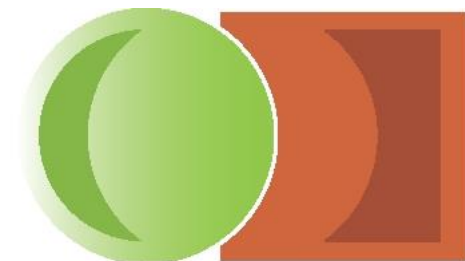


# World Ceramic Tiles Forum – INDIA

**PRESENTED BY:**  
**P.N.TRIVEDI** Chairman  
**INDIAN COUNCIL OF CERAMIC TILES & SANITARYWARE**

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World Ceramic Tiles Forum

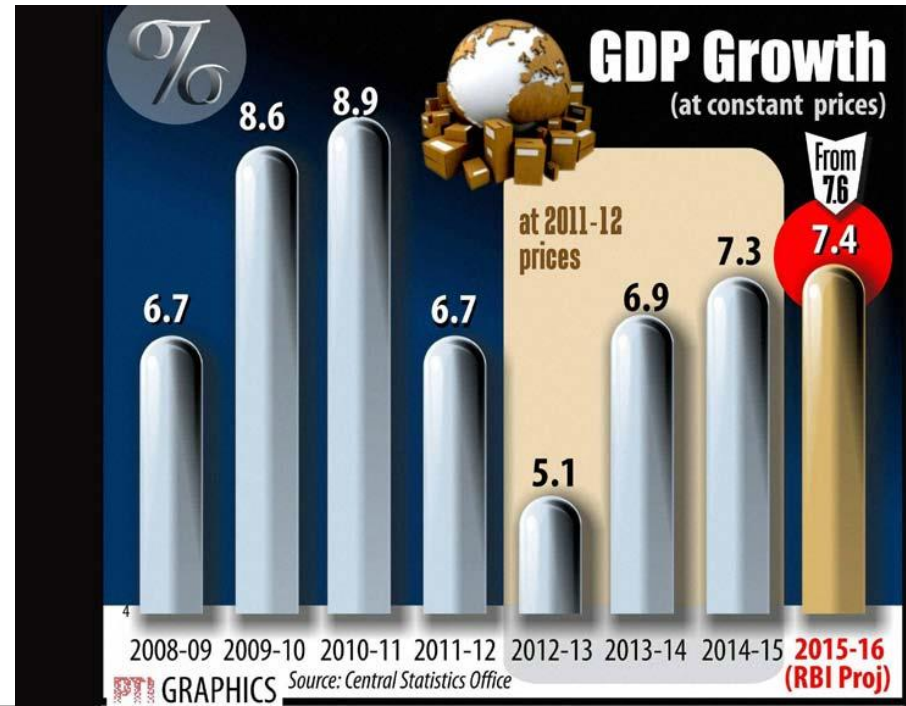
# National Context – INDIA



- I. Trend in the construction sector/demand
- II. Trend in production, consumption and trade in ceramic tiles
- III. Latest developments at national level in energy supply regulation and taxation
- IV. Development in standardisation or regulation at national level affecting ceramic tiles
- V. Other national developments relevant to the ceramic tiles sector

# INDIA AT A GLANCE

- Population: 1.25 Billion
- GDP: \$1.87 Trillion
- World's 3<sup>rd</sup> Largest Economy (By PPP)
- Fastest Growing major Economy in 2015, at 7.5%. (Source: Global Economic Prospects report, World Bank)
- Literacy: 74.04%



