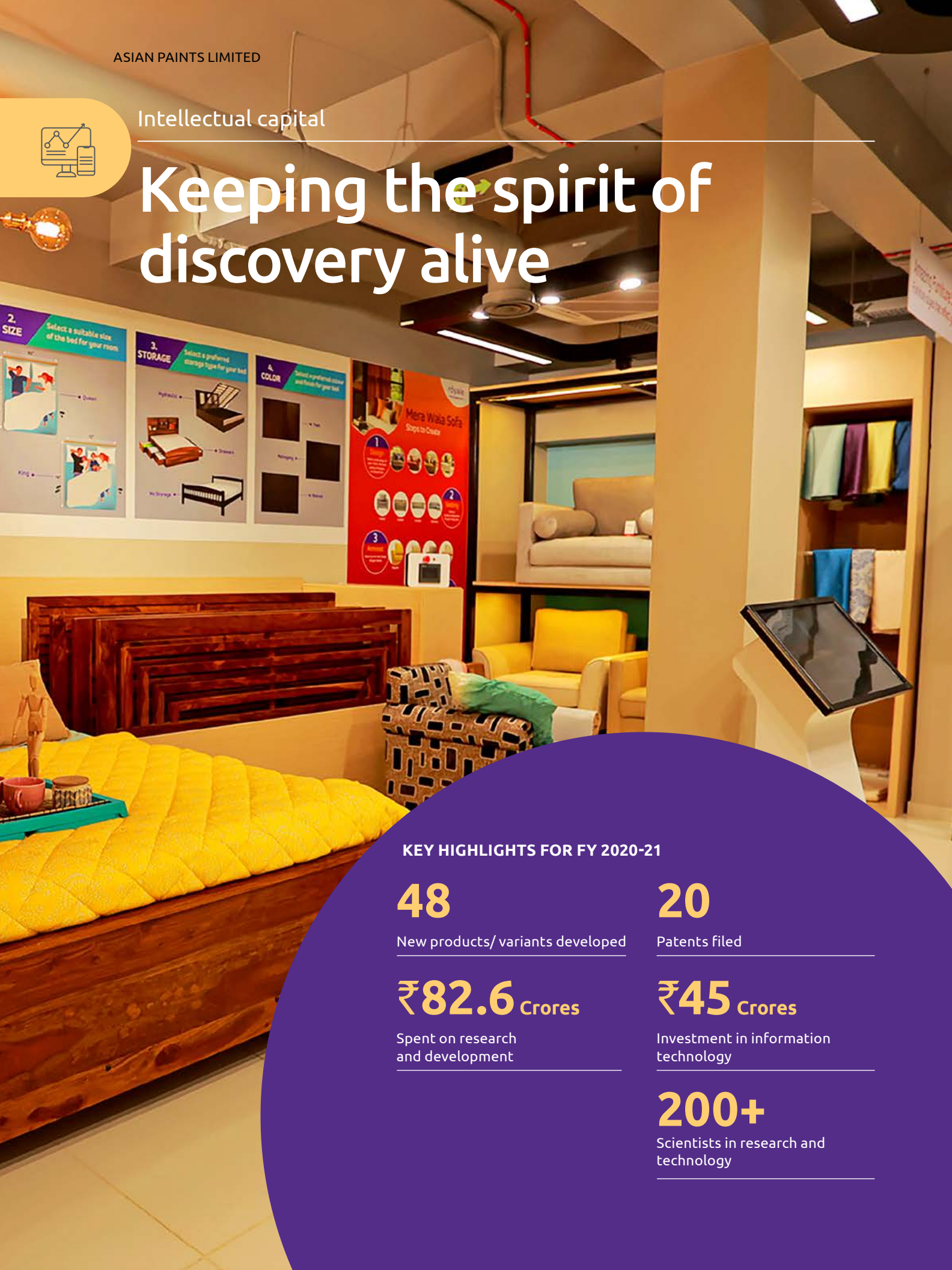


Intellectual capital

Keeping the spirit of discovery alive



KEY HIGHLIGHTS FOR FY 2020-21

48

New products/ variants developed

20

Patents filed

₹82.6 Crores

Spent on research and development

₹45 Crores

Investment in information technology

200+

Scientists in research and technology

INTERLINKAGE WITH MATERIAL TOPICS AND OTHER CAPITALS

Material topics



Social impacts of products

Interlinkages to other capital



Financial capital



Human capital



Manufactured capital



Social and relationship capital



Natural capital

OUR FOCUS AREAS

- Automation and digital interventions
- Product diversity and environment friendly products and processes

RESEARCH AND TECHNOLOGY

At Asian Paints, we have identified our key focus areas to drive innovation and incorporate technology in the business value chain.

In over seven decades, we have shaped and reinforced our leadership through consistent innovation in products and services in line with the evolving aspirations of the customers. We believe in bringing revolutionary change by focusing on transforming all spaces and objects and bringing happiness to the world. We are committed to bringing the innovation in product development and redefining our existing systems and processes. With focus on creating a diverse range of products to meet the expectations of all customers, we are constantly exploring and introducing best-in-class products and solutions. For us, at Asian Paints, intellectual capital is the key to unlock unexplored potential of people, products, and markets.

