



“By using glass efficiently, we can get energy savings and quicker paybacks.”

- **Vikram Khanna**, CMO, CIO & COO-Architectural Institutional Businesses, Asahi India Glass

Asahi India Glass (AIS) is India's leading integrated glass solutions company and a dominant player in the automotive and architectural glass segments. The firm commands an over 70 per cent share in the Indian automotive glass market today, spanning the spectrum of automotive and architectural glass value chains. Catering to customers in domestic and international markets, AIS aims to provide market-leading innovations while also enabling an age of green buildings. **Vikram Khanna, CMO, CIO & COO-Architectural Institutional Businesses, AIS**, who has contributed to the overall growth of the company in various capacities through the years, shares his thoughts on the glass market in India, the company's plans and more, in conversation with **SERAPHINA D'SOUZA**.

AIS' footprint spans the spectrum of architectural and automotive glass value chains. Which of these is a larger contributor to the company's business and where do you see the traction going forward?

The automotive segment is the largest contributor. Glass has four value chains: Industrial, solar, architectural and automotive. Sixty-five per cent of glass market share goes to the building and construction industry globally. Over 50 per cent of our business is in the automotive segment. India is a developing country and with increased urbanisation, residential projects and vehicle ownership, the market will see an increase because per-capita consumption is still very



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small. The traction will happen here just like it has in mature markets like the US, Europe and Japan.

Do you think the automotive segment will retain the largest share in the near future?

The automotive segment is the largest contributor but, in future, the architectural segment is likely to lead.

In the architectural segment, where do you see maximum demand?

If you compare glass usage in residential and commercial spaces, commercial uses more glass in terms of the window-wall ratio. But the number of residential projects are huge in comparison. It will still be an equal call between residential and commercial spaces.

Which products in the architectural segment grab the lion's share of demand?

About 65 per cent of the architectural segment is clear glass, 15 per cent is tinted and 13-15 per cent is coated, high-end reflective glass. Within coated glass, hard

coat grabs the lion's share. The AIS OPAL series, which is a hard coat series, grabs the majority share. We are also leaders in the tinted segment. Our dark grey and bronze products are market leaders.

Tell us about building integrated photovoltaic (BIPV) glass and its acceptance in India for residential and commercial construction.

This technology isn't widely available. AGC is one of the few players using the technology worldwide. In coming years, owing to increased urbanisation, it will be used in India. For BIPV, the first thing is to have clear zero energy building goals and make climate change commitments. The government's focus on renewable energy will also help.

What products does the company offer for sustainable buildings?

It is important to use glass rationally and use the correct glass. By using glass efficiently, we can reduce the size of the HVAC system and get savings and quicker paybacks. A concrete wall is cheaper, but glass gets the outside in with the view and daylight. Intelligent use of glass is the key factor. If you use coated glass with a solar factor under 30 and a glass cutting the light transmission to 50 per cent level, you are cutting out a huge amount of unnecessary heat. We do building simulations that focus on energy, which glass to use and the payback. We also address the visual comfort of daylighting and energy savings. In addition to conducting acoustic

and safety performance testing, we also do a wind load analysis that decides the structural integrity and energy simulation to decide the glass configuration.

What quality checks are done to ensure safety and fire-resistance?

There are two kinds of safety glass: Laminated and toughened. Laminated glass breaks more easily on impact but doesn't shatter. Toughened glass is more impact resistant and more economical. Various tests are conducted during the manufacturing of both these products. A fragmentation test is conducted for toughened glass; for laminated glass, we do the impact-resistant tests.

There is extensive testing for fire-resistance. Both the glass and frame are tested in labs, mostly in India, Europe and Dubai, and certified. Today, we import fire-resistant glass (FRG) from our partners in Europe. As the use of FRG is not mandatory because it is expensive, people either skip it or substitute it. Mandating FRG will be good for fire safety and market growth.

What is the company's focus on R&D, globally and in India?

We have separate teams for research and development. We don't conduct much research in India but we do a lot of development. Most of the equipment in our automotive plants is being developed by our company. We have done work in part of the float line but not much on the furnace systems. We have had a fair number of innovations on the cold end of the float line, primarily to bring down costs. On the product side, it is mixed. For the automotive side, we depend on our partners because there is a technology agreement and the international

OEMs are much more integrated. It helps to bring these international products to India. However in the architectural side of the business, we have undertaken many innovations to come up with our leading products. Our Opal series took the market by storm and we are leaders in that market. The entire testing and R&D of soft coat products has been done in India, based on the Indian climatic conditions. These innovations have helped us become No. 1 and No. 2 in the hard coat and soft coat market, respectively. The firm's annual spends towards R&D is commensurate to the requirement.

Are there any policy changes that you would recommend?

Our government has framed and implemented many regulations like ECBC, NBC 2016 and RERA, but the regulations are not mandated. Adoption is very slow because of cost, lack of knowledge and information. For example, only four to five states have adopted and mandated ECBC. RERA is gaining momentum; the number of builders have reduced and product quality has improved. The regulations need to be mandated by all the states.

How has the pandemic impacted the company's operations?

Last year, India was doing better with potential markets for exports. Lately, the exports market is surging for many commodities because major economies like China, the UK and the US are booming. We have been exploiting exports as a sector as the demand for the building and construction space has been less here in India and we are getting good pricing in exports. With Covid, April and May last year were wipe-outs, but we saw a pickup by year-end. We closed the year on the

architectural side at a 15 per cent downside. On the auto side, the last quarter's run rate was better. We saw a significant impact during the second wave. The building and construction and retail segments have been the most hit.

How much do exports contribute to your overall business?

It would be about 5-6 per cent. We are not too export-oriented as we have a JV partner who is present globally. In the architectural segment, we do not have any problem in selling our capacity in the Indian market and are mostly oversold, so there isn't much capacity left for exports. But exports is a risk mitigator and we want to keep it at a steady level.

How did the company perform last year? And what are your target and growth plans for the near future?

We have made many investments over the past three years and with Covid, the realisation of these investments hasn't come through. Our fifth auto plant, a large facility in Patan, Gujarat, was supposed to open last year and had a 500 crore-plus investment. We only recently started the facility. There is a lot of capex in a mid-size company like ours on low-cost improvements and innovations, but nothing major other than above investment in terms of manufacturing. On the downstream side, we have made some investments in our Windows business. System windows is a big opportunity and we are ready to scale up pan India in this segment. We want to focus on our consumer brands – AIS Windows and AIS Windshield Experts. Of course, the main stay of the company will still remain the Auto OEM and the Float business but we will also see a lot of traction in the B2C businesses.