

May 17, 2022

DIC Corporation

**Ideal Chemi Plast of India Commences Construction of
New Coating Resins Production Facility**

—The new facility will triple Ideal Chemi Plast’s production capacity, positioning it to respond to demand in the fast-growing economy’s coating resins market—

Tokyo, Japan—DIC Corporation announced today that its wholly owned subsidiary Ideal Chemi Plast Private Limited, based in the state of Maharashtra, India, has commenced construction of a new coating resins production facility in the state’s Supa industrial area. The new greenfield project will increase Ideal Chemi Plast’s production capacity for these resins, enabling it to keep pace with rising demand in India.



Artist’s conception of the completed new production facility

DIC has formulated a strategy for expanding the DIC Group’s presence in coating resins markets across Asia. The Indian market, a key target of this strategy, is projected to see annual growth in excess of 9%. With the aim of capturing local demand, in April 2019 DIC acquired Ideal Chemi Plast, having determined that fusing its ability to develop high-end coating resins with the Indian company’s extensive sales channels, customer base, grasp of user needs, and supply chain would swiftly elevate its market position in India. With its existing coating resins production facility operating at full capacity ever since the acquisition, underpinned healthy demand, Ideal Chemi Plast recognized the need to swiftly augment capacity and purchased a site for a new facility in March 2021. Construction began in April this year.

The new facility, which is expected to begin operating in July 2023, will triple Ideal Chemi Plast's production capacity. Reactors will also allow local production of new environment-friendly products and products for the global market developed at DIC's Polymer Technical Center Asia Pacific in Thailand. To ensure it operates in a manner that does not harm the environment, the facility will install a Zero Liquid Discharge system, enabling it to treat all wastewater internally to produce clean water suitable for industrial use. This New facility also focuses on carbon footprint reduction by selecting natural gas as fuel, energy efficient machineries with good engineering practice and better safety standards.

Profile of new facility

Location:	Supa industrial area, Ahmednagar district, Maharashtra, India
Site area:	48,500 m ²
Principal products:	Coating resins (acrylic resins, polyester resins, alkyd resins, others)
Applications:	Industrial (automotive refinish coatings, coil coatings, others)
Start of construction:	April 2022
Start of operations:	July 2023 (scheduled)

Looking ahead, the DIC Group will continue working to strengthen its presence in the Indian coating resins market by further boosting both its production capacity and the range of products it offers, thereby improving value provided to local customers and locking in persistently robust demand. In line with the regional strategy set forth in its DIC Vision 2030 long-term management plan, which calls for building in growth by expanding its production bases in South Asia, the Group will also step up marketing efforts by subsidiary DIC South Asia Private Limited, which oversees sales of DIC products in the western part of the region, and work to bolster South Asia's role as a base for exporting coating resins to the Middle East and Africa.

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Related news release

DIC Acquires Mid-Tier Coating Resins Manufacturer in India (May 7, 2019)

<https://www.dic-global.com/en/news/2019/ir/20190507000010.html>

For more information, please contact the Corporate Communications Department of DIC Corporation at +81-3-6733-3033 or dic-press@ma.dic.co.jp.