

NIIR PROJECT CONSULTANCY SERVICES NPCS

Investment in Super Absorbent Polymer Manufacturing Unit

Transforming Market Intelligence into Manufacturing Success — Mannheim, Germany

CLIENT
Lummus Novolen Technology
GmbH

LOCATION
Mannheim, Germany

INDUSTRY
Chemicals / Polymers

✓ PROJECT APPROVED & IN IMPLEMENTATION

ABOUT NIIR PROJECT CONSULTANCY SERVICES (NPCS)

Niir Project Consultancy Services (NPCS) is India's foremost industrial consultancy and knowledge enterprise, enabling entrepreneurs, MSMEs, investors, and large corporations to make informed investment decisions across the full spectrum of manufacturing and industrial sectors.

NPCS is part of Asia's leading industrial knowledge ecosystem with thousands of project profiles and global consulting expertise.

Core Services Delivered by NPCS:

- Detailed Project Reports (DPR) — bankable, investor-grade documentation
- Techno-Economic Feasibility Studies — market, technical, and financial deep-dives
- Market Research & Competitive Intelligence — demand forecasting, pricing, benchmarking
- Engineering Advisory — plant layout, process selection, machinery specification
- Implementation Roadmaps — procurement, regulatory compliance, workforce planning
- Strategic Advisory — partnership identification, sustainability integration, risk mitigation

NPCS — BY THE NUMBERS

<p>30,000+ Detailed Project Reports Published</p>	<p>50+ Client Countries Served</p>	<p>30+ Years of Industrial Expertise</p>	<p>250,000+ Industrial Projects Delivered</p>
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CLIENT OVERVIEW

M/s. Lummus Novolen Technology GmbH is a distinguished engineering and technology company headquartered in Mannheim, Germany. Leveraging its deep expertise in polymer technologies and industrial engineering, the firm sought to diversify into a long-term, high-margin manufacturing venture that aligned with its sustainability commitments and growth objectives.

The client engaged NPCS to identify and evaluate the most promising manufacturing investment opportunity — one that would offer consistent demand, moderate capital requirements, and strong long-term growth potential within the global chemicals and polymers sector.

Project Snapshot

Client Name	M/s. Lummus Novolen Technology GmbH
Location	Mannheim, Germany

Industry	Large-scale Investment — Chemicals / Polymers
Project	Super Absorbent Polymer (SAP) Manufacturing Unit
Services by NPCS	Techno-economic feasibility study, market assessment, raw material analysis, cost estimation, financial viability evaluation, implementation planning, strategic advisory
Implementation Status	Client has reviewed NPCS's feasibility insights and is proceeding with implementation

CHALLENGES & PROBLEM STATEMENT

Before engaging NPCS, M/s. Lummus Novolen Technology GmbH faced a complex set of strategic and operational questions as it considered diversification into manufacturing:

Market & Demand Gaps

- Identifying which polymer product categories offered scalable, defensible demand versus commodity price wars
- Understanding how rapidly emerging markets in Asia Pacific would translate into addressable demand for European producers
- Evaluating the competitive moat against established SAP giants such as BASF (600 kt/y) and Evonik (500 kt/y)

Technical Complexity

- Selecting the optimal polymerization process (gel, suspension, or solution) with the right trade-offs in yield, energy use, and capital cost
- Ensuring surface cross-linking capability to meet the evolving specifications of diaper converters requiring ultra-thin, high-performance grades
- Navigating stringent EU environmental and chemical safety regulations (REACH, CLP)

Financial & Investment Risk

- Capital requirements exceeding USD 50 million for a 30 kt/y plant demanded rigorous financial modelling before commitment
- Acrylic acid feedstock price volatility posed a meaningful margin compression risk
- Determining realistic IRR, payback period, and NPV scenarios under multiple commodity-price and demand assumptions

Raw Material & Supply Chain

- Confirming secure, cost-effective access to acrylic acid, sodium hydroxide, and cross-linking agents in the Mannheim region
- Mapping logistics corridors to key customer segments (diaper converters, medical, agriculture)

OUR APPROACH & STRATEGY

NPCS deployed a six-stage structured consulting methodology to derisk the investment decision and build an investor-grade feasibility framework:

- 01

Project Identification & Opportunity Screening
 Evaluated multiple polymer and specialty chemical categories. Identified SAP as the highest-fit opportunity based on demand stability, capital profile, raw material availability in Germany, and alignment with client capabilities.

- 02

Market Analysis & Demand Forecasting
 Conducted rigorous global and regional demand analysis across hygiene, agriculture, medical, and industrial application segments. Quantified growth trajectories, competitive landscape, and pricing dynamics.

- 03

Technical Feasibility Assessment
 Compared gel polymerization, suspension polymerization, and solution polymerization processes. Selected and documented the optimal gel-belt process for highest yield, easiest surface cross-linking, and proven scalability.

