

NWX-COMMERCE-ITA-1

**Moderator: Deborah Dirr
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8:30 am CT**

Coordinator: Good morning and thank you all for standing by. All participants will be able to listen only until the question and answer session of today's conference call. Today's call is being recorded. If anyone has any objections, you may disconnect at this time.

And now I'll turn the call over to your first speaker, Ms. Deborah Dirr.
Ma'am, you may begin.

Deborah Dirr: Okay, thank you so much. I'm going to go to our first slide here. I don't know why it's not moving. Okay great. Good morning and good evening everyone.

Thank you so much for joining us for our Webinar focusing on the plastics industry in India today. My name is (Debbie) Dirr and I'm an international trade specialist with the U.S. Commercial Service, U.S. Department of Commerce.

I serve as the greater Dayton Ohio region for our Cincinnati office and as I said, this Webinar focuses on the plastics industry in India and one of the premiere shows in that market or plastics, (Plas) India.

Before we get into today's topic, I wanted to introduce you to the commercial service. If you are not familiar with our organization and the export assistance that we provide, we're a global network of about 150 offices in 77 countries and over 100 U.S. offices that focuses on U.S. export promotions.

We work with the U.S. companies, especially smaller ones to provide them with assistance, support and business solutions so they can be successful in exporting to foreign markets.

We also have industry focused teams and I'm on the manufacturing team for our agency, along with about 40 other people in the U.S. and in 12 other countries.

Our team coordinates programs like this one and plastics is a very important sector for us. The U.S. Commercial service operates through our U.S. embassies and consulates worldwide that houses U.S. commercial diplomats and teams of talented foreign nationals that are experienced industry specialists who serve the U.S. business interest in foreign markets like my colleagues in India today.

We're able to help U.S. companies because we have staff like these folks in other markets. Within the U.S. we work regionally through U.S. export assistance centers in most major cities where there are teams of international trade specialists like myself and we're here to serve you, U.S. businesses.

We want to especially thank our partner today, the Plastics Industry Trade Association, known as SPI for taking time from a very hectic schedule to support this Webinar and take a few moments to speak with us today.

And I'd like to introduce Mr. Michael Taylor who is actually at a tradeshow in Germany today but he's with us. Michael is the senior director for international trade at SPI. I wanted to give you a little background on Michael. He serves as the association's primary staff expert on international trade policy programs and activities.

He advises SPI staff and membership on the impact of international trade law and regulatory actions and advocates SPI positions before government officials and other policymakers.

Prior to his current responsibilities, Mr. Taylor was director of Europe and multilateral programs of the Global Intellectual Property Center, GIPC, at the US Chamber of Commerce.

While serving in this capacity, he developed, promoted and executed the GIPC goals and objectives to champion intellectual property rights in Europe and those multilateral forms where European countries participated.

Before coming to the U.S. Chamber of Commerce, Mr. Taylor served as director of government affairs for the U.S. India Political Action Committee and the U.S. India Business Alliance.

He received his BA in international affairs from the Elliott School of International Affairs at the George Washington University and his MA in world politics from the Catholic University of America.

And now Michael, I'm going to turn the program over to you. And I'm having a problem with your slide but we're going to see if we can't fix that while you're speaking.

Michael Taylor: Okay. All right, well thanks so much (Debbie). As you say, I'm doing this remotely. We hadn't planned that originally but because of the rescheduling I'm actually at the (Sacuma) show in Frederickhofen, Germany this week.

But at any rate, I didn't want to miss the opportunity because Indian is such an important market for us and an opportunity to promote MPE, our big show for next year.

I really don't want to belabor the various points that - bullet points you see there on the one slide. What I thought would be good is to amp - to basically give you some additional information that's not on that slide currently.

Deborah Dirr: And I apologize Michael. For some reason your slide just has the title, so please just go ahead. I'll see if I can fix it.

((Crosstalk))

Deborah Dirr: There we go. There we go. It's working.

Michael Taylor: Okay.

Deborah Dirr: Go ahead. Thank you.

Michael Taylor: All right. No problem. Okay, so you've got the slide there. We have the one bullet point that says we're going to be covering over 2 million square feet and as many of you know, next year, because the (K show) will not be held, we will be the largest manufacturing show in the world.

And we are well on our way to go way upwards of 2 million square feet. We just moved to Orlando Convention Center. The west hall there is completely

sold out. Ninety-five percent of the south hall is sold out. And so we are actually selling in the north hall, which is the last available space here in Orlando.

So it's going to be, I think, a record show in terms of who's there and what's going on. And it's definitely a place you want to be there. One of the bullet points that I think is most compelling is that we do - we take detailed demographic information on our exhibitors.

And so because we do that, unlike some of the other shows, we know that 64% of the exhibitors that show at MPE only show at MPE. Then that's several millions - billions worth of buying power there. Sixty-four percent of those exhibitors - your only chance to see them at a show is going to be MPE.

So I think that's a pretty compelling statistic. The other thing I would mention as we have a number of special features that are meant to enhance your experience, this year we've got plastics and sports demonstration areas.

So they're going to have basically demonstration areas for contact sports, golf, playing surfaces, active sports and sportswear. I think those are going to be really incredible with a lot of hands-on things for people to do and some very neat demonstrations.

Second of all, in the area of sustainability and recycling, we have as our goal for MPE, 100% diversion rate. So we're looking to basically recycle everything that we create which - and zero out our footprint.

I think that's another pretty impressive thing going on. Third, we have the business of plastics pavilion. So we're going to have a lot of business related services, finance, investment, consulting and other services at the pavilion.

The last thing I would mention is that we have a number of technology features so we're going to have focus on floor polymers, vinyl, thermal forming, mold making, (elastomers), medical devices.

And there's even an international plastics design competition. So there's an awful lot to see and do, a lot going on. And I think it's a very unique opportunity to interact with some people in certain ways and conduct business and get additional information.

And of course, as (Debbie) well knows, we are a member of the International Buyer Program. My main responsibility at MPE next year will be to direct the International Trade Center.

We will have U.S. Commercial Service people on sta- you know, there, XM Bank, Small Business Administration, foreign country specialists. There'll be meeting rooms, translators. We have a lot of programming in Spanish language.

