



# *News Letter*

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*Vinyl* is an integral part  
of our day to day life



## From the desk of Editor

*Vinyl is an essential part of our civilisation. In fact, it got invented to make the world being more sustainable. Contrary to some beliefs, Vinyl or in essence, the Poly Vinyl Chloride (PVC), intrinsically is a low carbon plastic with about 57 percent of the mass being chlorine. The material has extensive use in agriculture, healthcare, construction, electricals and sports. It is an extremely durable and cost-effective material which can be recycled several times without impacting its characteristics much.*

*PVC accounts for about 20 percent of all plastics manufactured world-wide. Further, its inherent properties and characteristics can make positive contribution towards several of the UN's sustainable development targets.*

*This global PVC industry is over \$60 billion in size, expected to grow at about 4 percent per annum in the near future. The Indian market is estimated to be about 5 percent of global size, i.e. about \$3 billion, where the industry is estimated to grow at almost double the rate of global average, at about 7 percent per annum.*

*With such huge size and prospect, it is but natural that the Vinyl industry needed a focussed business association to take care of its specific interest. The whole value chain – from manufacturing to logistics to distribution and consumption, the Indian Vinyl Council has been formed over a year ago, to address the needs of this huge industry.*

*This newsletter is IVC's first issue and is expected to be a quarterly effort to start with. We will not only try to provide industry related inputs, but in due course, we hope to become the main source of information, knowledge and interaction with all the stakeholders including the Government and the society at large.*

*Currently the industry is going through a lot of pricing turmoil, and added to that serious logistics issues disrupting the supply chain. We do hope that the things settle down soon enough, so that stability returns to help the producers and consumers with their plans for the future.*

*PVC is recyclable. Lot of progress is taking place in this sector. However some show stoppers got built in its commercial viability due to the sudden onset of the pandemics. It was estimated in 2019, that the top 60 cities in India generate over 25,000 Tns per day of plastics waste, of which about 15,000 Tns per day or 60 percent is collected and reprocessed. It necessarily provides a huge opportunity to collect and process the rest. And PVC, which is recyclable, provides an automatic opportunity to commercialise it. Significant developments are yet taking place in this industry, and we from IVC will try to disseminate knowledge and expertise to help our members partake in this new vista of an opportunity.*

*The Government is keen to eliminate lead in PVC pipes, especially the ones used in water management. IVC is working closely with the Government and stakeholders and other industry bodies to ensure smooth introduction and transition of the change and yet not affect the vinyl industry adversely. A win-win strategy is being worked upon in this area.*

*Each one of you, our readers, are requested to contribute as and when you desire, and we will be happy to cover your inputs in our forthcoming newsletters. We should all partake in our efforts to enhance the cause of this beautiful industry, which is vibrant, sustainable and growing.*

*Through the columns of this newsletter, may we request all to be part of this journey to promote the vinyl chain, work with the society against the negativities, and help the government to come out with such legislations that would help the vinyl industry.*

*We would love to hear from you. Please write to us as often as you can, and we will try to carry your thoughts to the wider audience and help to make a difference to the vinyl value chain and the world at large.*



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# Opportunities and Challenges for Indian Vinyl Industry



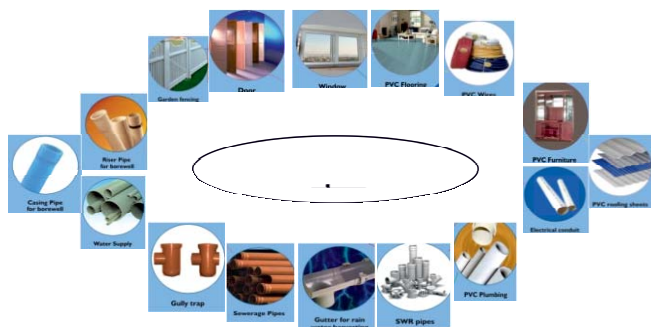
**Mr Pulin S. Rajyagor**  
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PVC is a true workhorse of plastics family, serving mankind since ages. Thanks to its versatility, application segments of PVC have been broad and widespread – ranging from pipes & fittings to profiles to wires & cables to films and many others. Amongst wide spectrum of PVC usage, infrastructure products remain the most significant. Growth of human civilization into modern society would not have been possible without infrastructure development.

Various plastic materials viz. PVC, Polyethylene, Polypropylene, Polystyrene, and Polyurethanes etc. are used in variety of Infrastructure applications. Out of total 270 MMT of plastics consumed globally, 23% (62 MMT) is used in Infrastructure sector. PVC is having a major share of ~60% and therefore, it is termed as 'Infrastructure Plastic'. PVC is the third largest consumed polymer globally – having history of more than 100 years and usage unlikely to slow down in visible future.

PVC industry in India is six decades old, with the first PVC plant started in 1961. PVC consumption in country started gaining significant momentum since seventies. The Green Revolution during mid-eighties provided impetus to increased pipe usage in the agriculture sector due to their grander performance. Massive infrastructure impetus along with urbanisation and housing activities during last couple of decades ensured strong double-digit growth for the polymer. Eventually end sectors got widened to Pipes & Fittings, Conduits, Calendaring, Wires & Cables, Profiles for Doors and Windows and more recently to wood PVC composite products. From less than 0.7 MMT at the dawn of the new millennium, the consumption of this polymer has more than quadrupled to almost 3 million MT during FY 20-21.

