IRL is pleased to announce the launch of a new edition of its single country report *A Profile of the Indian Paint Industry*. In this study, IRL examines India’s paints and coatings market independently and not as part of a regional study on the Asia Pacific paint market, thereby enabling us to present more in-depth information on paint market influences and trends. This fully updated edition provides market data for 2013 and forecasts for 2018.

**Available as a full single country report only**

India is Asia’s second-largest paint market after China, with consumption of over 2,770,000 tonnes in 2013. In past decade, the growth in paint consumption has been remarkably high, achieving double-digit rates for many years. At times, the demand for paints and coatings has grown at a rate of 1.5 to 2 times higher than GDP growth. In 2012-2013, the paints and coatings industry witnessed a slowdown. Economic growth in the country failed to achieve the rates encountered in previous years and the rupee depreciated, putting off many investors.

After the elections, consumer confidence improved and, by early 2014, the paints and coatings industry was performing somewhat better, showing the first signs of recovery. In particular, the rural market was estimated to have grown by as much as 20% in 2014, as rising prosperity among consumers stimulated the replacement of enamels and whitewashes with emulsion paints in the decorative segment.
The decorative and architectural paints segment is expected to show good growth rates going forward; the housing sector is benefitting from government incentives and the increasing urbanisation trend will trigger a need for new housing stock. The demand for industrial coatings is also predicted to grow, but at slower rates; the future looks promising for increasing investments in the country’s infrastructure, boosting demand for protective coatings, while the automotive industry is also expected to bounce back from recent problems, particularly as export markets recover. Rising prosperity among the population will also bring about a greater demand for cars and consumer goods.

The peculiarity of the Indian paint industry is that a two-tier system is in place. On one side, there are a handful of large companies that dominate the market and belong to the so-called “organised” (large-scale) sector. Companies that belong in this category include Indian firms Asian Paints, Kansai Nerolac, AkzoNobel India, Berger and Shalimar Paints, plus multinationals such as Axalta, Nippon Paint, BASF Coatings and Jotun. In the small-scale “unorganised” sector, there are suggestions that there could be as many as 2,000 producers. Paint producers in the organised sector are active across the nation and tend to have manufacturing facilities in multiple locations; unsurprisingly, the smaller players only serve the immediate region where they are located and lack advanced technical capabilities. The unorganised sector tends to deal with low-value products and may represent as much as 35% of the total paints and coatings market.

Per capita consumption of coatings remains very low in India at just 2.2 kg per head in 2013; this indicates that there remains an enormous potential for increased demand as the country develops. Indeed all the major paint manufacturers are undergoing or have recently undergone expansions, and/or are opening new plants. This shows that they remain optimistic about the future of the market, and see further growth opportunities, despite recent difficulties.

A Profile of the Indian Paint Industry gives an insight into the market changes in the past few years, as well as outlining the key trends affecting nine mainstream paints and coatings segments: architectural/decorative, industrial wood coatings, protective coatings, marine coatings, automotive OEM coatings, automotive refinishes, powder coatings, general industrial coatings (including coil coatings) and plastic coatings. Forecasts on these are presented for the year 2018 alongside market data for 2013. The cost of the full report is €2,900.
The full report is available to purchase online at our website:

www.informationresearch.co.uk

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