We're even going to add some Chinese language programs into this MPE. So I really think that I understand not everybody can go to every show. And you have to make more choices. But MPE next year in Orlando I think has to be on your list.

So if there're any other questions, obviously I think (Debbie)'s going to provide you with my contact information. And once again, thanks so much for the opportunity. Unfortunately I'd like to say on for this Webinar because India is an important market to me.

As you can see, it's - I'm not a newcomer to India in my background. But I'm going to have to drop off and get back to Germany for the moment.

Deborah Dirr: Thank you so much Michael. Really appreciate you being on. All right.

Michael Taylor: It's a pleasure (Debbie).

Deborah Dirr: Thank you. And now, as our operator explained previously, because of the number of participants online, we won't be able to take questions during our presentations, but we will take questions when all the presentations have been completed.

And I just want to mention a few more details to make sure everybody is able to get on the Webinar completely. You can hear it via telephone obviously and view it at the same time on your computer.

And if you're not hooked up to both, please take a moment to do this. If you're experiencing difficulty doing this, please press star 0 at any time during the presentation and someone will help you.

And now I'm pleased to turn the program over to Mr. Greg O'Connor, commercial officer and Ms. (Nesha Watawan), commercial specialist, my colleague with the U.S. Commercial Service in New Delhi.

And just a bit about Greg and (Nesha) before I turn the program over to them. Greg O'Connor is a commercial ser- a commercial officer at the U.S. Embassy in New Delhi and a career diplomat with the Commercial Service of the International Trade Administration, U.S. Department of Commerce.

From 2005 to 2010, Greg served as senior commercial officer in Prague where he oversaw commercial relations with the Czech Republic. Prior to Prague, Greg was commercial attaché at the U.S. Embassy in Seoul from 2001 to 2004 and before that, he was a senior international trade specialist with the Minneapolis export assistance center.

Before joining the Commercial Service, Greg served in a variety of positions at the International headquarters in Washington, DC. I apologize. We're having some background interference.

Before joining the U.S. Department of Commerce, Greg served as a U.S. Peace Corp volunteer in both Korea and Nepal in the '80s and he holds a BA in international affairs from George Washington University and a Master of Science in Foreign Service from Georgetown University. Greg speaks Czech, Korean and Neapli.

And some background on (Nesha Watawan), my colleague in New Delhi. She began working with the U.S. Commercial Service in October 1994. Currently, in addition to trade promotion activities, she handles specific industry sectors such as education, plastics, mining and minerals, materials handling equipment, metal working equipment, real estate and sporting goods.

And I want to thank both of them for their collaboration to make this program possible and all my colleagues in India. And now I'm going to turn the program over to you Greg and (Nesha).

Greg O'Connor: Thanks (Debbie). This is Greg O'Connor in New Delhi. As (Debbie) mentioned, I'm with the U.S. Embassy and the Commercial Service in New Delhi.

We actually have seven offices in India. It's our largest geographical footprint in the world. And that's largely because India's a very big market that's geographically diversified and it's growing very rapidly.

So I'm really happy that you joined the Webinar today to learn a little bit more about the Indian plastics industry. Much like the Indian economy as a whole, the plastic sector is growing rapidly. I mean, this is one of the fastest growing economies in the world. There's - they get upset when the growth drops below 9% which was just done recently.

And, you know, it looks like that growth will continue well out into the future. It's an important market that, you know, deserves attention and I think, you know, make an attempt to get in sooner is the way to go and we're hoping that through this Webinar you'll learn a little bit more about the opportunities in the plastic sector and get some ideas on how to penetrate the market.

This is one of those top ten US exports to India so there're definitely people that are taking advantage of the market already. And as it works at our embassies overseas, this commercial officer, you know, have some knowledge about the market but we move on after a few years. Our real knowledge is our institutional capacities, our local staff.

In this case, (Nesha Watawan) is our plastics expert for Northern India. She's a commercial specialist so I'm going to ask (Nesha) to introduce the speakers. (Nesha).

(Nesha Watawan): Yes, thank you Greg. Hello everyone. It gives me great pleasure to introduce our first speaker for today's program, Dr. (Yugit Serook). He's vice president, business development Reliance Industries Limited Mumbai.

Dr. (Serook) will join us from our (Mumbai) office. Dr. (Serook), I will now turn the program over to you.

Dr. (Yugit Serook): Thank you. Well, I think it's opportunity to express (this in) for gratitude to (Nesha), especially for inviting me and I find it a great privilege to talk to the audience. I don't know who they are actually but I can feel they can understand something what I would like to speak about in the plastic industry.

Well, I have been promised a 15 minute slot. We'll briefly talk what we know about the plastic industry, what are the growth drivers and (pharma). Well, before that, it is my privilege when I talk to the audience of the United States of America to pay my tributes to the great masters of the volume of science, whom as a student, I always had the greatest respect, who have been instrumental in taking the academics to the technology level and finally to the benefit of the society.

I (unintelligible) the great masters - (Cara Fields), (Carnagen), (Herman Mark), (Paul Fruiz). That is all of his have been - who have been really the riding force as far as the polymer industry is concerned.

The great companies of the United States like Dow, Exxon Mobile, (Vasser), who are (unintelligible) now (unintelligible) pioneers of the finest in the field of polymer reducing the basic plastic raw materials.

Similarly we have - last week processing machinery for people like (polymetric melacron) or very standard, and last or at least the great consumers of the polymers in a big way, whether it is Coca Cola, whether it is Pepsi or whether it is Proctor and Gamble.

Why I wanted to give this - a little background about the United States from this piece has emerged in a big way, all of them have (for their) facility and their units in India, and that is going to be one of the broad (travels part), the plastic industry in this country.

When we ta- okay, when we talk about plastic industry in India, it is also a great coincidence that when Indian plastic industry started the first unit way back in the mid '50s, it was Union Carbide of India and Union Carbide started near Mumbai 25,000 tons of per annum of LDP.

That time that was the beginning which was followed by ICIA and other companies. Of course, from 1950 to 1990, the part of - the (tranversing) of the growth in the plastic industry in India has been quite modest despite the fact that companies like ICCL (Pherom) delivered only (DDS).

