



## Clay & GCC subsidiaries for 20 Microns

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Indian miner expands fillers business with new Malaysian GCC, and Indian nano minerals subsidiaries by Jessica Roberts, Assistant Editor

The story from most producers since the beginning of 2009 has been one of production cut backs, falling demand, and diminishing revenue; however in the case of Indian attapulgite and ground calcium carbonate (GCC) miner, 20 Microns Ltd., it is a tale of expansions and international investment.

In its latest move, the company has created Malaysian subsidiary 20 Microns Sdn. Bdh., based in Ipoh, west Malaysia, and invested \$1m. into a new GCC operation for the subsidiary, scheduled to come online in 2009 or 2010, with 15,000 tpa targeted for the first phase of production.

From Malaysia, the company will sell various products to surrounding countries in South and South East Asia, while calcium carbonate lumps will be exported to 20 Microns' processing facilities in India.

In addition to the miner's international enterprises, 20 Microns has outlined plans to expand its overall production of GCC with the installation of a new operation in Daman, west India.

Atil Parikh, joint managing director of 20 Microns, told **IM**: "The Daman facility in west India will mainly be catering to the paper and plastics [markets]. The site has been identified and setting up will begin sometime in late 2009 to become fully operational by early 2010."

"20 Microns also has a vision of operating newer satellite plants in India for the coating and paper industries for GCC and other products," Parikh revealed.

Parikh told **IM** that the Daman facility will target 10,000 tpa wet GCC in the first phase of production, but that investments for the Daman plant were still "under review".

Commenting on the company's decision to expand now, Parikh said: "20 Microns always has the advantage of being a multi-mineral, multi-locational, multi-application catering company. Henceforth, 20 Microns has always found the demand in its products due to its increasing reputation in the global marketplace as well as the increase in demand due to its strategic positioning."

The company believes that the current economic situation is transitory, and is storming ahead with expansions to cater to the new demand that it expects to see when the market "gets back to its feet".

Parikh confirmed: “We feel that this is the right time to invest in expansions of the company.”

### **Nano future**

Seemingly not content with these ambitious plans, 20 Microns is also set to become the first Indian producer of nano mineral grades, which will be overseen by new dry and wet company 20 Microns Nano Minerals Ltd.

The company told **IM**: “20 Microns is now entering into the segment of nano minerals after being immensely successful in launching various products in the micronized and sub-micronized ranges.”

20 Microns has signed a Memorandum of Understanding (MOU) with the Gujarat government to produce nano grade attapulgite products – such as inorganic thickeners - which will be produced in Waghodia and Bhavnagar in Gujarat state.

Other nano grades will include: diatomaceous earth products, mainly produced in Waghodia and Jaisalmer; bentonite thickeners, produced in Nandesari and Bhuj in Gujarat; and expanded capacities of hydrous kaolin grades, produced in Bhuj and Waghodia.

20 Microns, which also supplies barytes, lithomer, and talc, is one of the country’s largest producers of high performance minerals used in functional fillers.

### **Indian paint demand**

GCC is the most widely used extender in mineral coating applications, and is one of the most economical filler minerals available. Although industry reports indicate that Western paints and pigments companies are struggling at present, the same cannot be said for Asian – and particularly Indian – paint producers.

Information Research (IRL), a division of BRG UK Ltd, forecasts in the 4<sup>th</sup> edition of its report, *A profile of the Indian Paint Industry*, that continued growth in India is likely to lead to an additional 1m. tpa of coatings demand by 2013 – bringing the overall Indian coatings market to 2.7m. tonnes.

IRL reports that total paint and coatings demand in 2008 amounted to some 1.64m. tonnes, of which decorative coatings accounted for 1.3m. tonnes (79%), while the industrial coatings market consumed around 340,000 tonnes.

If, as the IRL predicts, India’s appetite for decorative paints increases a further 900,000 tonnes by 2013, then demand for paint extenders such as GCC should be very healthy.