- 04

Financial Modelling & Viability Evaluation
 Built multi-scenario financial models covering capital investment, operating costs, revenue projections, sensitivity to feedstock prices, IRR, NPV, and payback period. Concluded IRR exceeding 25% over project life.

- 05

Raw Material & Supply Chain Analysis
 Mapped acrylic acid, sodium hydroxide, and cross-linker supply chains in Germany and Western Europe. Identified Mannheim's strategic advantage as a petrochemical hub with major suppliers in proximity.

- 06

Implementation Strategy & Strategic Advisory
 Developed a phased execution roadmap covering engineering, procurement, regulatory compliance, environmental approvals, workforce planning, and strategies for accessing premium product segments and sustainable feedstocks.

SCOPE OF SERVICES DELIVERED

Research & Analysis	Technical & Financial Deliverables
<ul style="list-style-type: none"> ✓ Global market demand assessment ✓ Application segment analysis ✓ Competitive intelligence (BASF, Evonik, Nippon Shokubai) 	<ul style="list-style-type: none"> ✓ Detailed Project Report (DPR) ✓ Process selection & plant layout recommendations

<ul style="list-style-type: none"> ✓ Raw material supply chain mapping ✓ Regulatory & environmental compliance review 	<ul style="list-style-type: none"> ✓ Machinery selection & CAPEX benchmarking ✓ Multi-scenario financial model (IRR, NPV, payback) ✓ Phased implementation roadmap
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PROJECT EXECUTION TIMELINE

Phase	Milestone	Key Activities
Phase 1	Engagement & Scoping	Client briefing, NDA, objectives alignment, NPCS team formation
Phase 2	Market Research	Global demand analysis, application segments, competitive benchmarking, pricing study
Phase 3	Technical Feasibility	Process comparison, technology selection (gel polymerization), plant layout, machinery specs
Phase 4	Financial Modelling	CAPEX/OPEX estimation, revenue forecasting, IRR/NPV/payback analysis, sensitivity runs
Phase 5	DPR Preparation	Full Detailed Project Report compilation, review, and submission to client
Phase 6	Strategic Advisory	Implementation roadmap, regulatory guidance, sustainability strategy, partnership identification
Phase 7	Client Decision	Client review, Q&A sessions, investment decision — Approved
Phase 8	Implementation	Detailed engineering, equipment procurement, site preparation (ongoing)

TECHNICAL INSIGHTS — SAP MANUFACTURING PROCESS

Super Absorbent Polymers are cross-linked polymer networks capable of absorbing 300–500 times their own weight in liquids. NPCS evaluated three primary polymerization routes and recommended the horizontal-belt gel polymerization process for this project.

Recommended Process: Horizontal-Belt Gel Polymerization

Step 1	<p>Monomer Preparation</p> <p>Acrylic acid monomer is partially neutralized with sodium hydroxide (NaOH). Cross-linking agents (e.g., TMPTA, tetraallyl ethoxy ethane) and initiators are added to the aqueous monomer solution.</p>
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Step 2	<p>Belt Polymerization</p> <p>The monomer solution is spread onto a continuously moving stainless-steel belt under UV or thermal initiation. The exothermic polymerization reaction produces a gel cake with high water content.</p>
Step 3	<p>Gel Chopping & Drying</p> <p>The gel cake is chopped into smaller granules and fed into a belt or fluid-bed dryer. Drying reduces water content to target specification (typically 5–8% moisture).</p>
Step 4	<p>Grinding & Classification</p> <p>Dried polymer mass is ground and classified to achieve the target particle size distribution (typically 150–850 µm). Oversized and undersized fractions are recycled.</p>
Step 5	<p>Surface Cross-Linking</p> <p>Particles are coated with a surface cross-linker (polyol or epoxy-based) and heat-treated to enhance gel strength and permeability — critical for premium diaper and incontinence applications.</p>
Step 6	<p>Quality Control & Packaging</p> <p>Finished SAP is tested for centrifuge retention capacity (CRC), absorption under load (AUL), and permeability. Product is packaged in 25 kg bags or bulk containers for shipment.</p>

Key Machinery & Technologies:

- Continuous belt polymerization line with UV/thermal initiation system
- Gel chopper and belt dryer / fluid-bed drying system
- Multi-stage hammer mill and air classifier for grinding
- Surface cross-linking rotary drum with precision thermal control
- In-line quality monitoring instruments (NIR, laser particle sizing)
- Automated bagging and palletizing system

FINANCIAL & MARKET ANALYSIS

NPCS developed comprehensive financial projections to provide the client with full visibility into investment economics, risk parameters, and return potential.