And 1990, I remembered the total polymer transaction in India was just 1 million tons and at that time, we got about a thousand million people in this country and it was very (unintelligible) conduction which was roughly run (KD).

The breakthrough for (scheming tool) Indian plastic industry, when the (nice) industries came and started manufacturing polymers in this country, of the worst scale level, the first one to run off (PVC) way back in 1992, which had a capacity of a little to 100,000 tons followed by 160,000 tons of (one little implant) and then came the (polypropheline) and then there was no looking back.

And now we are poised at this stage when we see the polymer conduction of the plastic conduction in more countries, at almost 8 million tons. We produced almost 8 million tons of various polymers of which 85% are the

commodity polymers which means (volatline), (polypropilyne), PVC, (polyscilene) and to a great extent, (ped) and another 15% of - in union plastics like ABS, polycarbonate, nylon and other materials.

And we are poised to touch by the beginning of the next year about 10 million tons mark and over - in the last two decades from a modest one (KG) per capita in - per capita consumption of plastics has gone to our most (eight KGs) at the moment.

One of this (ad) - so this shows when you compare it with the world average which is almost 38 (KGs), India has a long way to go in catching up to that figure. In fact, I always say these things that weren't (average) of plastic adoption is low because the low per capita conduction in India.

And you can imagine when India will wish to given half of the world average, how many more (plants) and investment needs to be done. So the field is wide open. This is a lot of scope. A lot of potential as far as the growth story is concerned.

Okay, so given this background, how we have traversed from 1 million tons to almost 10 million tons by the year 2011 to end, let me dwell upon the fact that what were the growth drivers for this polymer conduction because our estimate or industry estimate is by 2020 we should add another 10 million tons of plastic conduction in this country.

Well as I said, that the field is wide open. The growth opportunities are there because of the low per capita conduction, but what are the growth drivers? In the next 15 minutes, I'll be talking about those.

I have listed a couple of areas where we really try and grow the first and the foremost, is the packaging industry. Then we see as a (come) rule, packaging (unintelligible) almost 50% of the formula of plastic on the (pinion) any country in India is no exception.

And development in Polymer packaging or the plastic packaging has brought really revolution in this country. Partly it is because of the economic factors (unintelligible) material like metal, glass, this paper.

And we are also very good speakers because India is the only country which produces natural packaging material (jute) which is almost about 2 million tons. So had it not been there, our growth have - would have been further. I will not go into my details of this but I'm sure that 60% of the polymers consumed in India are used for the packaging application.

And the key growth drivers are (food) processing, water in the form of liquid and solid, (FMCG) items, cost metrics, (unintelligible) and products used in this are mostly material things, (unintelligible), (polypropylene), shrink and stretch wrap films, (in the wall) containers, cyber form products.

To give you an example, India is the largest producer of milk in the country and only 20% of the milk is presented taxed in India while 80% is still sold in the (loose) and for packing, 20% of the milk, which is almost - would produce around 100 million tons measurable, 20 million tons will (be quite around) 100,000 tons of commodity volume like (polyletene).

So if you imagine in the next ten years, if this trigger goes to 40%, you require 100 - out of that 100,000 tons of (polytrene), very little LLDP, LDP or a combination of both.

So you add a lot of scope for material films for packaging of a simple product like liquid milk. Let me talk about the processed food, (garment) of India has a lot of focus on this processed food industry which includes snack foods, which includes jams, jellies, honey, so many other products and presently almost 50% to 60% of them are still sold in the (loose) the (pub).

So we can imagine some of them - just to give an example, for example, confectionary products, for (two call) cookies, very traditionally packed in paper.

And in the last ten years, their packaging for nominal has drastically changed and now it is actually oriented poly propylene which is used for packing of this confectionary product.

And in - just five years, over capacity, install capacity of (bag shilly) oriented poly propylene film has taken almost 300,000 tons which is priced to grow to almost 600,000 in the next five years.

(Unintelligible) have got the imagination of people, not only for small packaging but for the bulk packaging. (Tin weld) containers as part of a revolution has come in this country, we are from small ice cream cups to the very big food containers and (thermo foam) products.

(Thermo foam) products are, essentially which is very peculiar to India, that hundred to 200 ML glasses (thermo foam) cups are used for drinking water which is unique in this country. And presently almost 50,000 tons of material goes into that simple application which is likely to double in the next five years.

So to give in a nutshell, there is a lot of scope for packing of food, processed food, FNCG, cost (mitics), pharmaceuticals and you require a lot of investment which is really taking place in this country.

And the present plastic production is almost 5.2 million tons which is likely to go to 10 million tons by 2020. India is also becoming a hub in the packaging of (raffea) bags, what we call plastic wool sacs both in polyethylene and polypropylene and we have already cost about 1 million tons of these plastics.

So these are all the growth drivers because of - another area is FIBC flexible intermediate (ball) containers - and in all these products, India is not only using it for domestic purposes, but also for export purposes.

So we're estimated by 2020, the conduction of plastics in India will be about 10 million tons. Next coming to the - next growth driver will be the automobile sector.

In the automobile industry, is the second fastest growing market, about \$155 billion US dollars and polymer penetration is increasing every year. At an average polymer penetration of about 70 (cages) in our passenger (rakers). The present polymer conduction is almost .3 million metric tons per annum.

Now with a growth of almost 15% to 20% in two (wheel) segment, in three (wheel) segment, in four (wheel) segment, this is likely to double in the next five years. So it will be almost - touching almost half a billion tons of various polymetic material, especially for the small cars.

For this concept on the annual, have revolutionized the concept and the two wheelers like motorcycles and scooters are the growth drivers. Now what are the key growth drivers of polymer users? We have very low equal

penetrations so the growth is (unintelligible) of a double digit about 15% to 20% rising in a couple of areas, growing middle class and various applications of polymers in automobiles set.

Big list which includes the bumper, the dashboard, the door trim, grills, front-end, (bottle carriers), battery containers, engine covers, (dock), this - interior parts and increasing penetration (per) vehicles is the key for future growth.

In fact, (Nano) car, which is a (generation of thought) uses 23 (KGs) of one single material (polypropylene) in this car. So you can imagine that what is the scope of - in the automobile industry (unintelligible) conduction in the plastics.