PRODUCT DIVERSITY AND INNOVATION

In an unprecedented year which witnessed lockdowns and restrictions on routine working, the Asian Paints Research and Technology function, with due permits from the concerned local authorities and judicious shuffling of manpower, bravely continued its journey of supporting the business goals and developed new products resulting in foray into new markets and introduction of several new products. 200+ plus highly qualified experts and state-of-the-art laboratories and the Research and Technology centre at Turbhe, Maharashtra we have filed 20 patents in the current year, of which three have been in industrial paints and two for global operations. One patent has been filed for hand sanitizer category as well. We have cumulative total patent filing count of 76 patents, with a healthy commercialisation. Our team of experts and scientists have published six research papers in FY 2020-21, through national and international journals to lead and guide the industry.



We have accepted the challenges posed by the macro environment by extending our support with initiative of strengthening the health and hygiene product platform. We have developed formulations diligently and introduced several new raw materials to launch a range of products which includes sanitizers and disinfectants. As a result of these products, we have received overwhelming response from the market with additional revenue to business.

In its quest for excellence through Right First Time (RFT) to market and zero product complaints in new and existing products the R&D team constituted a new initiative, 'Quality at Source', wherein a thorough review of new product launches is held regularly by the leadership team to validate approach, lab, and field-testing protocols to provide timely inputs before designs are standardised. We are agile while responding to regulations with upgraded analytical testing of paints and coatings.

Under its initiative of 'Nexpedition' our scientists are actively engaged in creating the next pipeline of innovation and are currently working on several different projects in emulsions, resins, waterproofing, exterior and interior paints, enamels, and industrial paints to create the next level of breakthrough for the business. The entire process is built on a collective participation process to ideate, prototyping and thereafter enrolling stakeholders for commercialisation opportunities.

During the year under review, we developed 48 new products/variants.

AUTOMATION AND DIGITAL INTERVENTIONS

We have continued to leverage digital in the areas related to customer experience, supply chain and all operations. All stakeholders in business namely customers, dealers, contractors, interior designers, décor influencers and contractors, suppliers, vendors and employees were part of the digital drive wherein cutting-edge technologies such as Robotic Process Automation (RPA), Artificial Intelligence/Machine Learning (AI/ML), Advanced Analytics and Internet of Things (IOT) were deployed in some manner.

One key area of focus has been the enablement of the Décor business. An end-to-end platform has been deployed in the form of an Inspiration and commerce-driven website (beautifulhomes.com), an immersive 3D visualiser (for interior designers) for creating beautiful home designs, to a robust execution platform for all stakeholders including customers, to help deliver their dream home. This AI-driven platform would help bring in seamlessness and personalisation between the physical store and digital journeys of the Home Décor customer.

Asian Paints has deployed cutting-edge digital technology on the retailing front to not just providing engaging experiences in selecting the right colours, paint, products, services, contractors, but also in ensuring authentic and genuine products are delivered by the anti-counterfeiting systems and processes.

PLANT AND WAREHOUSE AUTOMATION

We implemented a completely automated warehouse during year integrated with the S/4 HANA Extended Warehouse Management Systems. This will help us serve our customers in more responsive and cost-effective manner.

Under its initiative of 'Nexpedition' our scientists are actively engaged in creating the next pipeline of innovation to create the next level of breakthrough for the business.



Case Study

AAI, process optimisation and remote monitoring

Technology supported us during the COVID-19 induced lockdown of 2020 and thereafter, when we were short of manpower as very few people were entering our premises. This posed a challenge in material storages as time, pressure and temperature play a key role in their proper handling and storage. Using technology, we monitored the systems, raw material and formulations, controlled the plant to ensure safety and avoid any untoward incident.

With the help of sensors such as Load sensors, Pressure sensor and others, we are monitoring the processes and operations. We have advance technology to predict the failure time of equipment which enables us to timely address the situation and avoid any uncertain breakdown.

REFORMULATION AND COST OPTIMISATION

Paint industry is resource intensive in terms of raw materials that go into its formulation. In addition, there is the issue of generation of waste during operations.

We were the first to understand the impact of Volatile Organic Compound (VOC) and in making coatings and our processes safe. We abide by all norms and regulations. We have adopted the global norm of keeping the lead content below 90 ppm in our architectural paints.

We are continuously striving to make efficient use of the raw material utilised in the formulation process to reduce the waste and save the cost of procuring the extra volume of material and managing the paint waste.

INFORMATION TECHNOLOGY AND COVID-19

We are a technology-driven company, which enabled us to accept the new normal and the challenges of the time and space. Our partners, employees, suppliers, dealers, distributors trust our ability to withstand and support them in such tough times. Our outperformance during the pandemic attests our abilities.

Employee experience has always been important to build employee engagement and enhance productivity. A new-age employee portal has been launched which provides a single window experience. We have also launched a digital safety portal to help promote safe working environment across all our locations in India and it be extended to our international operations during the next year.

Case Study

Design Visualization Tool (DVT)

We have engaged with a start-up to create a tool to visualise the design implementation and by incorporating the design visualisation algorithm we have launched the DVT for our customers to plan their home décor architecture and design. It has received a very good response across all our customer segments.

The visualisation tool is highly appreciated by customers as it helps the customer in selecting the best option from multitude of offerings while designing his/her dream home. The flexibility to make modifications and see real-time variations of how it might look has been a key differentiator for them.