

NEWS CLIPPING

Headline:	We are committed to Indian rubber industry	Date:	29.01.2013
Publication:	Rubber Asia	Circulation:	101,500
Web link:		Section/ Page:	118-120
Journalist:		City:	All India

CLIPPING :

IRE 2013 SPECIAL **ISRL** **INDIAN SYNTHETIC RUBBER LIMITED** **FISHPROOP** **Infinity** **AL DOBOWI** **ATRC** **IRSD** **ALC**

INTERVIEW

We are committed to Indian rubber industry

Dr. Joerg Strassburger, Managing Director, LANXESS India

The world's largest producer of synthetic rubber, LANXESS is investing continuously in R&D to offer its customers technologies and products of new and superior properties. In an interview to *Rubber Asia*, Dr. Joerg Strassburger, Managing Director, Lanxess India, speaks out on the prospects of the speciality chemicals industry, especially in India, and his company's roadmap to exploit the emerging opportunities.

According to him, LANXESS has a long-term commitment to the Indian rubber industry as the company recognizes India's growth potential, particularly in the automobile and export segments. **Excerpts:**

What will be the main drivers of the specialty chemicals industry with specific reference to Asia and India?

The domestic speciality chemicals industry will be driven by the increase in volumes produced by the end user industries like automotive, pharmaceuticals, tyre, paints and coatings, food processing, agrochemicals, water treatment among others. This in turn, will gain impetus by the buoyant middle class which is expanding in both size and purchasing power. There is a projected increase of another 70 million middle class households propelling the end-user industries and we can bank on a strong growing economy with a base of approx. \$1.7 trillion. As stated in the report on speciality chemicals industry by Mckinsey, India has the potential to build a \$ 80 bn to \$ 100 bn speciality chemicals industry by 2020.

You have gone on record stating that

investments in technology will become more important as that would trigger necessary innovations which are needed to work sustainably and to create better and more efficient end-products the consumer wants to buy. Please explain.

At LANXESS, we understand that the future will be influenced by the megatrends – mobility, urbanization, agriculture and water. An increasing population with increasing purchasing power and need for better lifestyles, especially in the emerging markets like China, India, Brazil and others will increasingly demand more in terms of quality, safety and environmental protection. For example, in India, the number of cars on road is going up every year – this is creating a demand for better roads, more fuel-efficient and technologically-superior vehicles. This is possible to achieve by high tech polymers and speciality chemicals that we produce. Hence, we invest continuously in R&D to offer our customers technologies and products that make a difference through superior or new properties. Our broad experience across industry lines makes us a perfect development partner for next-generation products.

Could you explain your company's concept of "Green Chemistry"?

"Green Chemistry" is a part of LANXESS' overall commitment to sustainable development. We invest in green products like phthalate-free plasticizers, energy saving products like Nanoprene®, sustainable leather management and green processes like cogeneration plants run by environment-friendly fuels, bio-sourcing of fuels, sustainable leather management

NEWS CLIPPING



Dr. Joerg Strassburger

NEWS CLIPPING

NEWS CLIPPING



IRE 2013
SPECIAL



INDIAN SYNTHETIC RUBBER LIMITED



RISHIROOP



AL DOBOWI



ATRC



IRSD



ALC

etc. At LANXESS, environmental leadership means dedicating ourselves to minimizing our own environmental impacts while doing our utmost to provide sustainable solutions. For example, we aim to deliver a 10 percent reduction in specific CO₂ emissions and specific energy consumption for each business segment globally by 2015 after reducing 80 per cent of our global greenhouse gas emission in Germany in 2009. Emissions of Volatile Organic Compounds (VOC) are also to be cut by 30 per cent worldwide by 2015.

What kind of investments are being made/ in the pipeline by LANXESS in India and abroad? Please explain your expansion and growth strategy for the emerging markets like India.

In India, we have invested nearly 180 million in the last few years both in new facilities and in upgradation of assets. At a global level, we would continue to invest in strengthening our portfolio both through acquisitions and organic growth.

Some of the global investments in 2012 are:

- January 2012: LANXESS commissioned its facilities for high performance materials, material protection productions and that of Rhein Chemie products at its site in Jhagadia.
- March 2012: LANXESS strengthened its position as a premium supplier to the tire industry by acquiring US-based Tire Curing Bladders LLC (TCB), a leading manufacturer of vulcanization bladders.
- May 2012: LANXESS invested EUR75 million to build an industrial-scale plant for the polymerization of high-tech plastics at its site in Antwerp, Belgium. The facility will have an annual capacity of around 90,000 metric tonnes and is due on stream in the first quarter of 2014.
- September 2012: LANXESS announced that the world's largest EPDM rubber facility is going to be built in Changzhou, China. The company is investing EUR235 million in this new plant, which is due on stream in 2015 and will have a capacity of 160,000 metric tons per year.
- Groundbreaking in Singapore for the world's largest Nd-PBR plant. LANXESS invested roughly EUR200 million in this 140,000 tpa facility, which is due on stream in 2015.
- LANXESS has invested \$ 20 million (EUR 15 million) in its new plant for producing high-tech plastics in Gastonia, North Carolina. The new plant will initially operate with a capacity of 20,000 metric tons a year.
- In 2013, a production facility for Butyl Rubber is scheduled to come on stream in Singapore

Most importantly, LANXESS announced its new mid-term goal for its leading earnings indicator – EBITDA pre exceptionals – of EUR 1.8 billion in 2018 and is continuing on its growth path to achieve its previously established goal of EUR 1.4 billion EBITDA pre exceptionals in 2014, ahead of schedule.

What are your diversification plans?

We believe that our core competence lies in understanding and implementing chemical technology. We manufacture products and solutions in the area of performance polymers, speciality chemicals and advanced intermediates.

We would not like to enter new business lines, rather focus on creating better products for future with a market-oriented approach in our existing businesses.

How are your Jhagadia plants doing?

At Jhagadia, we have now manufacturing facilities for five of our business units – rubber chemicals, ion exchange resins for water treatment, material protection products, high tech plastics and polymer bound rubber chemicals, additives and release agents from the LANXESS subsidiary, Rhein Chemie. We have consolidated majority of our assets in India at this site, which is a greenfield investment of LANXESS. This site is a great asset with modern and the best technologies, we are sure that the growing markets will not only lead to high utilization in relatively short time span, but will also require further investments in future.

You are the main sponsor for the forthcoming IRE 2013 to be held in Mumbai in January next. What are you expectations from the event?

As the world's largest manufacturer of synthetic rubber, LANXESS has a long-term commitment towards the Indian rubber industry. The company recognizes the growth potential of the Indian rubber industry, particularly in line with automobile and export segments, which have been witnessing a double digit growth y-o-y. So, along with the India Rubber Expo 2013, LANXESS Rubber Day would be organized on January 21, 2013 in Mumbai, with the support of All India Rubber Industries Association (AIRIA). This is the second time LANXESS in India is hosting Rubber Day, a platform for exchange and discussion on vital topics around synthetic rubber and its applications in a fast growing India. Earlier held in December 2010 in Delhi, the forum gained recognition from diverse stakeholders like customers and rubber industry associations among others.

Similarly, we hope that visitors would come to IRE 2013 from all sections of rubber and related industries, where we would also be one of the large exhibitors and make the event a great success. ■