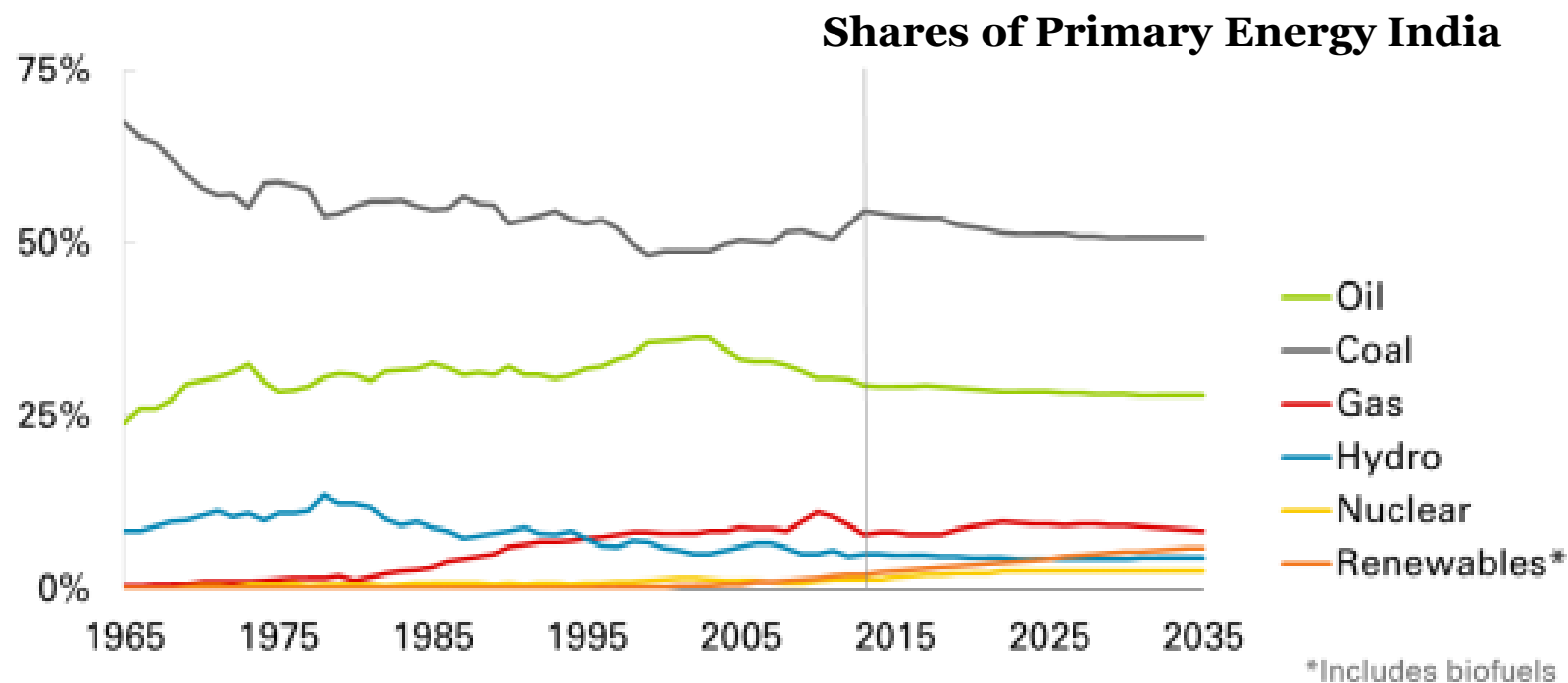
# I. Trend in the construction sector/demand

- **Indian Construction industry - \$157 Billion, expected to go to \$180 Billion by 2020.**
- **Divided into Housing, Retail, Hospitality and Commercial and growing at a steady rate of 8%-10%**
- **Housing comprises of 5-6% of the GDP.**
- **Favoured sector for FDI by Global investors, employing more than 35 billion people. Highly fragmented.**
- **Government initiatives :**
  - **100 smart cities, 50 AMRUT Cities**
  - **Housing, Water, Electricity and Toilets for every citizen**
  - **“Make In India” Program**
  - **100% Foreign direct investment(FDI) permitted through automatic route for townships and cities.**

## II. Trend in production, consumption and trade in ceramic tiles

1	<b>World production:</b>	12409	Million sq.m
2	<b>India's Share:</b>	826	Million sq .m
3	<b>World ranking (in production):</b>	3	
4	<b>Per capita consumption:</b>	0.65	sq.m
5	<b>Global Industry Growth Rate:</b>	4%	
6	<b>Growth Rate (India Domestic Market):</b>	10%	
7	<b>Total Production Value:</b>	3.64	US\$ Billion
	<b>a). Glazed Wall Tile share:</b>	45%	
	<b>b). Glazed Floor Tile share:</b>	15%	
	<b>c). Polished Vitrified Tile share:</b>	34%	
	<b>d). Glazed Vitrified Tiles:</b>	11%	
8	<b>Exports</b>	92	Million sq.m
9	<b>Imports</b>	40	Million sq.m
10	<b>No of people directly and indirectly employed by the industry</b>	0.55	Million

