

THE FINAL WORD

The official e-newsletter of Industrial chemistry(IC)
department, V.V.Nagar, Anand, Gujarat



Indian Specialty Chemicals Growth Catalysts

Over the years, growth drivers in the chemicals Industry (including specialty chemicals) have shifted and evolved. The US was the original home to innovation and production of chemicals and specialty chemicals. The industry then gradually transitioned to Europe, followed by developing countries such as China. India can be the next global growth leader. The drivers for specialty chemicals are:

- Domestic availability of raw material at competitive prices,
- Strong demand growth in consumer industries and a domestic industry that supports 'premiumisation' of products,
- Competitive manufacturing costs,
- Investment in R&D and
- An ecosystem that supports the industry and innovation.

General analysis indicates that India has all these drivers required to 'Make in India' and become the top destination for specialty chemicals. Agrochemicals, colourants, surfactants and water treatment chemicals are the most attractive segments as they are characterised by high growth potential, high product differentiation and low-to-medium penetration levels. Having analysed this industry in detail, I believe companies with high focus on R&D, with a diversified product profile and increasing share of revenue from high-value products will be the most attractive in the long term.

India has all the drivers to focus on specialty chemicals: India has a strong base of technically skilled manpower (over 2.5 million students graduated in 2016 Science, Technology, Engineering and Maths-STEM). Just as STEM graduates were the base for growth in India's IT and Pharma sectors, they can also help boost the specialty chemicals industry. India also has a well-developed chemicals industry, which is the 6th largest producer of chemicals globally. This not only provides raw materials at competitive prices, but also the expertise needed to store and handle chemicals. Finally, the Indian government has also focused on the specialty chemicals industry under its 'Make In India's programme.

India's global competitiveness improving: Globally, at various points in time, various regions have emerged as industry leaders. China has led the chemicals industry over the past two decades, but over the past five years, its labour costs increased from c.2% of sales to c.5%, while Indian companies' labour costs have been stable at 6-7%. This has improved India's competitiveness.

APRIL
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Definition of Specialty Chemicals:

Specialty chemicals are low-volume and high-value products sold on the basis of their quality or utility, rather than composition. Thus, they may be used primarily as additives or to provide specific attribute to the end product. Specialty chemicals are more likely to be prepared and processed in batches. The focus is on value addition to the end product and the properties or technical specifications of the chemical.

Specialty chemicals are mainly used to add value to the finished product, they are primarily sold on a B2B basis. Specialty chemicals can be further divided into various sub-segments on the basis of end-use and application. In this report, I have classified specialty chemicals into ten sub-segments. These sub-segments are 1) Agrochemicals, 2) Colourants, 3) Construction chemicals, 4) Flavours & Fragrances, 5) Paints & Coatings, 6) Personal care, 7) Polymer additives, 8) Surfactants, 9) Textile chemicals and 10) Water treatment chemicals.

M.Sc. INDUSTRIAL CHEMISTRY DEPARTMENT ISTAR PLACEMENT DETAILS- 2017-18

Sr. No.	Name of the Industry	Post	No. of Students Selected
1	LAMBDA, AHMEDABAD	Research Associate-Bio Analytical	6
2	LUPIN, ANKLESHWAR	Production Officer	4
3	LUPIN, DABHASA	Production Officer	2
4	LUPIN, DABHASA	Quality Control Officer	2
5	CADILA PHARMA, ANKLESHWAR	Production Officer	6
6	CADILA PHARMA, DABHASA	Production Officer	4
7	TORRENT PHARMA	Quality Control Officer	6
8	RELIANCE INDUSTRIES	Quality Control Officer	4
9	ROYAL CASTOR, SIDHPUR	R & D Chemist	2
10	LUPIN, BHOPAL	Production Officer	3
11	RICHTER THEMIS	R & D Chemist	2
12	GLENMARK PHARMA, ANKLESHWAR	Q A Officer	2
13	PHOENIX AHMEDABAD	Quality Control Officer	1
14	MARUTI CHEMICALS, VATVA	Production Chemist	1
15	INTAS PHARMA AHMEDABAD	Quality Control Officer	1
16	RSD LABORATORIES, ANAND	LAB Chemist	1
17	PI INDUSTRIES, PANOLI	Production Officer	2
18	CLIANTHA RESEARCH, AHMEDABAD	ADL	2
19	IPCA LABORATORIES, VADODARA	Quality Control Officer	1
20	SINTEX INDUSTRIES, KADI	Production Officer	1
21	BELLA TECH PHARMACEUTICALS	Quality Control Officer	1
		TOTAL	54