So next is the appliances which include refrigerators, air conditioners, TVs, vacuum cleaners. This is also almost a \$10 billion industry growing at 15%. In fact, India is a very populous country. And I was talking to last week talking to three major companies who manufactured this (white glue) for the appliances.

Like, India is a country who manufacturers 6 mil- 7-1/2 million tons of - sorry - 7-1/2 million in refrigerators per annum and at a penetration of 15 KGs per refrigerator, you can see what's in the scope.

And just again, here are the key growth drivers for polymer use area, low penetration levels, untapped (ruler) market. New innovation has taken place where a complete washing machine is made of single polymeric materials like polypropylene, (hasber replacement santos) and also availability of power by 2012 to most of the Europe and 70 (of areas).

And various applications of polymers in automobiles, all plastic washing machines, TV, AC cabinets, refrigerator components, water (cooler fire

bodies), purification of water for the domestic use is becoming - and very, very essential things and it is going to be one of the main growth drivers as well as the appliance industry is concerned.

Healthcare and hygiene - India has already emerged as the preferred medical tourism destination. The modern has come demands for more polymer based products, right, from syringes to implants.

The three key growth drivers for the polymer usage will be the replacement of the traditional materials like metal and glass, syringes, IV bottles, blood bags, disposable (mirrors), modern medical equipment, implants and (some) body parts, personal hygiene products, sanitary products, baby care products, so all of these things are the growth drivers.

Presently almost 100,000 tons of plastic go into the medical sector and around 50,000 to 60,000 in the hygiene sector which is likely to get doubled in - on three tons in the next five years.

So this is the fourth area where we see a lot of opportunity as far as the polymer production and plastic production is concerned.

Agriculture and plastic (culture) in India is a country which is dependent heavily on the (muscles) and plastic culture is emerging as the key sector to feed the millions of the population in this country to growing and (then this will drag conduction) growth in the agriculture sector.

And the key growth drivers for the plastic users are greenhouses, roof covers, this packaging, post-harvest management and then last but not least the (tripiligation) and the products used here will be pipes, (unintelligible), (shared nest), (lawn mower fabric) and (unintelligible) films.

And polymer conduction is likely to grow many fold in this sector also. Lastly, we are - polymers still play - plastic still plays a pivotal role in the cross structure development over the next five plan has a huge impression on the impressed structure and the key growth drivers for the plastic user will be building and construction, high view projects and (ruler electrification) products.

And the products used will be pipes for water transportation for sewage, for glass transportation, storage tanks for water conservation, rain water harvesting, profiles - PVC profiles and (decorator laminus) and very, very important sector where this is the open market of the pure synthetics for the reinforcement of roads, airports and flowers.

So all this to put in the 15 minutes into it. Very - I tried to give a very brief overview that what will be the growth drivers, how we started from a modest 1 million tons in 1990. We have drivers to almost 8 million tons. We're likely to go to 20 million tons by two - in the next five years.

And to sum up I will say that polymer conduction in India is prized to grow many fold with the help of new developments in packaging applications, infrastructure room, modernization of the agriculture sector, improvised medical and healthcare facilities. And they are becoming the hub for automobile manufacturers, improved lifestyle and disposable income as well as (ruler) penetration to drive growth of applications.

It took more then 50 years for us to reach to a level of 10 million tons and next 10 million tons will be added in the next years, the next ten years versus huge opportunities for the technology innovations of excellent machinery manufacturers, excellent (unintelligible) manufacturers and consultants of the

USA to work in collaboration with their Indian counterparts and to make this country enriched as far as the growth of plastic uses. Thank you very much.

(Nesha Watawan): Thank you so much Dr. (Serook). And now I would like to introduce our next speaker, Mr. (Rekay Grover). He's chairman of national promotion in India, Plas India Foundation.

He has been connectively involved with Plas India Foundation since its beginning and was also a member of the managing committee of Plas India Foundation. Mr. (Grover), I will now turn the program over to you.

(Rekay Grover): Thank you (Nesha) for giving me an opportunity to address this (unintelligible) from all over the U.S.

It's a privilege to come back on this platform on behalf of Plas India Foundation, the (biggest body) of plastic in the country which covers (more like an umbrella) for all the institutions and (trade parties).

After the presentation, I'm going to give a little broader view (of opinion) industries. But before I start I have provided a presentation (into previews) starting with a view overview, we'll push onto the polymer industries and then it gets (unintelligible).

And then last but not least, I'd like to touch upon what are the possibilities available to us special to the U.S. where we like to look at what are the products they would like to capture.

If we got the year overview, as you can see, here is amazing captivities the - one of the oldest (unintelligible) of over 5000 years. We have 3.3 million (unintelligible) the country with the coastal line of over 7000 kilometers, over

1 billion population and I must say here is a country which has the highest number of languages spoken in this country but on the cart we have only two official languages.

We are proud to say we are the first largest Democrats in the world, the fourth largest economy with a (unintelligible) growth of over 9%. We must say that we are the second largest labor force in the world and proud to say we have 15 million new (unintelligible) that are coming regularly in the market.

As I (unintelligible), as you look at the distribution of population in India, way back in the '90s, we were different (unintelligible) people in the age groups. But today if you look at the distribution of the population today, all I can say is it's a (unintelligible) now.

We are a very, very young population available who work really well for the Web market. You can (unintelligible) forecast our income. The graph gives you backup GNI as well as a (deferment) ratio.

This period depicts the following dependency they show and the greatest (unintelligible). This gives a positive level expected for this family. The rising disposable income is the driving ke- is driving the connection of various products.

As you look at 2005 to at least 2025, this gives a very clear picture as to how the disposable income is available to everyone. This gives you a very clear picture on the way the growth is taking place in the average life in India.

It will - streaming from cars to (7000) cars today to (36,000) (teals) a day to (unintelligible) 2000 (babies) have been added, figure within 1000 washing

machines, 8-1/2 thousand, (unintelligible) thousand, this is being added every day in the life of Indians.

I'd like to divide the Indian population into two sectors - the older India, the rural India. Outbound India is a surging market and the evolution is taking place at a very fast pace.

