymer Coatings for Decorative, Protective and Strategic Applications	04.12.2020
CIPET, Bhubaneswar	Manufacturing of Next Generation Bio-Medical Devices	04.12.2020
IIT, Guwahati	Sustainable & Innovative Design and Manufacturing of Polymer-based Products	February 2022
IRMRA, Thane	Design and Development for Value added Toys of Rubber and Allied Finished Products	February 2022

These CoEs focus on various aspects such as **sustainable polymers, advanced polymeric materials, bio-engineered systems,** and process development for **wastewater management** in **petrochemical industries**. They aim to drive innovation, improve technology, and promote environmentally sustainable development within the sector.

2. **Skilling of Workforce: Central Institute of Petrochemical Engineering and Technology** is conducting many short term and long-term courses in Plastics processing and Technology to cater to the skilling requirement of the industry.

Indian Plastic Industry and Environment Sustainability

The Government of India has taken several steps to ensure that the development of the plastic industry is **environmentally sustainable** and aligned with **global sustainability standards**.

1. The **Extended Producer Responsibility (EPR) Regulations** for plastic packaging mandate targets for minimum level of reuse, recycling and use of recycled content. This ensures accountability for waste collection, recycling, and reuse. **Certain single-use plastics have been banned**, with a focus on reducing plastic waste. The regulations also mandate to utilize **minimum amount of recycled material in packaging products**.
2. The **Hazardous Waste Management Rules** seek to ensure proper disposal of hazardous chemicals and promote waste minimization and resource recovery.
3. The Government promotes the **adoption of circular economy principles in the plastic industry**, including recycling and the use of biodegradable alternatives. In order to promote the latest technologies and products for circular economy, the Department supports and

encourages industry in organizing **discussions** and **exhibitions** to showcase the **latest technologies** and **machinery** for **waste management**, **recycling** and **up-cycling** as well as the **innovative products** made from **recycled material**.

4. India engages with **international organizations** such as the **World Trade Organization (WTO)** and the **United Nations Environment Programme (UNEP)** to enable compliance with global sustainability standards. Further, India actively participates in meetings of the **International Organization for Standardization (ISO)** which formulates international standards for plastic products.

Conclusion

The Plastic Parks scheme, under the Department of Chemicals and Petrochemicals, represents a comprehensive and forward-looking initiative that addresses both the industrial growth and environmental sustainability of the Indian plastics sector. By providing state-of-the-art infrastructure, fostering cluster-based development, and encouraging private sector participation, the scheme not only strengthens India's downstream plastic processing capabilities but also attracts investment, boosts exports, and generates employment. As India continues to rise in global plastic trade rankings, the Plastic Parks scheme and allied measures will remain crucial to ensuring that this growth is sustainable, inclusive, and innovation-driven.

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