Construction sector contributes ~ 12% to India's GDP and is growing at a handsome rate of ~ 9%. The key sectors, where PVC is extensively used are water management (agriculture, water Supply & Sanitation), housing and energy, transportation, information & communication and healthcare.



The Vinyl Industry in India is valued in excess of \$3 bn with 5 producers and more than 6000 processors and convertors having 4 MMT of downstream capacities. Country's per capita PVC consumption at 2.3 kg is much lower than the US at 12 Kg, China at 10

kg and Western Europe at 10.3 Kg. Given the geographic landscape and the commitment by various participants in the country, there is enormous scope for a higher growth in the years to follow.

Growth in PVC pipes & fittings sector is observed due to government focus on water and sanitation management. Pipe processors are investing in manufacturing of technologically advanced PVC pipes with superior performance and cost advantages. Increase in area of land irrigation for food production is leading to a spurt in demand from agriculture sector. Variants and diversified pipes like Oriented PVC pipes (O-PVC), Chlorinated PVC pipes (C-PVC), Foamcore PVC pipes, weldable PVC Pipes have also created a niche for themselves and augmenting the value chain.

It is observed that about 40% water is wasted during transportation due to leaks and breakages in aging conventional material pipelines. Products like weldable PVC pipes, expandable PVC pipe have the capability of reducing the wastage by rehabilitation of these aging pipelines and can be used with trenchless installations without disturbing the existing pipeline. On the other hand, damaged leaking sewer pipelines are contaminating ground water resources leading to the severe health hazards. PVC products like spiral wound pipe renewal system, fold and form PVC pipes can be used for rehabilitation of these old damaged pipes to increase the life of the sewer system.



Photo Courtesy: Underground Solutions Inc. USA

Another very important aspect is Green building concept which is growing rapidly providing space for PVC products including PVC windows, wood PVC composite boards, floorings, etc. Though the concept of 'Life Cycle Cost' is not fully established in our country, the potential of PVC pipes and windows in conserving energy is being largely accepted. Thus, more and more builders have started using PVC windows in their projects. Government is working on spreading awareness about energy efficiency in the buildings through development of guidelines/codes such as Eco Homes, GRIHA code for new buildings. PVC products can certainly help earn star rating for the buildings. It is estimated that each year over 2 million housing units

are built in urban and 4.5 million units are built in the rural areas. On an average 200-300 Kg of PVC is consumed per unit in major applications like pipes, fittings, doors and windows, conduits, wire & cable and other associated applications. This translates to a huge annual potential of over 1.6 MMT with an exponential growth.



Growth in pharmaceutical, FMCG and retail segment is creating demand for various PVC products like medical and food packaging. Boom in electronics, e-commerce and banking systems is also providing the scope for incremental demand for credit/debit cards, mobile sim cards and other lamination products. PVC flex material is fast becoming a choice of preferred material for ad agencies due to cost effectiveness, aesthetic appeal, gloss and good printability.

Products such as PVC windows and wood PVC composites play an important role in taking care of ecology and environment by reducing the burden on the demand for wood. The erosion in the country's forest cover from 30% of the total geographical area at the beginning of 20th century to currently less than 19% is a big cause for concern that all the stakeholders need to address collectively. From an environmental and societal perspective, it is therefore incumbent on us as well to help create an awareness and facilitate promotion of products that help in conserving natural resources. Wood PVC composites are considered as an option for wood and wood-based products like plywood or particle boards for furniture applications as well as construction boards and tiles due to the superior water resistance. This industry is growing at a rapid pace of 30% as many more applications are being developed like decorative profiles, decking, outdoor furniture.



Another innovative product for building and construction is PVC membranes for waterproofing. These membranes provide leak-proof system with easy and fast installation. These membranes also impart

energy efficiency in the buildings by reduction of roof top heating. This product has huge potential in the country as waterproofing market in India is estimated to exceed \$150 million by 2025.



*Photo Courtesy: Sika India Ltd.*

With such sanguine and upbeat statistics however, the situation on the domestic supply is a tad different. Domestic PVC resin capacity additions have been constrained by higher feedstock and energy costs on one hand while very high imports into country caps the end prices. Thus, the ability of local producers to generate a decent return on new investments is a challenge. I am sure all the existing PVC producers and potential new ones are already applying their minds on ways to overcome these obstacles and India will have much deserved new PVC supply capacities soon. With low priced imports making rapid strides into India, besides concessional duties from some countries, local producers need to be competitive and gear up to face the challenges of the industry. Initiatives like 'Swachh Bharat Abhiyaan', 'Affordable Housing for All', 'Atmanirbhar Bharat', 'Smart Cities' and 'Digital India' will provide the much-needed impetus for stronger growth as these gain momentums on the ground. Hence there exist enough opportunities for every stakeholder to participate and contribute to the growth of the product and the economy going forward.

Despite contributing significantly to the global economic growth, the product has not been free from its share of controversies. The controversy on PVC germinates from misconceptions and negative campaigns especially on the environmental aspects that have hovered over its decades of usage. Like most myths, the ones involving PVC are baseless or based on lack of understanding yet gain false credibility through replication. However, majority of producers, suppliers, contractors and other key stakeholders can endorse to the safe and consistent performance of the product in a variety of applications that continue to proliferate across a spectrum of industries. The PVC industry has taken painstaking efforts to deflate the myths on the product from time to time, which have also been supported by credentials and studies from respected third party agencies and organizations like the US EPA and FDA to clearly emphasise and reiterate that these concerns are mostly over blown.