Lately we can say if we clear (unintelligible) 20% with all predictions by 2025, it will be 32 (unintelligible). The other disposable income is also going very fast paced and (unintelligible).

As well as (unintelligible) we already have touched, we have probably upper India this major growth sector on the associated products were also 17% real estate and 35% (unintelligible) was 25% and (unintelligible).

Now going back to grow market, as we are already saying, this is a country which is mostly from the rural market. I must (unintelligible) 72% of the country or you can say 12% of the evolving population is (unintelligible).

With the (unintelligible) for look in people in (unintelligible) then it gets - we have to look at the possibilities. There is growing contacts to the farmers which gives the possibility for including this affordable income available from this.

The (unintelligible) market has this little diverse (roadside) market compared to the (unintelligible) market, a couple open markets. The (unintelligible) 25% growth, deliverables at 15%, (unintelligible) 23%, and telecom is the one that has very, very positive activities (unintelligible).

If we look at the rise of industry trade of services and go back to the '50s, in the '50s we were an economy dominated to the agriculture, (unintelligible) and textiles but if we look at in the '70s, we got into the (unintelligible) project management particularly considering (unintelligible) big way, pharmaceutical and defining markets, the major growth factors of that time.

Going back to the '90s, the shifting and (unintelligible) sector of IT software, mobile telephone, banking, insurance and pharma and research. But if we look at the 2000, the growth and the major, in 2000 we were doing lifecycle research, (returning) has become a booming sector, BPO and last but not least, the (unintelligible) market.

I'd like to put on the call for the (unintelligible), that India's manufacturing (unintelligible) to just highlight some of this. (Unintelligible) is one of the largest (unintelligible) manufacturers of plastic, (unintelligible) and they are headquartered in India.

(Mobile VA) is another largest (optical media) producer and they produce (unintelligible) and that plant also exists in India. (Unintelligible) anyone that we are proud to say that (unintelligible) produce a (car) which is costing \$2300 U.S. dollars and has a really very, very successful rating.

I (unintelligible) auto manufacturers are also seeing the competence from India. That speaks for the quality coming in from within the market now. (Royal) has already bought (unintelligible) in cars and marketed it and developed a brand name in Europe markets.

(Unintelligible) largest single location for this line but aligned to almost everybody in the world. And (unintelligible) is the lowest cost producer of (unintelligible) in the world.

We mentioned fuel. If we look at the biggest (unintelligible) Fortune 500 companies, I don't think that any name is (unintelligible) market. This lists (unintelligible) to health and pharma, to mining industry, general industry, (unintelligible) and foods. We've got - telecom sector are also companies or the banking.

Every segment you can see is the (fortune finder) of the big (unintelligible) markets. India growth - consumer markets, according to us - the predictions going on is going to (unintelligible) by 2025.

With the growth taking place in the markets, we feel that the world's fifth largest consumer market will be the Indian market by 2025 as well as (unintelligible) level is pretty low, whether it is for (unintelligible) cars, washing machine (unintelligible).

If you look at it, two major markets which are growing at a fast rate, be it in China or India, the best is yet to come. The (unintelligible) level, if it improves the way we have (taken ship) in the (unintelligible) markets, we will have the fantastic (unintelligible) available in this market.

Well what other key growth sector that (unintelligible) has already touched, the major has been the agriculture, infrastructure, material handling, (unintelligible), auto advances, (unintelligible) and hygiene.

(Unintelligible) has only in detail with these applications on this. If you look at the polymer industry as such, the way you can follow us, the (unintelligible) growth (unintelligible) of the polypropylene and poly (unintelligible) and (unintelligible) growth market.

Looking at the following (prediction) in India by 2010 - polypropylene captures close to 31% of total market and poly (clene) about 35%. We'll put together (unintelligible) over 60% of the total polymer industry.

As (unintelligible) sector growth (unintelligible) over 50% of the market, infrastructure close to 15%, agriculture almost 11% and the healthcare and consumer goods (unintelligible) activity with the expanding market.

As far as the (unintelligible) is concerned, the present scenario is that we have (unintelligible) 33,000 plus processing units in this country. And we have almost 97-plus processing machinery already installed. We are processing almost 23 million tons of polymer.

We provide employment to over 3 million people, not the least that we have a concentrated (unintelligible) in that space and most of the (unintelligible) factors.

(Unintelligible) processing is the next thing we look at. There are three sectors which are consistently covering growth - injection molding, (glow molding) and extrusion.

And this figure gives you the number of machines that are starting (unintelligible) of processing with the (star) capacity. Looking at the growth for the last five years, we look at the injection molding capacity, the (unintelligible) is coming.

This graph shows what are these segments - (unintelligible) molding, (glow) molding, or if we're going to extrusions on one (unintelligible), pipes, sheet or (unintelligible). What are our initial capacities coming in?

We can speak for (unintelligible) growth on machine to 11%. We start capacity going up by 17% and (unintelligible) over 21%. The (unintelligible) industries, the present capacity, India is proud to say we already have (unintelligible) in plant. We kept producing 90 (FMs) in the country.

We have some of that material growth in line with (unintelligible) processing. We have (unintelligible) previously cost in line already operating in the country and we have the largest (VOPP) producers (unintelligible) in small capacity of 180,000 tons.

On the segment of pipes, (unintelligible) pipeline has the capacity to produce the (unintelligible). But (unintelligible) we are producing almost 1400 (unintelligible) pipes, PVC pipes growth (unintelligible).

We are producing with the largest (unintelligible) and (unintelligible) are in capacity of 150 (unintelligible) for a minute. (Unintelligible) are really proud to say that we already have an injection molding machine with (unintelligible). The machine has a (unintelligible) capacity of 2800 tons.

On the technology front, now the electrical machines are - made a major (ingoing) to the industry. And they are already having 1600 tons machines operating in this country.

On the (blow) molding side, we already have (60 year) blow molding machines to start (for fuel tank) and specialty products. We have 1500 blow molding machines operating in the country.

On the global fabric, we have the (unintelligible) plants with capacity of 1000 (unintelligible). We have now the world's largest field (unintelligible) manufacturing (unintelligible). And the other important thing which we are

recording is (unintelligible) largest (unintelligible) manufacturing with the (unintelligible) I mentioned.

