

## Self preservation

Oasis legend Liam Gallagher has said he wants to be mummified and preserved like an Egyptian pharaoh when he dies



# THE ECONOMIC TIMES

# ET Panache

# Climate change offers a cool, green opportunity

Daikin India CMD KJ Jawa on how the AC equipment maker is capitalising on R&D to create products for the future

[etpanache@timesgroup.com](mailto:etpanache@timesgroup.com)

**T**he world is getting warmer and, for the No 1 air conditioning maker Daikin, that's a huge market opportunity.

The global demand for air conditioning is set to triple by 2050, according to the International Energy Agency. And with household incomes climbing in developing economies, it's a good time to be in the business of air conditioning.

To capitalise on this growing opportunity, Kanwal Jeet Jawa, CMD, Daikin Airconditioning India, is relying on the company's R&D capabilities and factories. In an interview with *ET Panache*, he sheds light on how Daikin India is looking for ACs of the future.

### How important is air conditioning for the Indian consumer?

It's vital for people's lives. When it's hot, you need cooling, and when it's cold, you need heating. Humidification and dehumidification are also necessary. Without air conditioning, productivity at offices, residencies and factories decreases. It is necessary for economic activity and everyday living. A majority of Indian households do not have air conditioning but rely on fans and coolers. But, for low-income families, getting their first air conditioner can have life-changing effects on sleep, productivity and health.

It is impossible to have a world without air conditioning, but we

have to work towards reducing the carbon footprint and addressing other environmental issues. We must think about how the shift to carbon neutrality can be achieved without compromising our business growth.

### Do you think the carbon neutrality target is feasible in the Indian context?

To reach carbon neutrality by 2050, we need the next level of innovation and technological advancements. Without that, it will be impossible to achieve the goals.

The IEA predicts that air conditioning demand will triple by 2050 — this also means demand for electricity will triple. Meeting those needs with current technology is impossible. Daikin is working with universities, governments and researchers, to come up with innovative, sustainable technology to power the HVAC solutions of tomorrow.

**“Replacing the R-410A will have a significant impact on reducing carbon emissions. Collecting refrigerants, reusing them and disposing of them properly will also help.”**

— KJ JAWA

### Daikin has been investing a lot in R&D recently. Is that enough to serve future requirements?

We have path-breaking technologies which include inverters, heat pumps and low GWP (global warming potential) refrigerants, upon which we have to build and develop products for the future. For example, in a developed nation like Japan, almost all products have inverters. But when you get to India, only now are inverter ACs starting to show steady growth. The primary reason for this is cost, so at Daikin, we're focusing on developing inverter ACs with a pocket-friendly price tag.

### How will refrigerants help?

The refrigerant that we are trying to promote is the R-32, which has a GWP of about 700. Replacing R-410A will have a significant impact on reducing carbon emissions. Collecting refrigerants, reusing them and disposing of them properly, will also help.

### What lessons have you learned during the pandemic?

Safety and health are valued even more after the pandemic. We are looking for products and solutions that support this consumer need. There is a renewed focus on heating, cooling, humidification, dehumidification, as well as ventilating, purifying and disinfecting air.

In India, people are spending a significant amount of time at home and so they want to make it more comfortable, perhaps rebuild



Kanwal Jeet Jawa

and seek out more comfortable air conditioning. We are looking at serving this emerging market and providing them the right air conditioning for their needs.

### What has been the impact of the component shortage?

Component supplies are a challenge right now, and prices are well above where they usually are. Supplies for components and electric parts will be low for some time leading to a rise in costs. But it's not just about passing on costs (to the consumer) but delivering products and services that will justify the price increase.

### How often do you, personally, use air conditioning?

We're based in Delhi NCR, which is brutally hot during the summer. There's no way we can survive there without air conditioning. I use air conditioning to balance my comfort and productivity.