PVC has proven to be a modern-day marvel polymer that has grown and survived the test of time for over a century and would continue to enthral users worldwide, given the acceptability and versatility of its applications.



# All about the Indian Vinyl Council



The Indian Vinyl Council is set up and exclusively dedicated to the cause of entire PVC value chain. The objective of the forum is to serve all the stakeholders of Vinyl Family, that is, the resin producers, additives and related chemical producers, converters, processing and ancillary equipment manufacturers, recyclers of Vinyl products and the end users. With the active and harmonious participation; the members, end users and the public at large will all stand to reap considerable benefits.

The Council will play a pivotal role as the hub of advocacy between the government (state and central), policy makers, regulatory bodies and industry stakeholders to pave the way for the industry by eliminating obstacles and opening the doors to expand the market for the Vinyl industry.

Adding greater momentum to the growth of the Vinyl industry through networking will also be one of the core responsibilities of the Council. It will work towards increasing access to the industry's leaders and enabling them to connect seamlessly with suppliers, academia, regulators, scientists and experts through seminars, conferences, technical meetings and other events.

One of our top priorities is to ensure the efficient diffusion of knowledge to all our members, on the state of art technology, market perspectives, statistics & information and details of global initiatives on sustainability... all relevant to the Vinyl and allied industries.

Our focused approach is to work towards the welfare of mankind and encourage responsible care in an environmentally sustainable manner as practiced and specified in circular economy principles and models.

We strongly believe in supporting & encouraging innovation, and training & skill development within the Vinyl value chain, to facilitate raising the competency and the level of industry to global standards.

We are also committed to developing technical standards for maintaining quality and consistency to enhance the acceptance of Poly Vinyl Chloride and related products and multiply its application in all spheres of life.

## IVC Objectives

- To promote and advocate all round development of the entire Vinyl industry comprising of all elements of the Vinyl value chain
- To build a positive image of Vinyl products in eyes of the end-users as well as society at large.
- To assist and collaborate with the government and non-government bodies and statutory authorities for formulating industry related policies including codes and standards and seek representations from such bodies.
- To promote and support standardisation and quality assurance programmes to encourage regulatory compliances.
- To create awareness and educate the end users of the value proposition of PVC products including energy conservation, eco-friendliness and sustainability.
- To support and encourage innovation, training and skill development within the Vinyl value chain and thereby raise the level of industry to global standards.
- To institute and/or fund scientific and economic research in the industry connected with PVC and its products.
- To provide a forum for member associations to collaborate for broadening the market for PVC products.



# PVC: Processing Machinery Imports (FY20-21 & IQ FY21-22) : Insight



Processing and Converting Industry is passing through one of the most challenging phases due to Pandemic. Downstream Plastic Processing Industry is no different. Despite the challenging phase, Plastic Processing Industry has been upbeat on the future prospects.

Overall investments in Imported machines and equipment in FY 20-21 was marginally down by 3.6% compared to FY 19-20 even though Investment in core

processing was down by 9% due lower investment in injection moulding (IM) sector (down by 37%). Prospects in FY 21-22 looks much better, Investments in core processing machines is likely to cross pre Covid level. PVC Processing Industry generally Imports PVC Injection moulding machines, PVC Extrusion lines, Moulds & Dies for PVC and Converting lines like Door and window fabrication equipment.

In Injection Moulding Segment, PVC Processing Industry Imports machines mostly for PVC footwear & Pipe fittings. In FY 20-21, 180 Injection Moulding machines (175 New and 5 Used M/cs) Machines were imported with Investment of around ₹28.4 Cr. 94% these machines imports were by PVC footwear Industry. In FY 19-20, 89 IM machines were imported with investment of around ₹18.5 Cr.

## Injection Moulding Segment - Imports

	FY 20-21	FY 19-20	Y-o-Y Growth
No of PVC Inj. Moulding M/cs	180	89	102%
Est Investment ( ₹ in Cr )	28.4	18.5	54%

In fact Footwear and Medical segments were the only segments in IM sector which performed phenomenally well during pandemic.

China accounted for 84% share in Imported PVC IM machine segment while rest 16% were Taiwanese machines in FY 20-21 compared to 73% share for Chinese machines, 23% for Taiwanese machines, 2% Thailand and 2% Italian machines in FY 19-20

In Q1 21-22, 46 New Injection Moulding machines were imported with investment of around 10 Cr compared to 24 New IM machines in 1Q FY 20-21 with investment of 4.5 Cr. Y-o-Y Sales grew by 91% while Investment grew by 125%.

## Injection Moulding Segment - Imports

	1Q 21-22	1Q 20-21	Y-o-Y Growth
No of PVC Inj. Moulding M/cs	46	24	91%
Est Investment ( ₹ in Cr )	10	4.5	125%

China accounted for 60% shares in machines in 1Q 21-22 while rest 40% accounted by Taiwan. From Investment perspective Taiwanese machines had 55% share while china accounted for rest 45%.

In Extrusion Segment, PVC Processing industry imports, Calendaring lines, Pipe & Profile lines, Foam board lines, Hoses WPVC, roof sheet, flooring lines etc. In FY 20-21, 369 PVC Extrusion lines were imported with Investment of around 151 Cr.

