



MR. YOGESH M. KOTHARI, PRESIDENT-ICC WELCOMING MR. IAIN WRIGHT, MP & SHADOW MINISTER FOR BUSINESS AND INNOVATION SKILLS, UK.

7 The Seventh Annual INDIA CHEMICAL INDUSTRY OUTLOOK CONFERENCE India in the Global Chemical Industry

6-7 March 2014 • Taj Lands End, Bandra, Mumbai, India

INDIAN CHEMICAL COUNCIL (ICC), in co-operation with North East Process Industry Cluster (NEPIC) and with the support of Department of Chemicals & Petrochemicals, Ministry of Chemicals & Fertilizers, Government of India organized **THE SEVENTH ANNUAL INDIA CHEMICAL INDUSTRY OUTLOOK CONFERENCE** on 6 - 7 March 2014 at Hotel Taj Lands End, Mumbai. The theme of the 7th Annual Conference was - **INDIA IN THE GLOBAL CHEMICAL INDUSTRY**. M/s Frost & Sullivan, the Growth Partnership Company, was the "Knowledge Partner" for the 2-day event.

The Conference was attended by a galaxy of delegates comprising, Captains of Industry, CEOs, Senior

Executives from Industry, Academia, Research Institutes, Government departments etc. **Mr. Indrajit Pal**, Secretary - DCPC, Ministry of Chemicals & Petrochemicals, Government of India was the **Chief Guest** at the function. **Mr. R. Gopalakrishnan**, the dynamic Chairman - Rallis India & Vice Chairman - Tata Chemicals Ltd was the Guest of Honour who also delivered the **Key-note address**. **Dr. Raman Ramachandran**, Chairman & Managing Director & Sub-Regional Head South Asia, BASF India and **Mr. Iain Wright**, the young and energetic Member of UK Parliament and Shadow Minister for Business and Innovation Skills, addressed the delegates.

Mr. Yogesh M. Kothari, President, Indian Chemical Council delivered the customary welcome address at the inaugural session. "The Indian Chemical Council (ICC) is planning to set up a separate company for channelling funds for the mandatory Corporate Social Responsibility (CSR) projects. The government of India, it may be recalled, has made it mandatory for companies with a turnover of Rs. 200-crore and above to set aside 5% of the net profits for CSR projects under the Companies Act", said Mr. Kothari in his welcome address.

SKILL DEVELOPMENT COUNCIL

ICC is also setting up a 'Skill Development Council for the Chemical Industry' as a separate Section 25 subsidiary company to aid the development of human resources for serving the needs of the industry. The effort will be spearheaded by a core team including the President, ICC and past-Presidents, Mr. Deepak Mehta, Chairman & Managing Director, Deepak Nitrite Ltd., and Mr. Ashwin Shroff, Chairman & Managing Director, Excel Industries Ltd. Ten member companies of ICC have already given their consent to participate in the effort, including by contributing to the seed capital of the company to be formed.

TN PCPIR GETS CENTRAL NOD

Mr. Indrajit Pal, Secretary, Department of Chemicals & Petrochemicals, Ministry of Chemicals and Fertilisers, Government of India, announced that his ministry has recently signed an agreement with the Tamil Nadu (TN) government for the setting up of the fourth PCPIR (Petroleum, Chemicals and Petrochemicals Investment Region). This follows proposed projects in Paradeep (Orissa) and the Vizag-Kakinada belt (Andhra Pradesh) and the operational one at Dahej (Gujarat).

The Secretary called upon the industry to invest

MR. INDRAJIT PAL, SECRETARY-DCPC, GOVT. OF INDIA DELIVERING THE INAUGURAL ADDRESS.

in sustainable development that balances growth with environment-friendly measures. "Research and development is the foundation of the industry, but the Indian industry's spend at 2% of turnover is low by international standards; the industry must aim to take it at least to 5%. The research emphasis must also include Green Chemistry," Mr. Pal observed.

He also urged the industry to have a "zero tolerance to safety" in chemical plants and urged the industry to support government efforts in training and upgrading skills.

PARTNERING WITH THE UK

Mr. Iain Wright, Member of UK Parliament, Shadow Minister (Business, Innovation and Skills), noted that the chemical industry has an important role to play in conserving scarce resources. India, he added, is poised

MR. IAIN WRIGHT ADDRESSING THE GATHERING



for even more change, as a young population provides tremendous opportunities for growth. "The Indian chemical industry is looking at 10-12% annual growth."

