

News from India

Reported by **Rakesh Kumar**, managing editor, *ISHRAE Journal*

Manufacturers' Association Shares Industry Roadmap

In an exclusive message to JARN, Kanwaljeet Jawa, MD and CEO of Daikin India and president of Refrigeration and Air-conditioners Manufacturers Association (RAMA), shares his roadmap for the Indian air conditioning industry. "The industry has registered significant sales in 2020, despite the enormous business challenges for supply chain, logistics, surging material prices, etc. due to the pandemic. We are now looking ahead to capture new opportunities. The industry has made detailed plans to build new capacities and invest in technology and research to build world class products in India for Indian and overseas customers. The industry has also been identified as a champion sector by the government of India.



Kanwaljeet Jawa

"India's strategic locational advantage will play a key role in establishing itself as the next business-friendly global hub for many corporations. With Japan as our partner country, it is fair to assume that in future, all the schemes and support from the government will help generate a wide spectrum of employment opportunities for Indians. A robust and effective manufacturing eco-system will further attract foreign direct investment and technical know-how from global organizations.

"It is imperative that our societal outlook towards nation rebuilding should align with global thinking along with harnessing technology to improve the standards of living so that our populace at large can share the fruits of the journey. This can be possible with government guidance on various policies that will make it easier to do business in the country, and the private sector playing a key role in implementing and bringing the vision to life by harnessing the available talent pool and abundant resources in India.

"RAMA has been actively collaborating with various government authorities to develop product certification standards, implementing

the standards and labeling program for air conditioners, and implementing the India Cooling Action Plan (ICAP). It has also played a pivotal role in the promotion of environmentally friendly refrigerants. A major push is planned for exports of Indian products into the overseas markets and to launch new products with a focus on Internet of Things (IoT). We plan to use the smart cities initiative for promoting district cooling centers across these cities. The refrigeration and cold chain markets in India are also major areas for new business opportunities for technology adoption and investments by introducing top-of-the-line products and best practices. Indian manufacturers are actively looking at overseas partners and we will be happy to work with them. India is now well on its way to be a preferred investment destination, thanks to the growth trajectory of the economy and various initiatives by the government in improving the ease of doing business."

AC Companies Show Interest in PLI Scheme

As the government is fine-tuning the production-linked incentive (PLI) scheme for air conditioners, manufacturers are expressing interest in the incentives that came into effect from April 1. According to industry sources, close to half a dozen manufacturers have expressed interest in availing of PLI.

The PLI scheme can help increase domestic value addition from current 25 to 75% and generate 24 million units annually in the next seven years.

"During the last 20 years, air conditioner industry has travelled a journey from a few thousand units to 7 million air conditioners in 2020. Unfortunately, the component ecosystem did not get developed," said Jasbir Singh, chairman, Amber Enterprises – a large contract manufacturer – and co-chairman of the Consumer Electronics and Appliances Committee of the India Cellular and Electronics Association (ICEA). "Today we continue to import critical components like compressors, aluminum, copper tubes, motors, printed circuit boards (PCBs), and valves in large quantities. Out of 7 million air conditioners, approximately 5 million are getting produced in India with only 25% local value addition. PLI is expected to have a compounding impact of 25% value addition on 5 million air conditioners to go to 75% value addition on 24 million

air conditioner in the next seven years' time," he added.

Godrej Introduces New Range of Inverter ACs

Godrej Appliances has launched its 2021 range under the umbrella of 2021 T series, designed in India and manufactured in the company's facility at Shirwal near Pune in Maharashtra. The facility is fully backward integrated, with plastic injection molding, heat exchanger manufacturing, sheet metal processing, etc. The new series uses propane (R290), a hydrocarbon (HC) refrigerant with a low global warming potential (GWP) of 3. The series features heavy duty cooling, with larger indoor unit sizes of 850 and 970 mm and outdoor units of 20- and 22-inch (about 51- and 56-cm) chassis. The series is designed to withstand temperatures up to 52°C. The unique selling proposition (USP) of the series is the antiviral Nanova care coat technology filter, which effectively sterilizes 99.9% viruses.



Godrej 1 TR AC model GIC12TTC3

The Energy and Resources Institute Sees Leadership Change

The Energy and Resources Institute (TERI) has been playing a very proactive role in bringing about a substantial improvement in HVAC&R and other energy-guzzling sectors in India. It was led by Dr. Ajay Mathur, who has been replaced by Dr. Vibha Dhawan, senior program director as its director general from March 1, 2021. She has been associated with TERI since 1985. She was serving as adjunct professor, Consul General South Asia Partnership, Michigan State University.



Dr. Vibha Dhawan

Dr. Ajay Mathur has moved on to join the International Solar Alliance (ISA) as director general. As the government of India's nominee for the position, Dr. Mathur was elected unopposed by the 89-country assembly of the ISA, a coalition of member countries established in

2015 to promote the demand for and use of sustainable, safe, and affordable solar energy for all.



Dr. Ajay Mathur

India on Road to Economic Recovery

The International Monetary Fund (IMF) has raised its growth forecast in fiscal year 2022 for India to 12.5% from 11.5% estimated earlier in January, even as a resurgence COVID-19 spread threatens to undermine the country's economic recovery. The IMF forecast pitches India as the fastest-growing major economy and the only one expected to record a double-digit recovery from pandemic-hit 2020. However, the second wave of COVID-19 currently sweeping the country has prompted Moody's to cut down its India growth forecast by 1%.

The monsoon is always a major factor in India's economic growth, as a good monsoon leads to a bumper crop that puts a lot of purchasing power in the pockets of farmers who comprise over 50% of India's workforce. A hot summer is good in particular for India's air conditioner industry. This year, both these factors are favorable. The government-owned India Meteorological Department (IMD) as well as the privately owned Skymet have both predicted a severe summer, followed by a normal monsoon – the third consecutive normal monsoon – which is a rare occurrence.

HVAC&R Industry Loses a Stalwart

Ramesh C. Sarin, founder-chairman of Carrier Aircon, breathed his last on April 10, 2021. A legend larger than life, he towered over the Indian heating, ventilation, air conditioning, and refrigeration (HVAC&R) industry from 1981 when he joined Voltas as president at the young age of 44, to 2003 when he retired as chairman of Carrier Aircon.



Ramesh C. Sarin