## Extrusion Segment - Imports

	FY 20-21	FY 19-20	Y-o-Y Growth
No of PVC Extrusion Lines	369	281	31%
Est Investment ( ₹ in Cr )	151	191	-21%

In 1Q 21-22, 67 PVC Extrusion lines were imported with investment of around 18 Cr compared to 18 Extrusion lines with investment of 15 Cr in 1Q FY 20-21. YoY Sales grew by 272% while Investment grew by 20%.

## Extrusion Segment - Imports

	1Q 21-22	1Q 20-21	Y-o-Y Growth
No of PVC Extrusion Lines	67	15	272%
Est Investment ( ₹ in Cr )	18	15	20%

Lower investment growth is mainly due to lower investment in high Capex PVC extrusion lines and higher imports of PVC Pipe & Profile extruders by Tier 2 Manufacturers.

## Moulds & Dies Segment - PVC Sector

In FY 20-21, 2990 Moulds and Dies were imported for PVC with investment of around ₹23.2 Cr compared to 2798 Moulds and Dies in FY 19-20 with investment of ₹28.4 Cr. Y-o-Y Mould imports grew by 7% while Investment de grew by 18% mainly due to lower import of high value injection moulds.

## Moulds and Dies Segment (Imports) - PVC

	FY 20-21	FY 19-20	Y-o-Y Growth
Extrusion Dies	410	197	108%
Footwear Moulds	2457	2412	2%
Injection Moulds	93	170	-45%
Others	30	19	58%
Grand Total	2990	2798	7%

China accounted for 97% share with 90% share in terms of value. Taiwan accounted for 1% share while in terms of value it was 3% in FY 20-21.

In 1Q 21-22, 650 Moulds & Dies were Imported for PVC with Investment of around 8.5 Cr compared to 343 Moulds and Dies with investment of 2.5 Cr in 1Q FY 20-21. Y-o-Y Sales grew by 90% while Investment grew by 234%. Higher Investment growth mainly due to higher investment in Extrusion Dies.

## Moulds and Dies Segment (Imports) - PVC

	1Q 21-22	1Q 20-21	Y-o-Y Growth
Extrusion Dies	128	22	482%
Footwear Moulds	499	311	60%
Injection Moulds	21	10	110%
Others	2	0	-
Grand Total	650	343	90%

China accounted for 98% imports with 93% share in terms of value. Taiwan accounted for 2% share while in terms of value it was 5% in 1Q 21-22.

## Converting and Allied Equipment - PVC Industry

PVC Processing industry imports doors and window fabricating equipment, belling machines, printing machines, laminating machines, Pulverizer etc. Door & Window fabrication equipment have major share in this segment.

In FY 20-21, ₹ 51.8 Cr worth Converting and allied equipment were imported by PVC Processing & Converting Industry compared to ₹28.6 Cr in FY 19-20, a growth of 81% despite Covid lockdown. China accounted for 69% share in terms of value in FY 20-21 while it was 74% in FY 19-20.

## Outlook for FY 21-22

PVC Processing and converting Industry is likely to have double digit growth in core processing machines and moderate growth in moulds & dies and Converting equipment in FY 21-22.

# PVC piping systems in India: Moving to Lead-free stabilization



**Dr. Shreekant Diwan**

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PVC pipes are being used world over for various applications including potable water, sewage, storm water, agriculture, electrical and telecommunication sectors. In India, the first PVC pipe was laid in early 1960s and ever since these pipes have been serving the nation in water management and in saving energy and natural resources.

As would normally happen with any polymer, PVC needs to be processed at higher temperatures

to be converted into end use application products including pipes. A polymer may degrade and lose its properties at higher temperatures and hence heat stabilizers are incorporated into any polymer composition. Lead salts have been used in PVC for decades across the globe.

Lead stabilizers are conventionally the most popular stabilizers in industry due to their simple chemistry, excellent performance, low cost, simple formulation and easy manufacturing process. These stabilizers have long history of over 50 years and new generation Lead stabilization systems give better efficiency even with much lower lead content as compared to earlier individual stabilizers.

Globally there is a trend of shifting away from Lead based stabilizers. The US is on Tin based system from the beginning. Europe which was using Lead based system has phased out Lead stabilizers over a period of time and has now shifted totally to Calcium (Ca) based systems. Most of the countries around the world have either shifted to or are in the process of moving to Ca based stabilization system.

In India, the Ministry of Environment, Forest and Clean Climate (MoEF&CC), vide a gazette notification dated 30th March 2021, has given a phase out plan for Lead stabilizer systems for the Indian PVC pipe sector. Accordingly, the PVC pipes made and used in the country for water management applications (water supply, plumbing, agriculture and sewage) have to shift to alternative stabilization system in a phased manner and have to be Lead free by March 2025.

In this context, IVC conducted two webinars to create awareness among processing sector. The first one- on “Challenges and Forward Path” was held on 13th May 2021 with Industry representatives, BIS

officials and CIPET authorities. Second webinar was held on 27th May 2021 on “Implementation of Quality Control Order” involving BIS officials and CIPET authorities wherein the subjects of BIS mandation, BIS licensing procedure and the Testing facilities at CIPET centers were discussed. More than 350 Vinyl industry fraternity members attended each of these two webinars.

IVC was also a part of the delegation along with AIPMA and Kerala PVC Pipe Manufacturers’ Association” that had joint meetings with the Government authorities to discuss the concerns of industry and the forward path on proposed revision in the gazette notification of Lead Stabilizers in PVC piping system.