Mr. Wright felt the UK chemical industry offers opportunities for partnerships thanks to its' many strengths. These include: abundance of natural gas as energy source; potential for unconventional energy sources, such as shale gas; and advanced skills in process technology amongst its highly trained and educated workforce. "The North East of the UK has more than 1400 companies involved in the process industries, with annual sales of £16-bn. This is one of the most innovative and competitive regions in Europe," he added, while inviting Indian companies to invest in the region.

'ESTABLISH CLOSER CONSUMER CONNECT TO ENHANCE INDUSTRY'S IMAGE'

Mr. R. Gopalakrishnan, Chairman, Rallis India & Vice Chairman – Tata Chemicals Ltd., highlighted the key role played by the chemical industry in "creating human happiness" and pointed to the tremendous prospects for growth given the industry's meagre share of world chemical demand – just 3%, vis-à-vis a population share of 16%. Since, as much as 80% of the industry's output serves other industrial consumers, and only about 20% directly serves consumers, the industry is large, but invisible. "No other basic science has given its name to an entire industry, yet the industry has a crisis of identity that it needs to be bothered about," he added.

This lack of identity, he felt, was one of the reasons the

industry is viewed with suspicion and fear. "People are becoming more perplexed with the chemical industry and bad things are attributed to it."

He urged the industry to think beyond its limited boundaries to reinforce its value proposition so that society can understand it better. "The leadership of the industry should address the issue of establishing the consumer connect," he suggested.

WIDER ROLE FOR RESPONSIBLE CARE

Dr. Raman Ramachandran, Chairman & Managing Director and Sub-Regional Head, South Asia, BASF India Ltd., also pointed to the poor perception of the industry amongst society, as indicated in several studies. "The industry does not figure in the list of the most innovative industries, but tops the list of the most dangerous industries – finding a mention above even nuclear, armaments and the demolitions industries!" he noted.

Turning to the challenges facing the industry in India, Dr. Ramachandran pointed to the lack of feedstock as one of the major hindrances to growth of the speciality chemicals business. "We need to make efforts to overcome these challenges. This is a good time to try and do things differently," he added.

BASF, he noted, is investing in India in projects that address market needs, while ensuring adequate care for the environment. The upcoming project in Dahej, for example, will have a thermal oxidiser to ensure there are no emissions of volatile organic compounds (VOCs) into the atmosphere. "Our novel products for the paper

MR. R. GOPALAKRISHNAN BEING WELCOMED BY PRESIDENT-ICC WITH BOUQUET OF FLOWERS.





MR. RAKESH BHARTIA, VICE PRESIDENT-ICC PRESENTING A MEMENTO TO DR. RAMAN RAMACHANDRAN.



MR. RAKESH BHARTIA PROPOSING A VOTE OF THANKS AT THE END OF THE INAUGURAL SESSION.

industry will reduce energy consumption during the manufacture of paper.”

Dr. Ramachandran also stressed the need for wider participation of the industry in the Responsible Care initiative. “We have a moral obligation to ensure safety and companies must push Responsible Care down their value chains.”

The inaugural session ended with a customary vote of thanks by Mr. Rakesh Bhartia, Vice President, ICC.

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INVESTMENT SCENARIO ALTERED BY EMERGENCE OF NOVEL HYDROCARBON RESOURCES & OTHER FEEDSTOCK

Mr. Steve Stilliard, Vice-President & Managing Director, Huntsman International (I) P. Ltd., provided a perspective of the Indian chemical business scene as seen through the eyes of an international major.

According to him, the investment scenario in chemicals is being altered by the availability of new hydrocarbon resources, as well as other feedstock. “There has been an emergence of national champions – companies like Reliance, Tata etc. – but their emphasis has been on the upstream chemicals business. Their appetite for downstream speciality chemicals is yet to be seen and this could be an opportunity for multinational companies to competitively develop a speciality chemicals business here, instead of relying on imports.”

According to Mr. Stilliard, “it is difficult to sustain a customer position with a 10,000-mile supply chain.”

ECONOMY TO PERK UP IN H2

While the last year has been a challenging one from an Indian perspective, Mr. Stilliard expected the economy to perk up from the second half of the year. FDI inflows, he pointed, have been resilient at around US\$20-bn annually over the last few years, “but we need to get to China’s level of about US\$200-bn annually,” he added.

He stressed the need for integrated plays in chemical manufacturing. “The chemical industry thrives on pipeline integration for mutual benefit. Establishment of several hubs where feedstock can move safely through multiple conversion processes is vital,” he noted.