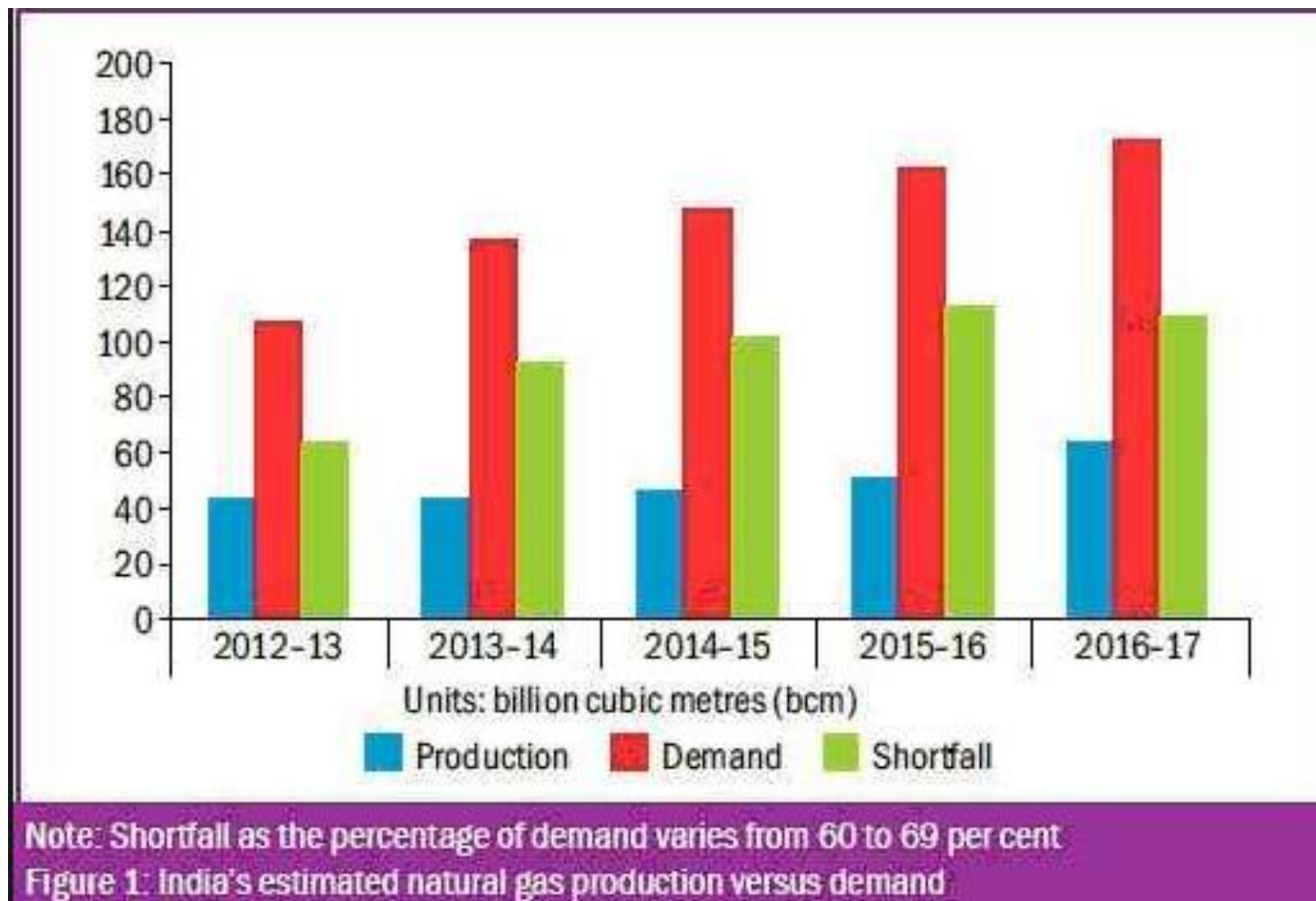
### III. Latest developments at national level in energy supply regulation and taxation



Source: (BP, 2015)

### III. Latest developments at national level in energy supply regulation and taxation

#### Demand Supply Scenario for Natural Gas in India





### III. Latest developments at national level in energy supply regulation and taxation

- INDIA - 4<sup>th</sup> largest energy consumer on gross level, but consumes 15 times less energy per person compared to no.1 consumer nation.
- Though Coal is the main source of energy in India, Natural Gas remains the primary energy source for ceramic industry. Industry is exploring Biogas for spray dryers using chain stoves.
- Industry dependent on imported LNG, because of shortage of local production
- With India's nuclear isolation coming to an end, it will boost energy generation.
- Fuel cost is still high, since much of the fuel is on long term contract, even though global fuel prices have gone
- Government plans to introduce GST (Goods and Services Tax) by April 2016. This will create a uniform tax structure across states and will boost trade. Overall tax on goods will reduce and this will lead to lower prices and spur increased consumption



## IV. Any development in standardisation or regulation at national level affecting ceramic tiles



### **BUREAU OF INDIAN STANDARDS - (National Standards body of India)**

**IS 15622:** Major Specification changes have been made and the new standard is under print. Expected to be released by early 2016

The new standard factors

- ❖ the explosive growth in Porcelain / vitrified category
- ❖ Growth in large format tiles
- ❖ Emergence of new categories like Glazed and unglazed polished tiles, rectified tiles.
- ❖ Need to align with Indian ISO 13006 international standards
- ❖ local geographical / climatic conditions and current laying practices

**IS 13006 Testing Standards on Stain Resistance under revision to align with ISO 10545**

## V. Other national developments

- New initiatives by the Central Government like “MAKE IN INDIA”, smart cities, toilets for every home etc to boost the industry growth
- The government has been pushing through key visionary projects along with faster project clearances including
  - Financial Inclusion
  - GST (Unified goods and Services Tax)
  - Railways Reforms
  - Power sector Reforms
  - Large Infrastructure projects
  - Housing for all
  - Digital India to name a few...
- Recent interest rate cut by the Central Bank has been a welcome change for the Industry.
- Challenges include availability of Gas, below normal Rainfall, Slow Construction activities.



*THANK YOU*