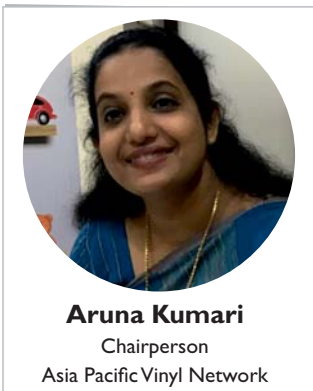
The Indian PVC pipe industry knows its responsibility and have been making efforts to manage consumer perception by moving away from chemicals against which concerns have been raised. Thus attempts are. thus attempts are on to resolve concerns of society regarding Lead and keep the image of PVC products at the established higher position.

Globally the PVC industry has been moving away from Lead based stabilizers, so will the Indian PVC pipe industry. As a matter of fact, in the plumbing sub sector, most of the domestic PVC pipe manufacturers shifted to Ca based system long ago. In other sub sectors also the processors have taken steps to establish the Ca based systems so that they can meet the deadlines set up in the gazette notification.

The total domestic PVC consumption is around 3 MMTA, out of which about 70% goes in the pipe sector. At an approximate loading of 3 phr, the total requirement of Ca based stabilizers for the PVC piping sector would be around 60 KTA and this would be coming up in phased manner as the shift takes place in different application sub sectors at different deadlines. The present capacity of all the domestic stabilizer manufacturers for the Ca based systems is over 35 KTA and with the expansions coming up for the major stabilizer producers, it is expected to go above 70KTA in the very near future. Thus with respect to availability of the Lead free stabilization system, India will be ‘atm-nirbhar’ (self-sufficient) even after taking into account the annual growth in the PVC piping sector.

PVC pipes have been helping the mankind across the globe in proper water management and in the coming days of water crisis, they have a very important role to play. In India, the fraternity members of the PVC piping sector are all geared up to help the Government with their dream projects in total water management.

# Har Ghar Nal Yojana- Smooth sailing for plastic pipes industry



Jal Jeevan Mission (JJM) is envisioned to provide safe and adequate drinking water through individual household tap connections by 2024 to all households in rural India. The scope of work under the mission includes creation of in-village supply infrastructure for tap water connection, reliable drinking water source development, retrofitting of complete and ongoing-piped water supply schemes. Total outlay

of the project is ~ Rs 3.60 lakh Crores

The grant is to be utilized in two components:

- Supply of drinking water, rain water harvesting and water recycling
- Sanitation and maintenance of open defecation free status

Promises to provide approximately 18 crore rural households with 55 litre per capita per day drinking water

About 14.60 Crore households are without tap water connection and planned to be covered in partnership with States/ UTs under the mission by 2024

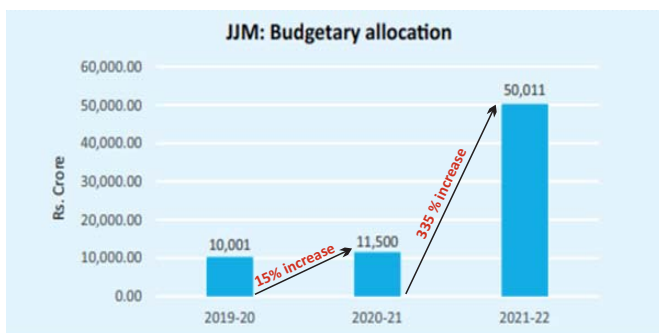
The budgetary allocation for JJM has seen a quantum jump from Rs 11,500 Crores in FY21 to Rs 50,011 Crores in FY22.

With investments in Pipes (PVC pipes and fittings / HDPE pipes and fittings, plastic taps,) estimated at 10-12% of the total outlay, incremental demand for plastic pipe industry works out to be as high as 25% of the existing industry size, which seems a big opportunity in itself. Our Major Pipe Processors definitely will be benefitted by the scheme.

Budget allocation increases led by successful tap connections in last one-and-a-half years: Post release of the operational guidelines for implementation of JJM (rural) 2024 despite covid pandemic, by end of FY21, about 40.8mn rural households have been provided with new tap water connections. Thus, now tap water supply is reaching about 73mn rural households, i.e. more than 38% of rural homes of the country. This shows the commitment of all the states / UTs to deliver on 'speed and scale' even during the time of adversity. With budgetary allocation under JJM (rural) now increased this is likely to offer strong business potential for PVC pipe processors in particular.

### Huge opportunity in North, East and Northeast under JJM (rural):

The number of households yet to be provided tap water connections are approximately 118mn. If one looks at region-wise breakup, then, the biggest opportunity lies in the East and North-East regions (33%) and next will be North (30%). Looking at the huge potential in the region, some of the major processors have already announced establishments of pipe plants in eastern India with Greenfield capacity.