A PART VIEW OF THE DELEGATES

DIVERSIFICATION IN THE MIDDLE EAST

Mr. Vishnu Shankar, Frost & Sullivan, highlighted the opportunities for collaborative projects with players in the Middle East. The region, he noted, is in the midst of a massive investment programme – one that aims to not only expand the already large chemicals production base, but also diversify the product slate to include several downstream projects, many for the first time in the region.

Mr. Shankar expected the contribution of the Middle East chemical output to rise from US\$160-bn in 2013 to US\$220-bn by 2020.

ANOTHER VIEW OF THE DELEGATES



MODERATION OF GROWTH IN CHINA

Dr. S. Hariharan, Jt. Managing Director, Solaris Chemtech Industries Ltd., highlighted developments in the chemical industry in China. In his view, the Chinese government is now moderating growth of the industry there through a series of planned interventions. “A huge asset base has been created and in many sectors there is gross underutilisation of manufacturing capacity. Some of these assets are being retired,” he noted.

Investments are also moving from the coastal and eastern parts of China to the interior, northern and

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SPEAKERS AT THE TECHNICAL SESSION: MR. ANANDA MUKHERJEE, DR. STEPHAN PILZ, MR. DEEPAK C. MEHTA (SESSION CHAIRMAN) AND DR. PRAKASH RAMAN.

western provinces, in a bid to ensure more inclusive economic growth. While China does have significant resources of shale gas – estimated by some to be the world's largest – these are buried deeper, and cost upward of US\$10 per mBtu to get out of the ground. "Their impacts on chemical manufacturing may be limited as most reserves are rich in methane with low levels of heavier fractions, unlike in the North America," Dr. Hariharan noted. **Mr. Vipul S. Shah**, President, CEO & Chairman, DOW Chemical International Pvt. Ltd. & **Mr. John Leer**, Sr. Business Investment Manager, Tees Valley Unlimited, UK made presentations on "**The Chemical Industry – A Misunderstood Champion**" and "**Special Enterprise Zones in UK**" respectively.

The Session on **Indian Chemical Industry – Overview – and Speciality Chemicals Sector** was chaired by **Mr. Deepak C. Mehta**, Managing Director, Deepak Nitrite Limited. **Status & Challenges of Agrochemical Industry in India** (**Mr. Ananda Mukherjee**, Managing Director & Country Head – India & South Asia, Chemtura Corp.); **Impact of Speciality Chemicals on the Upgradation of India's Manufacturing Sector** (**Dr. Stephan Pilz**, Vice President Regional Development, Evonik India Pvt. Ltd.); **Status & Challenges of Speciality Polymers Industry** (**Dr. Prakash Raman**, Managing Director, Solvay Specialities India Pvt. Ltd.) were the topics discussed in this session.

Trade Treaties and their Impact on Manufacturing in India was the theme for the next Session on day one. **Mr. R. Parthasarathy**, Past President - ICC and Vice Chairman & Mg. Director, Thirumalai Chemicals Ltd. who was chairing the Session touched upon **Chemical Industry's Perspectives on FTAs / Bilateral Agreements** in force and its impacts on the chemical Industry. **Mr. S. Seetharaman**, CEO & Executive Partner, Lakshmikumaran

& Sridharan Attorneys, discussed the various legal aspects of FTAs, Bilateral Agreements and Inverted Duties, Its Implications on Indian Chemical Industry.

The Second day of the Conference started with Opening Remarks by **Dr. Stan Higgins**, Founder & Chief Executive Officer of NEPIC. **Mr. Ajay Shah**, Sector Head-Polymer & Cracker, Reliance Industries Ltd. presented paper on **Petrochemicals – Challenging Global Dynamics**. **Mr. Makarand Dixit**, Head-Marketing, ONGC Petro additions Limited made an overview of **Feedstock Challenges** faced by the Indian industry. Mr. S. Mitra, Executive Director, IndianOil Corporation Ltd., conducted the Session very ably.

The Session on Responsible Care was chaired by **Mr. Ravi Kapoor**, Addl. Vice President-ICC and Chairman & Mg.

DR. STAN HIGGINS, CEO, NEPIC MAKING THE OPENING REMARKS ON THE 2ND DAY OF THE CONFERENCE.



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SESSION ON R&D: MR. JONATHAN ATKINSON, DR. STAN HIGGINS, MR. S. R. LOHOKARE (SESSION CHAIRMAN) MS IRENE ALLCROFT AND DR. VIVEK V. RANADE.

Director, Heubach India. **Dr. Hans-Jugen Korte**, Executive Vice President, Solvay Belgium made presentation on the Significance of Responsible Care in Global Chemical Industry. From Indian side, **Mr. S. K. Hazra**, Chairman – Sustainability, Responsible Care & SHE Expert Committee of ICC gave a lucid presentation of the **Responsible Care Movement & Status in Indian Chemical Industry**.