Key Financial Indicators

<p style="font-size: 1.2em; font-weight: bold; color: #008000;">USD 50M+</p> <p style="font-weight: bold; color: #003366;">Capital Investment (CAPEX)</p> <p style="color: #003366; font-size: 0.9em;">30 kt/y horizontal-belt gel plant</p>	<p style="font-size: 1.2em; font-weight: bold; color: #008000;">>25%</p> <p style="font-weight: bold; color: #003366;">Projected IRR</p> <p style="color: #003366; font-size: 0.9em;">Over project lifetime</p>	<p style="font-size: 1.2em; font-weight: bold; color: #008000;">30 kt/y</p> <p style="font-weight: bold; color: #003366;">Plant Capacity</p> <p style="color: #003366; font-size: 0.9em;">Horizontal-belt gel polymerization</p>
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<p>USD 9.7B</p> <p>Global Market Size (2025) <i>Future Market Insights estimate</i></p>	<p>USD 16.4B–18.8B</p> <p>Market Size (2036 Forecast) <i>CAGR ~4.9%</i></p>	<p>4.94M tons</p> <p>Global SAP Volume (2031) <i>Growing from 3.80M tons in 2025</i></p>
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Market Demand Analysis

<p>Application Segment</p> <ul style="list-style-type: none"> ● Baby diapers & child hygiene — ~60% of total SAP volume ● Adult incontinence products — fastest growing at ~5.45% CAGR ● Feminine hygiene — stable demand in mature markets ● Agriculture — water-retention in arid regions, double-digit CAGR ● Telecom cables & cold-chain logistics — niche but fast-growing 	<p>Regional Dynamics</p> <ul style="list-style-type: none"> ● Asia Pacific — volume leadership, growth engine ● Europe (Germany) — premium grade demand, replacement cycles ● North America — stable institutional & medical demand ● Middle East & Africa — emerging diaper penetration upturn ● Sodium polyacrylate SAP — ~65% of total market by chemistry
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RESULTS & OUTCOMES

Following NPCS's comprehensive feasibility study and strategic advisory, M/s. Lummus Novolen Technology GmbH confirmed its investment decision and has commenced detailed engineering and procurement activities. The outcomes represent substantial and measurable value creation:

<p>Business Impact</p> <p>Investment in a USD 50M+ manufacturing plant approved and initiated</p> <p>Clear pathway to an IRR exceeding 25% over the project life</p> <p>Diversified revenue streams across hygiene, agriculture, and industrial segments</p> <p>Strategic entry into a USD 16B+ global growth market</p>	<p>Risk Mitigation Achieved</p> <p>Raw material supply risk addressed via Mannheim petrochemical cluster proximity</p> <p>Feedstock price sensitivity modelled and mitigated through multi-scenario analysis</p> <p>Technology risk reduced by recommending proven gel-belt polymerization process</p> <p>Regulatory risk mapped with EU REACH / CLP compliance roadmap</p>
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CLIENT TESTIMONIAL

"NPCS provided us with a comprehensive, data-driven feasibility study that examined every aspect of the super absorbent polymer opportunity — from raw material supply and market dynamics to plant design and financial modelling. Their insights gave us the confidence to invest in a new manufacturing venture that aligns perfectly with our sustainability and growth objectives. NPCS's professional approach and technical depth made them an invaluable partner in our decision-making process."

— Senior Representative, M/s. Lummus Novolen Technology GmbH, Mannheim, Germany

WHY CHOOSE NPCS

★ Proven Industrial Expertise

30+ years and 30,000+ DPRs across all major manufacturing sectors — chemicals, polymers, food, pharma, agro, metals, and more.

★ Data-Driven Feasibility

Every report is grounded in primary research, industry databases, and NPCS's proprietary knowledge base — not generic templates.

★ End-to-End Project Support

From opportunity identification to implementation planning, NPCS supports clients at every stage of the project lifecycle.

★ Global Market Understanding

Clients in 50+ countries trust NPCS for cross-border market intelligence, demand forecasting, and regional investment strategies.

★ Risk Mitigation Focus

NPCS identifies and quantifies key project risks — technical, market, financial, regulatory — and provides actionable mitigation strategies.

★ Sustainability-Aligned Advisory

NPCS integrates ESG considerations and sustainability best practices into every feasibility study, future-proofing your investment.

CONCLUSION

The M/s. Lummus Novolen Technology GmbH engagement exemplifies NPCS's ability to transform a complex investment hypothesis into a structured, evidence-based, and bankable business case. By deploying a rigorous methodology spanning market intelligence, technical evaluation, financial modelling, and strategic advisory, NPCS enabled the client to make a confident USD 50M+ investment decision in the Super Absorbent Polymer sector.

The SAP project in Mannheim positions Lummus Novolen at the intersection of three powerful global trends: rising hygiene product consumption in emerging markets, growing agricultural demand for water-retention solutions, and the industry's transition toward sustainable, low-carbon manufacturing. NPCS's comprehensive DPR has provided the client with the operational blueprint and strategic confidence required for long-term value creation.

This case study stands as proof that the right advisory partner — one that combines deep industrial knowledge, global market intelligence, and rigorous financial discipline — can decisively reduce investment risk and accelerate the path from vision to profitable reality.

READY TO BUILD YOUR NEXT INDUSTRIAL PROJECT?

Partner with Niir Project Consultancy Services (NPCS) to transform your investment idea into a profitable industrial venture.

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