# Global Shipping Crisis: Making ripple effects across offer chains.



**Dr. E .Sundaresan**  
Consultant

Shipping containers are the heart beat of worldwide economy, virtually that travels across globe in their trademark furrowed metal body. The shortage of shipping containers could be a mayhem the pandemic has brought on international offer chains incapacitating nearly each commercial activity. It is facing multiple challenges right from the sky rocketing freight charges, unsure delivery schedules, transit

delays, and congestion in several leading ports. The rising freight prices have resulted in higher costs for raw materials and chemicals eventually to the patron. Indian industry is feeling the heat as freight rates from India to Europe or to USA Continent is showing large jump of around 600 percent in one year's time

### Why there's such a scenario?

The primary cause appears to the acute shortage of containers. In fact, the availability of shipping containers in numbers has not decreased considerably over the past years, actually the reduction in active shipping as a result of Covid-19 pandemic that hampered the flow of containers. This has led to many empty containers being not lifted in inland depots and stuck at ports for long durations. Longer waiting times at key ports like those within the North American countries, due to aftermath of recent cyclone and shutting of the Meishan terminal at Ningbo-Zhoushan port, the world's third-busiest Chinese port also added to lengthening turnaround time for containers. The shortage of containers and the faster than expected recovery in international trade has not only pushed up freight rates significantly over the past year, but have also destabilized supply chain with significant delays in transit times.

The unbalanced recovery of the economy between nations and staggering of containers at the major ports plus Chinese ports being operational at a far lower capacity, the globe is coping with non-

handiness of containers, lack of shipping vessels, and their erratic movements. In a nut shell, containers don't seem to be within the places wherever they are required.

Nonetheless, it is expected that the situation will improve, bottlenecks are to be eased, vessels and containers movement patterns likely to be normalized, the current shortage may continue for some more time ,may be till early 2022.

However we have a darker side which is looming larger and larger in recent days.

Almost eighty five percent of the world shipping containers are made in China, that controls world production levels .They've already boosted their production to record rates, thus raising hopes of early relief. However in recent weeks, China has come down hard on its mining activities by closing the operations across provinces, thanks to its own environmental policy. Since nearly 60 percent of Chinese economy is dependent on coal energy under tough carbon emission targets, China is under power crisis and shutting down many high energy guzzlers like the steel and other .The ongoing mining restrictions in China will therefore generate a vital shortage of important materials and ingredients in several sectors just like the pharmaceuticals, petrochemicals, automotive and electronic industries. In coming months, this will further escalate the price adding to the consumer woes.

On the positive side, perhaps some silver lining amidst the container crisis, two of the world's largest shipping companies – CMA CGM and Hapag-Lloyd have announced freezing of their spot freight rates on most routes. French carrier CMA CGM announced that it would not increase freight rates till February 2022.

Logistics is the vein through which the business blood is transmitted. This has got currently disrupted. Apart from ensuring uninterrupted supply of raw materials, ensuring the supply at the most affordable cost will be the upmost challenge. Looking at the current upward swing in the price, especially in polymer resin and additives, coming days will be critical for the industry as a whole.

# PVC - Growing Potential



The world is changing more rapidly today, than ever before. Diversity has become the new normal with people of varying traits in all walks of life. Hyper-connectivity is another dimension in which has changed the world – people now communicate in real time in rich multimedia. There’s a health revolution that has been spurred on by the much-dreaded Covid 19. And with so much economic activity, the deteriorating environment has become a major concern.

India’s economy took a huge beating in 2020 plummeting an unprecedented 23.9%, but it has bounced back much faster than expected. India is well on its way to becoming a 5 trillion-dollar economy by 2025 with infrastructure, manufacturing, healthcare, education and insurance as its key drivers.

In this highly dynamic economy, the PVC industry has a promising future. There are growing opportunities that have emerged from Industry 4.0, Smart Cities, emerging middle class and the wellness revolution. Globally, the PVC market is expected to touch 54.5 MMT, while PVC demand in India is expected to be 4.3 MMT by 2025. With an installed capacity of 1.6 MMT India is heavily dependent on imports to bridge the demand-supply gap. India has a per capita consumption of PVC of just 2.3 kgs, which could improve when capacities increase and costs drop.

IVC believes that sustainability will play a pivotal role in the advancement of the PVC industry. Sustained initiatives and efforts are needed to break the linear process of make >use >dispose >pollute. It needs to be replaced with the more sensible circular process which involves make >use >re-use >refurbish >recycle. The key to sustainability is collaboration across the entire vinyl chain with government bodies, NGOs, financial institutions... To add greater impetus to sustainability, a strong policy should be in place with clearly defined incentives. A financing system needs to be devised, in tandem with financial institutions, private equity participants... There needs to be a strong awareness campaign at the grass root level coupled with welfare schemes and government support. Moving ahead there need to be a concerted collection system which segregates the waste, technology to facilitate recycling, recycling parks and scientific landfills.

## Obituary



Mr. Manish Poddar, 52, left for his heavenly abode on 19th September 2021 at Jaslok Hospital, Mumbai.

Born on 22nd July 1969, Manish got educated in the field of commerce from HR college of Commerce and Economics. He also studied at the Institute of Cost and Works Accounts of India. He joined Supreme Industries Ltd. on 1st August 1990 and with his hard work, dedication and visionary leadership rose to the position of Vice President - Commercial.

Manish married to Neeti on 25th November 1993. They have two sons. Karishnu is in software development and Shlok is in the field of advertising and marketing.

Manish is known for his virtues, dynamism and business acumen. He exhibited extraordinary passion in the sphere of his work. His active participation and guiding remarks during the IVC meetings has helped the management committee in deciding the path forward.

His untimely exit has not only left a big void in the plastics processing industry, but people across all disciplines have lost a true and compassionate friend.

We at IVC, on behalf of the plastics fraternity pray to The Almighty to give strength to his family members, colleagues and friends to bear the loss and to overcome the grief.