Attracting Young People to Chemical Industry was the topic of discussion presented by **Ms Joy Parvin**, Program Director, Chemical Industry Education Centre, York, UK.

Research & Development and Innovation was the theme for the 3rd Session on day two of the conference. **Mr. S. R. Lohokare**, Managing Director, National Peroxide Ltd., conducted the proceedings where **Dr. Jonathan**

SESSION ON INFRASTRUCTURE AND LOGISTICS: SEATED ARE: MR. SATYEN DAGA, CAPT. DINESH DESAI, MR. RAVI GOENKA (SESSION CHAIRMAN), MR. NEIL MOON, MR. RAJKIRAN KANAGALA AND MR. PARAG GUPTA.

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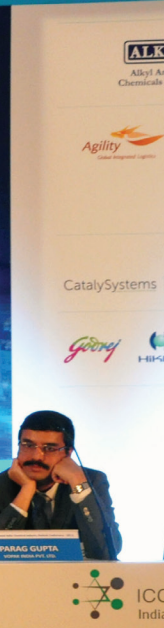
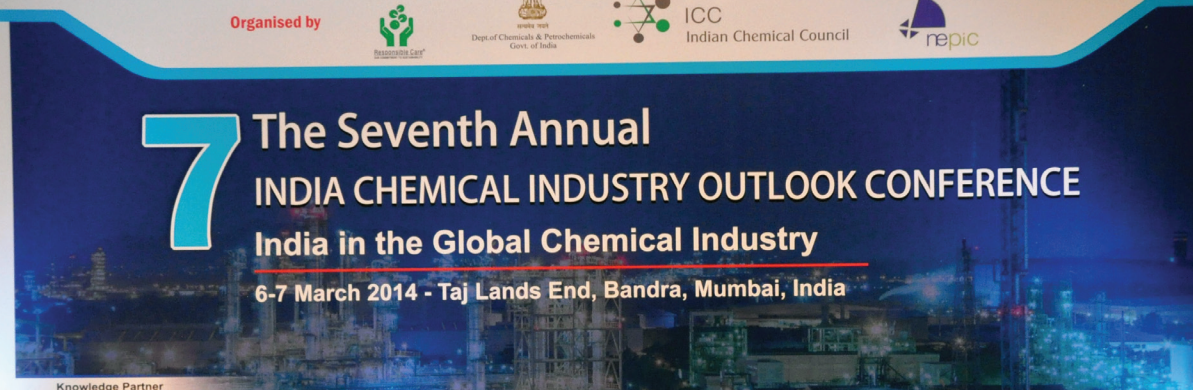


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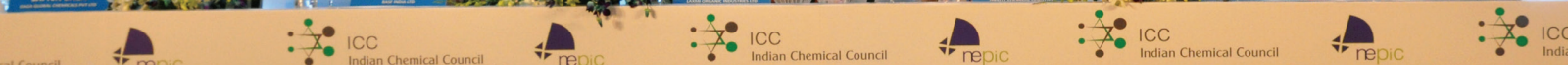
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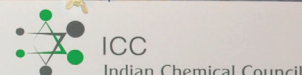
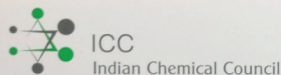


RAJIV BANGA

STAN HIGGINS

P. S. V. RAO

L. K. SINGH



PANEL DISCUSSION: MR. JOHN BRADY, MR. RAJIV BANGA, DR. STAN HIGGINS, DR. P.S.V. RAO AND MR. LAL K. SINGH.

Multinationals was the topic for the Discussion on Day one where **Mr. Rakesh Bhartia** Vice President-ICC and CEO, India Glycols Limited was the Moderator. Stalwarts from the industry - both national and international viz. **Dr. Deepak Parikh**, Vice Chairman & Managing Director, Clariant chemicals (India) Ltd; **Mr. Frank Lelek**, President - Region India, Evonik India Pvt. Ltd; **Mr. S. J. Stilliard**, Vice President & Managing Director, Huntsman International (I) Pvt Ltd. **Dr. Joerg Strassburger**, Managing Director & Country Representative, Lanxess India Private Limited & **Dr. Prakash Raman**, Managing Director, Solvay Specialities India Pvt. Ltd. took part in the discussions.

