

India compounder Rajiv to open third plant

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CHICAGO (June 27, 2006) -- To handle steady growth, Indian compounder Rajiv Plastic Industries will open its third plant outside of Mumbai in early 2007.

The new 3,700-square-meter plant will focus on specialty compounds, including glass-filled and mineral-filled grades of polypropylene and other resins, technical director Hemant Minocha said during an interview with *Plastics News* at NPE.

Construction on the site will begin later this month. The 50-employee plant initially will house two twin-screw extrusion lines, but can be expanded to six, Minocha added. Debottlenecking lines at Rajiv's existing plants in Mumbai and Silvassa will yield a capacity increase of about 10 percent.

Mumbai-based Rajiv decided to make its NPE debut this year after seeing sales increase in Central and South America and after receiving a number of sales inquiries from Canada. Rajiv currently exports about 650,000 pounds of compounds annually to customers in Central and South America. Overall, exports account for about 25 percent of the firm's sales.

In 2006, Minocha said Rajiv's sales should be about \$10 million (80 million RMB), but he added that estimate is "conservative." A \$10 million sales year would represent a 10 percent gain over 2005. Sales in 2007 are expected to be higher because of the new plant.

At NPE, Minocha said the firm's special effects compounds – which can produce metallic and granite effects in polyolefins, styrenics and polycarbonate – have drawn significant interest.

"Everyone is looking for ways to differentiate," he said. "Product redesign cycles can be as short as two months in some cases."

Rajiv also recently commercialized highly loaded concentrates for PET beverage, medicine and pesticide bottles.

Minocha's father, Inder, opened Rajiv with a single extrusion line in Mumbai in 1978. Two of Hemant's brothers also now work for the firm.