We have the world's (unintelligible) largest level two manufacturing (unintelligible) go back. We have the largest water (unintelligible) manufacturing in the world. And we have a (unintelligible) capacity. We still produce all 35,000 (unintelligible) plants.

Looking at some of the (other) investors, practically everybody has tried to take the (cake of the even) market. The business only quite well seen by the (outside) (unintelligible) in the country and the (unintelligible) to also continue to growth in this.

(Unintelligible) we are a (unintelligible) market. What are the (unintelligible) available to you at this time? I'm not saying, yes, it is a (unintelligible) point. It's for the point of view to explore the investment opportunity. It's to identify the (unintelligible). The (trophy) could be for (unintelligible). It could be for the plastic products or it could be for the machines.

And at the same time, it could one of the (unintelligible) in India. (Unintelligible) the supplier supplying the machine (unintelligible) technology in the market.

Commenting on the polymer growth, (unintelligible) culture infrastructure. They are the major growth - key factor - (pH) factor specifically to the growth (unintelligible) market.

Investors reporting different sectors, again, we come back on the (unintelligible) packaging (unintelligible) 50%, (unintelligible), 15%, consumer growth in auto is about 15% and (unintelligible) about 12%.

This gives an idea as to what are the research (unintelligible) capacity by 15, 16. Additionally, (unintelligible) new machine supply (unintelligible) 10 million US dollars by 2015, '16 with the growth taking place in the (unintelligible) India.

India has a - is (unintelligible) quota today for the plastics (unintelligible) here, plastic sheets, (unintelligible), blades, other molding and (unintelligible) items, (factory) items, (unintelligible), pipes, tubes, hoses, couplings, leather (cloths), flow (covering), writing instruments, houseware, ropes, or we have the (unintelligible) or the laminates.

On the (unintelligible) front, we - (unintelligible) sourcing (unintelligible) perhaps (unintelligible) in this market. On the (unintelligible), we have almost a (unintelligible). Major factors that (unintelligible) from the (unintelligible) in a big way, (unintelligible) chemicals, (unintelligible) or you have the (unintelligible) or (unintelligible) to all our operating (unintelligible) producing all types of polymers (unintelligible) to polypropylene, (unintelligible).

On the machinery front we have, again, some of the well known names available in the country while also producing material (unintelligible). We have a high output - 1.5 tons per hour (unintelligible) available in the country.

We are producing a (unintelligible) production line now for (unintelligible) for us. We have the technology for (unintelligible). We have a (unintelligible) molding machine capacity about (1800) tons. All electrical injection molding machines less then (unintelligible) tons and we are already approving.

(Low molding) machines up to 2 tons (unintelligible) and (electric) molding machine to make (unintelligible) up to 35,000 tons (litters).

On the - we have - what India needs from the other markets. We are looking at (unintelligible) in line (unintelligible) which is now coming in a big way in the world markets. We are looking at automatic block bottom (back) production lines.

We are looking at high (unintelligible). We also have a (partner) to bring in high production in automatic vacuum machine, high (unintelligible) injection molding machine of (unintelligible) capacity, (unintelligible) molding machines.

(Unintelligible) cost (unintelligible) line and (unintelligible) or electric (addition) molding machines. For all these things, we can (unintelligible) India in February of 2012 (unintelligible) India 2012 is going to (unintelligible) area of one (unintelligible) where (unintelligible).

We look forward to your participation. Be our partner. Be a part of our growth. Not only that we will (unintelligible) from India but also offer a lot of technology, also (unintelligible) in the market.

Looking forward to seeing you in February 2000 - 2012 showcasing these unique (unintelligible) in markets. Thank you.

(Nesha Watawan): Thank you so much Mr. (Grover). I will now toss the program back to colleague, (Debbie).

Deborah Dirr: Thank you so much (Nesha) and thanks to our speakers. Outstanding information especially there at the end. That was really great. Thank you.

Now I'd like to quickly - because I know we're a little behind. We got a late start - but I want to take some time to give you a brief overview of what the U.S. Commercial Service can offer for U.S. companies.

The U.S. Commercial Service provides export counseling which can address anything from what documentation your operations department needs to strategic export planning advocacy, business matchmaking services where we can set up pre-screen meetings with foreign reps, buyers, distributors, whomever you're looking for to enter a foreign market.

We can provide lists of potential partners and company background checks. Additionally, let me just go to the next slide - you can find the U.S. Commercial Service at trade shows. As Michael Taylor of SPI mentioned, we'll be at MPE.

Worldwide, we go to tradeshow. We're at tradeshow. My colleagues are (broader) at those. And we can be found at the overseas shows at the U.S. pavilions and offer counseling there.

At some of the larger domestic shows we're able to bring delegations of international buyers to meet with U.S. companies through our international buyer program.

And we also bring some of our commercial specialists like (Nesha), other colleagues from different countries and our commercial officers like Greg O'Connor from overseas to share their insight into the industry and market in their countries and provide counseling to our U.S. companies.

We also arrange and coordinate trade missions and programs overseas to help connect U.S. companies and potential partners and buyers. You can locate our

events by industry date and country at www.export.gov under trade events where there's a searchable list.

And in addition to today's program, the U.S. Commercial Service offers many different export training and education opportunities. We offer seminars and Webinars about a variety of exporting topics and export controls, U.S. export laws to specific industries or countries like the one today.

Again, you can find a searchable list at export.gov under trade events and on the Web site of the local U.S. export assistance center which will list events local to you.

So for the - our U.S. companies on the line, we really urge you to please reach out to your local U.S. export assistance center for export assistance. They coordinate with our colleagues abroad.

Or if you're interested in learning how to grow your business internationally or want to know more about any of our services, so you can find your local office at www.export.gov and you can search under locations by city and state.

So we want to thank you for your time. We will take questions now. Operator, we're ready.

Coordinator: Okay, at this time if you'd like to ask a question, please press star 1 on your touchtone phone and record your first and last name so that you may be announced. In order to withdraw your question, you will press star 2.

