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PRESS RELEASE

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A PROFILE OF THE INDIAN PAINT INDUSTRY, 4TH EDITION

While companies in mature economies face the challenge of even maintaining sales throughout the ongoing financial crisis, continued growth in India is likely to lead to an additional million tonnes of coatings demand by 2013, when the total Indian paint market will be in the region of 2.7 million tonnes. That is among the key findings of IRL's latest study, *A Profile of the Indian Paint Industry*, *4th Edition.*

Total paint and coatings demand in India in 2008 amounted to 1.64 million tonnes, of which decorative coatings represented 79% or 1.3 million tonnes. The industrial coatings market in India still remains relatively small in comparison at about 340,000 tonnes, and this itself is dominated by structural and infrastructural applications associated with the protective coatings market.

Although industry figures expect some modest abatement in growth in the Indian paint and coatings market, particularly in the short-term, the prevailing economic climate of infrastructure investment and renewal holds the key to most of the growth in the Indian coatings market.

Other opportunities in India are pegged to the transport sector. Car ownership in India stands at little more than 1%. However, rising affordability and the launch of economical cars such as the Tata Nano are expected to propel the market for OEM coatings and refinishes in the coming years. Higher demand for marine paints can be expected in the next decade, once investments in ports and port development have started to reach fruition. As India is hopeful of competing with other established shipbuilding nations, the multinationals are likely to find plentiful opportunity in India, given the compliance requirements imposed by effects of international legislation on marine paints.

Powder coatings are also a good growth market in India, growing at about 10% pa, which is typical of the mean coatings segment growth in the country. This segment has been finding new applications in India and represents one area in which the consciousness of VOCs and the environment has been raised. Indian companies are now beginning to appreciate the benefits of cleaner technology once initial investment in finishing in this area has been made.

However, it is in the decorative coatings market that the greatest volume growth can be expected. Almost another 900,000 tonnes of decorative paints may well be in use by 2013, prompted by a whole breadth of different applications, ranging from the construction of housing and apartment blocks to civil and tourist amenities. The structure of the decorative paint market in terms of quality is changing very slowly with growth in the premium and economy sectors squeezing the intermediate quality segment to about 35-40% of demand. Other habits are changing too: the formal entry of Sherwin-Williams, Jotun and Nippon Paint into the Indian decorative sector has started to bring a much greater international dimension and much bigger budgets to the Indian decorative paint market. Although the arrival of these companies in the segment has not had a major impact on the market yet, Indian consumers are becoming more experimental and adventurous in their use of paint and as a result many traditional ideas are being given up in favouring of trying something different, especially as the Indian population is a relatively young one.

A Profile of the Indian Paint Industry, 4th Edition, has the following contents:

1. Foreword
2. Executive Summary
3. Background
4. The Indian Paint Industry
5. Profiles of Indian Paint Companies
6. Indian Paint Statistics
7. Indian Paint Market Data
8. Indian Automotive Industry Statistics
9. Indian Paint Associations
10. Market Forecast
11. Directory of Indian Paint Manufacturers.

A Profile of the Indian Paint Industry, 4th Edition, costs €2,750 for a single copy. Sections of the report will be available shortly to buy online at IRL's website, **www.informationresearch.co.uk**

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