



RLA Market Insights – Thursday, 04 December 2025

India Lifts Petrochemical QCOs, Opening Door for Rise in Chemical Shipments

The Indian government in November withdrew Quality Control Orders (QCO) for 3 chemical products in the first batch which included Acetic Acid, Methanol, and Aniline. The second batch of withdrawal of QCOs included key polymers such as polyethylene (PE), polypropylene (PP), polyvinyl chloride (PVC), and several polyester intermediates. The third order so far withdraws the QCOs for aromatic ssuch as Paraxylene, Toluene, Methyl Acrylate, Vinyl Acetate Monomer, Ethylene Dichloride, and Vinyl Chloride Monomer. The QCOs primarily require manufacturers and importers to obtain certification from the Bureau of Indian Standards (BIS), functioning as non-tariff barriers aimed at ensuring product quality. However, the Ministry of Chemicals and Fertilizers stated that these requirements were rescinded in the public interest to ease regulatory burdens on domestic industry.

The withdrawn QCOs, originally issued between 2021 and 2024, covered raw materials and intermediate chemicals, and multiple polyester yarns and fibres. Industry groups have argued that mandatory certification has increased compliance costs, delayed imports, and disrupted supply chains, particularly in a market as import-dependent as India. The latest withdrawal marks a significant step toward reducing regulatory friction and improving ease of doing business in India's petrochemical sector.

India's withdrawal of its BIS QOCs is expected to boost chemical shipments into the country and help ease market oversupply. India After BIS rules took effect in June 2023, US MEG shipments to India fell by over 54% YoY, as only MEGlobal and Formosa held certification. Despite restrictions, US exports to India surged in the first half of 2025, driven by China's tariffs on US. With the QCO removed, more US producers are likely to supply India.

Reffer to the table on the next page to view batch-wise QCO withdrawals.



1st Batch of QCO Withdrawal

Acetic Acid

Methanol

Aniline

2nd Batch of QCO Withdrawal

Terephthalic Acid

Ethylene Glycol

100 Percent Polyester Spun, Grey and White Yarn

Polyester Industrial Yarn (IDY)

Polyester Staple Fibres (PSF)

Polyester Continuous Filament Fully Drawn Yarn

Polyester Partially Oriented Yarn

Polyethylene Material for Moulding and Extrusion

Acrylonitrile Butadiene Styrene (ABS)

Polypropylene (PP) Materials for Moulding and Extrusion

Polyvinyl Chloride (PVC) Homopolymers

Ethylene Vinyl Acetate Copolymers

Polyurethanes

Polycarbonate

3rd Batch of QCO Withdrawal

Paraxylene

Toluene

Methyl Acrylate

Ethyl Acrylate

Vinyl Acetate Monomer

Ethylene Dichloride

Vinyl Chloride Monomer



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