Once again, if you'd like to ask a question, please press star 1 on your touchtone phone and record your first and last name so that you may be

announced. One moment please for our first question. And it looks as though there are no questions ma'am.

Deborah Dirr: Okay, I have a question for our speakers in India if they can address this. I know that environmental standards are a big issue with a lot of the countries as they manufacture these products and I just wonder if I - without a lot of detail if you don't know, but do you see environmental standards being developed as these plastic products are ramping up in the market? Just wondering if you're seeing any of that.

(Saloop): This is (Saloop) here. As far as the standard for the environmental issues is concerned, in the industry and or (unintelligible) standards has been very (unintelligible).

And there were standards on the recycling of plastic dates back to almost the last 15 years and we have also adapted the ISO standards especially related to (bio) visibility and composting.

Deborah Dirr: Okay thank you.

(Saloop): Does that answer your question?

Deborah Dirr: Okay thank you. Thank you. I just wondered about that.

(Saloop): Yes, we are very (proud) too especially to (unintelligible) standards organization. In fact, there is an Indian gentlemen (unintelligible) who has known - become the (convener) of the working group on environmentally (shows) in IS 30 361 which is our plastics.

Deborah Dirr: Okay great. Thank you very much. Okay, operator, are there any questions from the attendees - from the audience?

Coordinator: Yes, it looks like we have a few at this time. Give me just one moment ma'am.

Deborah Dirr: Thank you.

Coordinator: It looks like our first question will be coming from (Mark Lone). Your line's open.

(Mark Lone): Hi, I guess the first question I have is what is the intellectual property protection that our U.S. firms have to protect ourselves over in India? We all know that China is a - you really put yourself in jeopardy to have your components or technology copied the following week or month thereafter. Is there any kind of stability we have with exporting our products to India?

Man: Mr. (Grover) would you like to answer this?

(Ned Grover): I - yes, (Ned Grover here). I think actually intellectual property, there is concern, the (laws) are gradually becoming (strict) day by day. But, yes, I agree, they're not very strong as (one did).

And as far as product copying is concerned, that's a phenomena (unintelligible) on the world market but as far as technology is concerned, it's well guarded here.

I don't foresee any problems from the technology (unintelligible) (that I agree). I don't foresee any (unsafe) execution in that market. (Unintelligible).

Man: There more (American) companies who transfer their technologies (unintelligible) in the (situation) or (related) in the machinery. When we talk to them, they are not facing much of the problem. Things are protect- well protected. But as Mr. (Grover) said, we need to be more stringent as far as intellectual property rights are concerned.

Deborah Dirr: Okay thank you. Operator, do you have another question?

Coordinator: Yes. (Mamane Bash), your line's open.

(Mamane Bash): Hi. My name is (Mamane Bash). I'm entirely new to import/export industry and never I think throughout - and I'm originally from India but I've been living in the U.S.

My question is when I - I want to jump into this line. I always liked environmental (micro cell) free (world) architecture before. How should I begin? Should I go to a U.S. company, I mean, a U.S. trade office first or should I reach out to (Nesha) in India to explore what is available there for me? That's my question.

Deborah Dirr: I can answer that but then I'm going to ask my colleagues to also jump in - chime in. It would probably be good for you to start with your local trade office but you can also contact (Nesha) directly and I'll have our contact information at the end of this. Either way really.

I think the thing with working with a local office, it gets you connected with all the other countries where we have a presence. If you wanted to contact (Nesha), that'd be fine.

If, you know, you wanted to talk to her about India. And ideally coordinate with your local trade person.

(Mamane Bash): Okay.

Deborah Dirr: So I'd be glad to talk with you about that offline.

(Mamane Bash): Okay, thank you very much.

Deborah Dirr: You bet. If anybody else wanted to chime in on that, please do so.

Coordinator: It looks like we have another question. That li- person did not record their name so I'll go ahead and open up their line.

Deborah Dirr: Okay.

Coordinator: If you press star 1 to ask a question and did not record your name, your line is now open. Your line is open.

(Estaban Relan): Yes, thank you. This is (Estaban Relan). We have in the United States Google as the primary search engine to find companies overseas. But do they have a specific search engine in India that we should use in order to gain exposure in that company?

Deborah Dirr: Hello. Did anyone...

Man: Yes, can I ans- can I give a little explanation here? Actually, where market is concerned, the search engines will be other things and Google search is really developing from (unintelligible). You can go on to that.

But there's also specific - when you're searching (unintelligible) you should log in, we're going to (unintelligible).

(Estaban Relan): I'm sorry, I didn't get the name of that search engine.

(Globart): My name is (Globart). I said in India, I don't think you have to look up for an engine search. You need to look for the end products. If you just go on to the search name like Google, you will be able to use - access a lot of information about the Indian's market can be industry.

(Estaban Relan): Okay, I do have a second follow up question regarding searches. And the U.S. Department of Commerce for - in India and Asia, do you have a database of plastic manufacturers in India?

Woman: No, we don't have such database but we can provide you the details, you know, if you need.

(Estaban Relan): Okay.

((Crosstalk))

Man: ...presenting at the - I'm sorry, if I can add here, if you're looking at any specific information on the Indian industry, yes, well we on the (unintelligible) foundation, would you like to ask may be able to give you what information we have since we are the umbrella body, (probably) plastic industry in the country.

(Estaban Relan): Thank you very much.

Coordinator: And we do have one other question. Your line is now open. Your line is open.
Go ahead with your question sir.

(Trevor Within): Was this for (Trevor Within). Can you hear me?

Deborah Dirr: Yes.

(Trevor Within): Okay great. My question was on the smaller part of the market, for engineering plastic. I know we said a very large part of the market was for commodities but I wanted to understand how they mix for engineering plastics, was changing over time and what was some of the key drivers or growth areas for that.

(Rekay Grover): If I can add here, (Grover) here once again, I see (unintelligible) add to what I add. The (unintelligible) industry and polymers, one of (unintelligible) the national application is growing in a big way. As I have mentioned, that implementation also, that 15 of the large com- auto manufacturers in the world are still (seeing) their product from India.

The - thank you - (unintelligible) capacity is most up to date in the country. Most the engineer polymer plastics in the best possible way in the country. Most of the products are already done up here. All I can say is if you want implementation to offer something such as additives or some performance polymers, which would really enhance the properties but could add on to the end market (unintelligible) you can cap the end market.