Challenges of Infrastructure and Logistics in India (Port, Railway, Road, Transportation of Liquid, Solid, Gaseous, Hazardous Chemicals, ICC's initiative about Nicer Globe Project) was the theme for the second Panel Discussion which was moderated by **Mr. Ravi Goenka**, Managing Director, Laxmi Organic Industries Ltd. **Mr. Satyen Daga**, Managing Director, Daga Global Chemicals Pvt. Ltd; Capt. **Dinesh Desai**, BASF India Ltd; **Mr. Neil Moon**, Strategic Enterprise VP-Chemicals, Agility Logistics; **Mr. Rajkiran Kanagala**, Vice President & Head - Group Business Dev., Transport Corporation of India Ltd; **Mr. Parag Gupta**, Managing Director, Vopak India Pvt. Ltd. were participated in the discussions.

The 3rd Panel Discussion took place on the topic of **Cluster Approach for Future Growth of the Chemical Industry**. **Dr. Stan Higgins** was the moderator where **Mr. John Brady**, Senior Project Manager, NEPIC; **Mr. Rajiv Banga**, Managing Director & CEO, Mangalore SEZ Ltd; **Dr. P. S. V. Rao**, CEO, ONGC Petro additions Limited & **Mr. L. K. Singh**, Director for International Development, Plastindia Foundation were the panellists.

The two-day event which was attended by more than 200 delegates culminated with a happy note of appreciation and customary vote of thanks by Mr. H. S. Karangle, Director General, ICC.



MR. H. S. KARANGLE, DIRECTOR GENERAL, ICC, PROPOSING VOTE OF THANKS.

Atkinson, Partner, Harrison Goddard Foote LLP, UK, and **Ms Irene Allcroft**, Chief Executive, CatalySystems, U.K., made presentations on **"Obtaining, Ascertaining and Challenging IP Rights - Why Do It?"** and **"State of the Art Water Polishing Technology"**. **Industry-Academia Collaboration in R&D - Benefits, Challenges & Remedies** was the topic of **Dr. Vivek V. Ranade**, Dy. Director & Chair - Chemical Engineering & Process Development Division of CSIR-National Chemical Laboratory, Pune.

The two-day event was earmarked for the three lively Panel **Discussions** on both days. India in the Eyes of



ICC ADITYA BIRLA AWARD FOR BEST RESPONSIBLE CARE COMMITTED COMPANY

The ICC Aditya Birla Award for Best Responsible Care Committed Company for the 2012 was bagged by BASF India Limited. The award was presented to the company during the 7TH ANNUAL INDIA CHEMICAL INDUSTRY OUTLOOK CONFERENCE organised by ICC on 6-7 March 2014 in Mumbai. The award consists of a Plaque, Citation and Rs.1 lakh in Cash. The award was received by Dr. Raman Ramachandran, Chairman & Mg. Director and Sub-Regional Head-South Asia, BASF India and Ms Ashima Sushilchandra, Head of Responsible Care for BASF in India along with other colleagues from the company at the hands of Mr. Indrajit Pal, Secretary-DCPC, Ministry of Chemicals & Fertilizers, Government of India. Dr. Hans-Jurgen Korte, Executive Vice President, Corpt. Government & Public Affairs, Solvay, Belgium, presented the CITATION for the Responsible Care Award to Dr. Raman Ramachandran and his colleagues at the function.



ICC ADITYA
BIRLA AWARD
FOR BEST
RESPONSIBLE
CARE
COMMITTED
COMPANY -
2012

Conferred on

BASF INDIA
LIMITED, MUMBAI

CITATION

BASF in India, having a legacy of over 100 years and today, 13 out of the 14 global businesses maintain a presence in the country. In 2013, BASF had sales of Rs.7,900 crores, with 2254 employees working across eight production sites and sales offices and two R&D centers.

The company has placed sustainability at the heart of its business operations. By laying major emphasis on developing innovations/solutions in the area of crop protection through the “Samruddhi” project that focuses on working with farmers, by inducting them on best agronomical practices, which works towards developing innovations for the middle and low-income families.

On an industry level too, the company is partnering/steering several initiatives to foster a safer growth of the Indian chemical industry. Similarly, in the area of safety and security, it is actively involved in a project to improve Transportation and Distribution Safety and Emergency Response, a crucial topic for the industry, in the name “Nicer Globe” in 2012.

On the social front, BASF has a focus on relief and rehabilitation, women’s empowerment, education, which is well-supported and steered by its enthusiastic employees.

Paying tribute to the organization for its commitment to R&D; continual improvement in Safety, Health and Environment under Responsible Care program; **Indian Chemical Council** is pleased to confer the **ICC Aditya Birla Award for the Best Responsible Care Committed Company to BASF INDIA LIMITED**, for the year 2012.