*In loving memory of*

**Manish Poddar**

22 JULY 1969 - 19 SEPTEMBER 2021

# Industry Updates

## Government Provides Big Boost to Exporters

Rs. 56,027 crore is going to be released under various Export Promotion Schemes Benefits would be disbursed to more than 45,000 exporters, out of which about 98% are small exporters in the MSME category. Centre has provided a massive relief to these exporters.

This amount is over and above duty remission of Rs 12,454 crore for the RoDTEP scheme and Rs 6,946 crore for RoSCTL scheme already announced Benefits would help sectors to maintain cash flows and meet export demand in international market

Exports in India have seen robust growth in recent months. Merchandise exports for April-August, 2021 was

nearly \$164 billion, which is an increase of 67% over 2020-21 and 23% over 2019-20.

Abstract of Posted news by PIB Delhi  
(Release ID: 1753551)

## The India Plastics Pact

India to be the First Asian Country to Launch a Plastics Pact. The India Plastics Pact, is a joint initiative between the Confederation of Indian Industry and WWF India. The Pact targets to enable businesses to transition towards a circular economy for plastics by 2030.

The India Plastics Pact, a joint initiative between the Confederation of Indian Industry (CII) and World Wide Fund for Nature-India (WWF India), will bring together leading businesses at a national level to make commitments for building a circular system for plastics. The Pact envisions a world where plastic is valued and does not pollute the environment. It is supported by UK Research & Innovation (UKRI) and WRAP, a global NGO based in the UK. WRAP provides operational and technical support to Plastics Pacts in Europe, the Americas, Australia and Africa and fully supports the Pact in India

India generates 9.46 MT of plastic waste annually, of which 40% is not collected; about half of all plastics produced in the country are used in packaging, most of it is single-use in nature. Commitments made under the Pact aim to keep plastic packaging in the economy and out of the natural environment. Today 17 businesses including major FMCG brands, manufacturers, retailers, and recyclers have committed to the Pact as founding members, and ten have joined as supporting organisations.

At the core of all Plastics Pacts lie four ambitious, time-bound targets for reducing, innovating and re-imagining plastic packaging. The India Plastics Pact's targets to be achieved by 2030 are:

1. Define a list of unnecessary or problematic plastic packaging and items and take measures to address them through redesign and innovation
2. 100% of plastic packaging to be reusable or recyclable
3. 50% of plastic packaging to be effectively recycled
4. 25% average recycled content across all plastic packaging

The India Plastics Pact aims to empower businesses, governments and the entire plastics value chain to transition towards a circular economy for plastics in India. The Pact will stimulate innovative new business models to reduce the total amount of plastic packaging. It will also help build a stronger recycling system, ensuring that plastic packaging can be effectively recycled and made into new products, and back to packaging with the support of all stakeholders.

Activities immediately after the launch will focus on collectively identifying projects that can deliver the most significant impact in the long and short term. This could include identification of barriers to incorporation of recycled content in packaging, design of reusable packaging and removal/elimination of unnecessary plastics packaging.

The Pact supports the business commitment component of the Un-plastic Collective ambitions, a platform co-partnered by UN Environment Programme-India, CII and WWF India in 2019 that seeks to minimise the externalities of plastics on the social and ecological health of the planet.

(Source: CII, 03.09.21)

## Molecor Enters Market with 1000mm diameter Pipes.

Molecor has consolidated its leadership in the sector with a new diameter that exponentially expands the applications and markets of PVC-O pipes,

Open the possibilities for large diameter projects in which it was not present until now.

The trajectory of the company is marked by the launch of products that have been important turning points in the market, such as the launch of the DN500 mm, DN630 mm, DN710 mm, DN800 mm pipes and now, it makes the DN 1000 mm available to the market, thus providing innovative solutions that respond to the needs and challenges that the pressurized water transport market presents today.







INDIAN VINYL COUNCIL

**INDIAN VINYL COUNCIL**

Admin. Office : 101/102, Terminal - 9 Building,  
Nehru Road, Near Hotel Sahara Star, Vile Parle (East),  
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Tel.: +91 22 67489899  
Email ID : membership@indianvinylcouncil.com  
Website: indianvinylcouncil.com

Reg. No. : GUJ/21190/Ahmedabad (Registrar of Societies)

**MEMBERSHIP APPLICATION**

Date of application: \_\_\_\_\_

Name of the organization : \_\_\_\_\_

Business Address : \_\_\_\_\_

City : \_\_\_\_\_ Pin : \_\_\_\_\_ State : \_\_\_\_\_

Tel. : \_\_\_\_\_ Email: \_\_\_\_\_ Website: \_\_\_\_\_

Factory Address (if applicable) : \_\_\_\_\_

City : \_\_\_\_\_ Pin : \_\_\_\_\_ State : \_\_\_\_\_

Tel. : \_\_\_\_\_ Email: \_\_\_\_\_ Website: \_\_\_\_\_

Date of Establishment

Category of Business (Please tick mark wherever applicable) (see page 3 and 4 for criteria of type of membership)

- Manufacturer of PVC resin     Additives manufacturer     Processor of PVC     Equipment manufacturer
- Trader/Distributor     Institution/Association     Consulting firm     Others

Annual Turnover of last financial year Rs.