But that's where an end market is concerned. They didn't (unintelligible) already taken a major in growth and possibilities are many.

(Trevor Within): Great. And just a follow up to that, you said if there was anything that could be brought in terms of specialty additives or performance polymers that aren't already there, this will be a great opportunity.

Are there any particular ones that stick out right now, holes in the market of significant opportunities?

Man: If I may add, actually there's a lot of shift taking place. Of course, engine and plastics are growing. But at the same time, because of the cost economics, some of the commodity polymers are being upgraded by their enhancement in terms of their physical mechanical properties.

To give an example, a lot of these - some of the engine in plastics have been replaced by polypropylene, by enhanced reinforcements like glass enforcement or some other things.

So that thing is also going to a great extent. (Unintelligible) car companies started with a blend of polycarbonate and PVT or - but the Japanese technology, it was operation of polypropylene to glass fiber and other mineral fibers.

And now most of the cars, including the ones from U.S. companies like General Motors, they using upgraded polypropylene as a substitute for (unintelligible) and (acids). But this is just an example.

The commodity polymers are also being upgraded so there's a huge scope in that. And at the same time, for specific applications, there's genuine plastics have to be used. They're also growing.

(Trevor Within): Thank you.

Man: If I can add a little bit on that, (nano) polymers is the next area which we'll be entering in the market in a big way. If you have something to offer, that's an opportunity. You can work with them doing this now.

Coordinator: Mr. (Vaswani), you're line is open.

(Kersey Vaswani): Yes hi. This is (Kersey Vaswani) and I'm a managing partner at Indian Business Solutions. We help U.S. companies enter India through joint ventures or mergers and acquisitions.

My question was we have a client here in the U.S. that manufacturers chemicals and machinery used in the manufacturer or plastics. Now since India is a very price sensitive market, how would you advise a U.S. company to enter India?

Would it be better to export to India? I mean, I - or is it better to have a joint venture with an Indian company to manufacture the end goods or products in India itself?

Man: I would like to, without going into the details of what are the chemicals and what are the machines they are making - as far as the chemicals are concerned, I'm sure they must be having some proprietary technology so I don't know whether they would like to manufacture it over here overnight, what kind of volumes that they are developed in the production specifics.

Maybe to start with, they could start exporting that chemical over here. As I can see, this could be the approach for harmless chemicals. As for machine is concerned, a joint venture could be a better option in the long run because you

can - to answer the technology and with a local manufacturing base being very strong in the country, that could be a better option.

But I think a more specific answer could be given for you sitting across the table and discuss more in detail with (unintelligible).

(Kersey Vaswani): Sit - I mean, who would sit across the table from yo- i- someone from your organization?

Man: Yes, we could assist you and guide you.

(Kersey Vaswani): Can - I see. How do I get hold of - I mean, this is a very basic question - your contact information? Has that been handed out.

Man: (Vashas) will be able to put you in touch with us.

(Kersey Vaswani): Okay.

Deborah Dirr: Yes, (Nesha) and I - I'm (Debbie) Dirr - we'll make sure you get any other information later if you just contact us.

(Kersey Vaswani): Okay great. And in terms of the actual chemicals that are proprietary - you think the U.S. company would be able to compete in India due to the price sensitive nature of, you know, just putting all goods in India?

Man: Well, I work for a company which is basically a good joint venture in India (unintelligible) from U.S. We are selling most of the performance chemical, all inputs from U.S. in the country.

Prices are the criteria. The properties of the polymer are facts. But certainly they have been a major (unintelligible) and we have been able to upgrade it in (unintelligible) demand.

So I don't think price should be the criteria to enter unless you are entering a commodity where price is the deciding factor to compete. That's a different segment.

But if you have a chemical which have a unique property, certainly price is not a factor according to me. It is your strength of (end of) properties which will bring in the technology which will bring in the performance which will upgrade the technology getting the country. Price should not be the deciding factor at all.

(Kersey Vaswani): Okay thank you.

Deborah Dirr: Okay, I think that's all the time we had for questions. I see a question from (Emily). If you're still on, let's just take that one real quick. Are you on (Emily)?

Coordinator: I'm not showing here in the audio portion.

Deborah Dirr: Okay.

Coordinator: (Emily), if you are on, you will need to press the star 1 to have your line open.

Deborah Dirr: Thanks. And I can get with her on her question. (Nesha) and I can help her with her question. And Mr. (Patel), I think it is - (Prakash), I see your question and I will get back with you also offline.

Woman: I do believe we have (Emily).

Deborah Dirr: Okay. (Emily).

Coordinator: Go ahead with your question.

Deborah Dirr: Just one more question and then we'll close.

Coordinator: Please check your mute button. Your line is open.

Deborah Dirr: That's okay. (Emily), I'll read your question. She wanted to know what specific products were most needed in the consumer healthcare field, if anybody can field that question for consumer healthcare.

(Saloop): Consumer healthcare - (Saloop) here - can be divided into two parts. One of the polymer disposable, like your syringes, you have (unintelligible) and you have blood bags and other things. So they're very much needed for consumer health products.

And on the other hand, you have things in the packaging sector and also the hygiene sector like (non-woven) clothing and you have got gowns and surgical thing like that.

And one of the American companies, (unintelligible), they're having their facility in India to manufacture those products.

Deborah Dirr: Okay great. That's very helpful. And okay, so - and - so (Emily) we would be glad to follow up with you on more, you know, detail, maybe how we can help you with that additionally.

Okay, I'm going to close the program. I appreciate all the questions. That's all the time we have now and just want to thank everyone. Our speakers again, thank you so much, my colleagues and everybody who attended today, our audience.

I will, in answer to questions about this, we will have the presentation on our export.gov site, the recorded version of that. And if you go to our export.gov site and choose industry information, manufacturing is listed as an industry. Toward the bottom of the page, there's a list of industries

Our recorded version of this Power Point, well this program, will be on that portal so that you know that will be available. So please check our export.gov Web site for upcoming programs. Stay tuned. We have many more of these. And thank you so much for joining us. Have a great day.

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