

‘Overall demand in the paint sector will continue to be positive’

► CURRENT PERFORMANCE OF INDIAN PAINTS & COATINGS INDUSTRY...

Like all other industries, the Indian paint industry too has been affected by the current global economic downturn. This effect was witnessed strongly during the third quarter of FY2008-09. The current situation in India is quite volatile. The government has already started taking steps to curb inflation by slashing the interest rates on home loan and excise duty. I feel that this will have a positive impact on the overall economy. We have seen a direct co-relation of the growth of the paint industry with the growth of GDP in the country. The total contribution of the paint industry is anywhere between 1.5 and 1.75 per cent of the entire GDP. During FY2008 -09, the GDP is expected to grow anywhere between 6-7 per cent. It is difficult to forecast whether during this year, the paint industry would witness a single digit or a double digit growth.

► ***The overall demand in the paint sector will continue to be positive and is likely to get impetus through factors like the low penetration levels of paint in India, policies conducive to the growth of the construction industry, increase in government focus on infrastructure development.***

R&D INITIATIVES IN YOUR COMPANY...

R&D has played a pivotal role in the growth of



“Innovation is not just the domain of technology development. It can also be a process to meet the demands of the consumers and make them come back for more,” says **Dr Mosongo Moukwa**, Vice President-Technology, Asian Paints.

Armed with a Ph.D in engineering from the Universite de Sherbrooke, Quebec, Canada, this management graduate from Case Western Reserve University, Cleveland, US has over 20 years of experience. He has been one of the driving forces behind the exponential growth of his company by way of commercialising new technologies, developing new markets and introducing a diversified product portfolio. In a tête-à-tête with **Richy D Alexander**, Moukwa shares his perspective on the Indian paint & coating industry and the latest trends.

Asian Paints. Our company has always invested in research and development. We have set up one of the largest technology centres in the country for paints and coatings at Turbhe, Navi Mumbai.

Our technology and product development is focussed on enhancing the performance of paints and coatings. These improvements have been initiated with a view to implement new functions into coatings, in order to create products with additional properties. Secondly, there was a need to save energy and time and by forcing paint processing companies to reduce the use of volatile organic and hazardous compounds in coatings due to the environmental legislation of the US and the European community. The third reason was due to the use of new types of substrates in some industrial applications.

ENVIRONMENT-FRIENDLY PERSPECTIVE...

In the wake of the constant change in the environmental legislations around us and the shift in the preference of the consumers who are demanding high quality and environment-friendly products, our focus will continue to be on developing modern paints such as water based, high solids, radiation curable and powder. Coatings delivered in this manner are growing by at least 7 per cent, followed by the fastest growth rate witnessed in powder coatings at 12 per cent in India. The company has a strong portfolio of water-based paints for the decorative markets along with high solid coatings in the industrial segment. We are also quite active in the powder segments.

In the future, new functions are increasingly important for the generation of adjustable multifunctional properties in addition to the classical functions of paints such as protection and decoration. In the next one decade, most research inputs across companies and research institutions will have to be focussed in the following three coating functions:

- Easy-to-clean properties, self-cleaning (anti-staining, anti soiling) properties;
- Sensor properties, activity, switchability (measurement of and reaction to external stimuli) and

- Defined flow characteristics and mechanical properties, long-term stability.

This calls for hybrid materials with complex morphology and nano-composites and functional nanoparticles.

STRATEGIES TO COPE UP WITH THE CHALLENGES...

Innovation is not just the domain of technology development. It can also be a process to meet the demands of the consumer and make them come back for more. Innovation also deals with our ability to provide simple manufacturing solutions and ensure the highest quality of our products. In that framework, let me give you some examples of what we are currently doing.

Most of our recent innovations have been focussed on getting the consumer involved in the painting process. We have constantly invested in products and systems which provide a direct link with the consumers. For example: Colour World is a new direction for the paint industry in the current age of retailing and provides the consumer with a service interface. Asian Paints Home Solutions which offers consumers a hassle-free painting experience is the world's first painting service brand.

“



In the wake of the constant change in the environmental legislations around us and the shift in the preference of the consumers who are demanding high quality and environment-friendly products, our focus will continue to be on developing modern paints such as water based, high solids, radiation curable and powder.”

We have recently opened up a new signature store near Mumbai to educate the consumers about colours. This concept has few similarities in the world when you talk about paint companies.

INDIA'S POSITION ON THE GLOBAL MAP IN TERMS OF COMPETITIVENESS...

The per capita paint consumption in India is still among the lowest in the

world at over 1.5 kg per person, whereas in the Western Europe and Japan, the figure is 15 kg per person. In the US and New Zealand, it is as high as 25 kg per person. This offers tremendous opportunity for us in India. As I drive through the streets of Mumbai, and look at the many unpainted houses along the streets, I feel that there is a goldmine here.

FACTORS DRIVING THE GROWTH...

We feel that the overall demand in the paint sector will continue to be positive and is likely to get impetus through factors like the low penetration levels of paint in India, policies conducive to the growth of the construction industry, increase in government focus on infrastructure development and the increasing reach of small screen (television).

LATEST TRENDS CATCHING UP IN THE SEGMENT...

We feel that the Indian consumer is getting more and more involved in the painting process. Emulsion paints have witnessed a positive growth in the recent times. The demand for water-based paints is on the rise.

The growth of exterior paints has been phenomenal in recent past. A new

trend that recently evolved has fuelled the demand for fashion finishes. Our company has entered into prediction of colour trends in India. Intensive research is carried out with interior designers, architects and the fashion community to get a grasp of the trend and movements in colour every year. The study termed as 'ColourNEXT' declares in advance, the shades which are going to dominate the Indian homes every year.