Investment Opportunities in Petroleum Jelly

Petroleum jelly or petrolatum was discovered as a paraffin-like material coating oil rigs. Since then, it has been used in various ointments and as a lubricant. Petroleum jelly is mixture of mineral waxes and oils that together lock moisture in skin, moisturizing it to repair and relieve dryness. They are stabilized in such fashion that the oil appears to form the internal phase, whereas the wax compound forms the external phase.

Petroleum jelly is made by the waxy petroleum material that formed on oil rigs and distilling it. The lighter and thinner oil-based products make up petroleum jelly, also known as white petrolatum or simply as petrolatum. Robert Chesebrough is the chemist who devised and patented this process. Basically, the crude material undergoes vacuum distillation. The still residue is then filtered through bone char to yield petroleum jelly.

At room temperature, petroleum jelly is an odourless semi-solid which consists of a mixture of hydrocarbons.

Petroleum jelly has fibrous or grease like structure and also possess discreet drop point and penetration value . Petroleum jelly may be considered as microcrystalline wax which has absorbed the oil, resulting in an amorphous jelly like mass. It is mostly available in two colours namely white and yellow.

Petroleum jelly is hugely versatile, and it's used all over the world to protect and heal dry skin, from dry, cracked hands to hard skin on heels, as well as for beauty purposes, like softening the lips or highlighting the cheekbones.

Application sector

Petroleum jelly is an ingredient in many cosmetics and lotions. Originally it was marketed as a burn ointment. Petroleum jelly also may be applied to dry or chapped skin to seal in moisture. A variation known as red veterinary petroleum confers some protection against UV (ultraviolet) exposure and has been used as a sunscreen.

- Pharmaceuticals/ Cosmetics industry
- Jelly filled cable
- Leather industry
- Rubber industry
- Other miscellaneous application including rust prevention etc.

Petroleum jelly white / yellow IP uses are as follows:

- Skin ointment / Skin cream
- Hair Vaseline
- Pain balm
- Cold cream and cosmetic preparations
- Ophthalmic ointment

- Vaporub Ointment

One of the formulae for petroleum jelly may be as under:

Sr. No.	Item	Quantity (%)
01.	Paraffin Wax	20 %
02.	Microcrystalline Wax	20 %
03.	White Oil	60 %

Indian demand:

Various Cosmetics and pharmaceuticals are used by the large number of people in general for wounds, cuts, burns, skin diseases. In today's business word, more and cosmetics industries are coming up and thereby increasing the demand for the raw materials like petroleum jelly. Hence it can be assumed that the petroleum jelly is having very good market potential in view of development of cosmetic & pharmaceutical industry in India.

Present demand for petroleum jelly including export demand is around 70000 metric tonne per annum

Growth rate in demand for 2021: 7% per annum

Indian producers include the following:

- Eastern Petroleum (P) Ltd., Maharashtra
- Mahatha Petroleum (P) Ltd., Tamilnadu
- Panama Petrochem Gujarat
- Gandhar Oil Refinery Maharashtra
- Asian Oil Company Maharashtra
- Bhakti Petrochem P Ltd., Maharashtra
- Unicorn Petroleum Inds P Ltd., Maharashtra
- Kim Chemicals Ltd , Maharashtra

Global petroleum jelly market

Global supplies of microcrystalline wax and petroleum jelly continue to shrink due to the reduction in API Group I and specifically base oil Group I production capacity.

On the other hand, demand for microcrystalline wax and petroleum jelly continues to be strong, helped by the recovery in many parts of the world. The resultant rise in prices has motivated wax de oilers, blenders, specialty wax producers to seek alternatives.

The interplay of supply and demand drivers and the penetration of alternate materials will set the future direction of this product market. While natural and organic products account for a small percentage of the total skin care market, their share is growing faster than the general market.