Nature of business:

Name of Authorized Representatives	Designation	Specimen Signature	Mobile No	Email ID
------------------------------------	-------------	--------------------	-----------	----------

\_\_\_\_\_  
(Principle Member)

\_\_\_\_\_  
(Alternate Member)

Category of Membership Applied for (Please tick mark wherever applicable):

- Privilege                       Associate                       Donor

Name of the authorized Person: \_\_\_\_\_

SIGNATURE

**FOR OFFICIAL USE**

Received on:

Accepted at the Managing Committee Meeting held on

Sign of Hon. Secretary / Auth. Signatory

Send the filled form along with the cheque to :  
Indian Vinyl Council, 101/102 terminal -9, Nehru Road, neat Hotel Sahara Star, Vile Parle (E) , Mumbai 400099 .India

## FEE STRUCTURE

A) Privilege Members :Individuals in the Business of PVC, Corporate in PVC business , PVC compounders, PVC converters, PVC end product fabricators and any other company engaged in the field of PVC value chain or furthering the object of the Society, may be admitted as Privilege Member

Please tick as applicable category					
Turnover in INR --->	< 50 cr	50 - 100 cr	100 - 250 cr	250 - 1000 cr	> 1000 cr
Membership Fee	25,000	50,000	100,000	250,000	500,000
One Time Enrolment Fee	5,000	5,000	5,000	5,000	5,000
<b>Total</b>	<b>30,000</b>	<b>55,000</b>	<b>105,000</b>	<b>255,000</b>	<b>505,000</b>
Add GST 18%	5,400	9,900	18,900	45,900	90,900
<b>Total</b>	<b>35,400</b>	<b>64,900</b>	<b>123,900</b>	<b>300,900</b>	<b>595,900</b>
Less TDS @ 10% (for F/Y 21-22)	3000	5500	10500	25500	50500
<b>Total Payable</b>	<b>32,400</b>	<b>59,400</b>	<b>113,400</b>	<b>275,400</b>	<b>545,400</b>

B) Associate Member: Any society, association, chamber of commerce or other not-for-profit organization, trust, foundation etc. registered as per the applicable law and representing manufacturing industries, service providers, suppliers, end users, dealer etc. belonging to the Vinyl chain from the India, may be admitted as Associate Member of the Society

<b>Membership Fee</b>	<b>10,000</b>
<b>One Time Enrolment Fee</b>	<b>5,000</b>
<b>Total</b>	<b>15,000</b>
<b>Add GST 18%</b>	<b>2700</b>
<b>Total</b>	<b>17700</b>
<b>Less TDS @ 10% (for F/Y 21-22)</b>	<b>1500</b>
<b>Total Payable</b>	<b>16200</b>

Above mentioned are Annual fees and become due in April every year.

C) Donor Member: Individuals, firms, trusts, foundations, institutions, bodies corporate or associations supporting or desirous of supporting, or furthering the objects of the Society, may, on payment of the lump sum donations, as is fixed by the Society from time to time.

Donation will be accepted in multiples of Rs 1.0 Lakh and minimum of Rs 5.0 lakhs

PAN : AABTI7693E

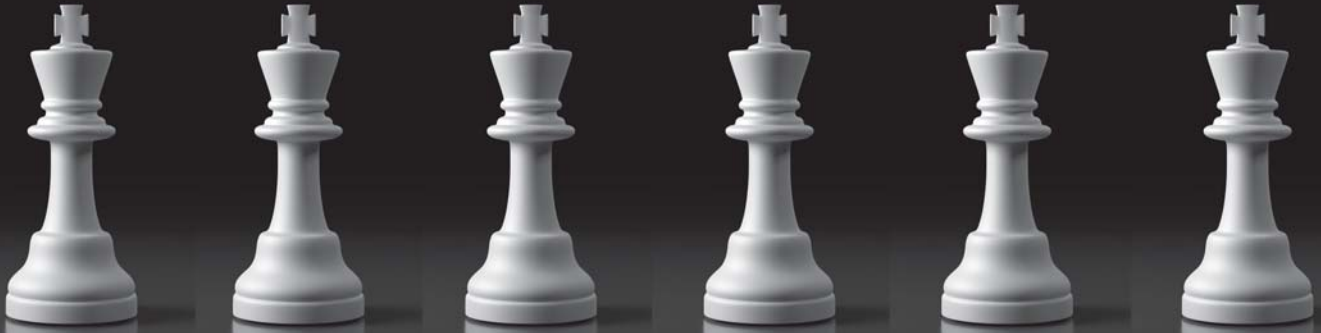
GSTIN : 24AABTI 7693 E1ZJ

**VISIT OUR WEBSITE**

**[www.indianvinylcouncil.com](http://www.indianvinylcouncil.com)**

**FOR ONLINE MEMBERSHIP  
APPLICATION**

# Privilege Members of IVC



1. Amisha Vinyls Pvt Ltd
2. Baerlocher India Additives Pvt. Ltd.
3. Basil Prompt Vinyl Pvt. Ltd.
4. Bihani Manufacturing Company Pvt. Ltd.
5. Caprihans India Limited
6. Deceuninck Profiles India Pvt Ltd
7. Finolex industries
8. Goldstab Organics Pvt. Ltd.
9. Indo-Reagens Polymer Additives Pvt Ltd
10. Manish Packaging Pvt Ltd.
11. NCL Veka Limited
12. Ori-Plast Limited
13. Platinum Industries Private Limited
14. Quality Speciality Chemicals LTD
15. Reliance Industries Limited
16. The Supreme Industries Ltd
17. Theysohn Extrusion





## INDIAN VINYL COUNCIL

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**Visit our Website : [www.indianvinylcouncil.com](http://www.indianvinylcouncil.com)**



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