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# WOODNEWS

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FACE TO FACE WITH

## Farooq Ali Khan

Managing Director – Star Panel Boards

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# Farooq Ali Khan

Managing Director of Star Panel Boards.

Star Panel Boards is in the process of setting up India's first large scale continuous press particle board manufacturing plant in Malur, Karnataka and has plans to establish an MDF plant of similar scale and technology level by 2015. When the boards start rolling off the line, it will mean that furniture manufacturers, architects, interior designers and all businesses which use particle board as a raw material will experience a substantial positive change – European standard particle boards, as well as pre-laminated and HPL boards, all made in India, will now be available in ready supply. This is widely expected to bridge the gap between lower quality domestic particle boards and expensive imported ones.

*Wood News* met with Mr. Farooq Ali Khan, Managing Director of Star Panel Boards and the driving force behind this major investment in the industry.

Farooq Ali Khan is an engineer and the founder/proprietor of Kings Wood Suppliers. Established in 1989 Kings Wood Suppliers has proven to be a leading supplier in the field, sourcing raw materials for particle board production mainly from small farmers in South India.

Star Panel Boards is a Joint Venture between Associate Group and Kings Wood Suppliers. Associate Group is more than a century old and has been operating in wood, plywood and panels, realty, infrastructure and high pressure gas cylinders (CNG cylinders). The belief in partnering with people, valuing human resources and harnessing relationships have been the key factors in the company's growth.



## The wood industries are developing very rapidly in India. What are the kinds of developments you see ahead?

Yes, you are right; the industry is seeing tremendous growth of around 20% per annum. Technology and environment focussed companies will have an advantage over other competitors. New environmentally friendly products will get better acceptance. The spending power of people is increasing due to an increase in per capita income. This is pushing up industry standards and the demand for high quality products is on the rise.

## With larger companies and large scale manufacturing beginning in the country, how will small woodworking and furniture manufacturing companies have to adapt to succeed in the future?

Larger companies and their large scale manufacturing setup are actually creating new demand in the market. These companies have better resources to create awareness in the market and are not a threat to smaller manufacturers. The small furniture manufacturer can expect better quality raw materials and regular services from larger companies.

## Have you seen any recent technological innovations which you foresee having a notable impact on the industry in India in the near future?

Yes, in our industry the continuous press system has been a boon. It has helped to reduce wood consumption per unit of product in comparison to earlier technologies. There are many other advantages, like energy savings, resin savings, etc. The main reason for the material savings is the shorter cycle time of the continuous press, resulting in a great reduction in over-curing of the boards. The over-cured portion, which has to be sanded off as waste, is only 0.6-0.9 mm compare to 1.5-2.0 mm with daylight presses.

The continuous press system also helps you do more with the all important resource, 'wood', than what would be possible using multi daylight or single day light presses. Continuous lines are equipped with high efficiency glue dosing systems, mat spreading machines and automatic water spraying systems, which ensure uniform mat density and faster curing of mat. Moreover, continuous press lines provide greater flexibility in terms of board size because the boards can be up to 60 feet in length and then cut to whatever size the customer wants.

## Yes, I see. You selected Dieffenbacher's continuous press technology for Star Panel Boards.

Yes. We also deliberated very carefully on this. Initially we considered several European suppliers but in the end, we found Dieffenbacher to be the easiest to approach. We have been very happy with their technical team. Whenever we need support, they are definitely giving it on time. As per our agreement with Dieffenbacher, they will also provide six months' training to the entire staff of the facility.

## When will the new factories start full scale production of particle board and MDF?

Our particle boards and decorative laminates production will hit the market by November or December of this year. The MDF production is scheduled in Phase II, on which we will start work in 2013 and expect to be in production by 2015. The land allotment for the MDF project is done and



Mr. Farooq Ali Khan in front of the star cooler at the particle board plant in Mallur.

we are now looking at raw material partnerships for the long term sustainability as our planned capacity for MDF production is substantial.

## What was the rationale for choosing Malur as the site of the plant and what impact will it likely have on the local people?

Malur was selected after a very careful and detailed deliberation. Though it's a small and relatively undeveloped town, it is just 50 km from Bangalore, as well as being close to Andhra Pradesh and Tamil Nadu, two of our most important sources of raw materials. It also benefits from good rail connectivity.

To answer the second part of your question, this is the first big development in a small town. The main point is that the plant will provide around 600 jobs directly and perhaps 1,000 indirectly in the area.

We are also planning to set up a "Carpenters' Paradise" within the same facility, where we will conduct monthly programmes to train carpenters on how to more effectively use the particle boards, pre-lam and HPL boards being manufactured there. These programmes will be open to the public.

## Can you describe the existing distribution network and future plans for the same?

All of our products will be distributed through Associate's existing dealer/distributor network. Currently we have an established plywood, timber and allied products network throughout India. We intend to expand the same and also to create new pockets in Tier-II and Tier-III cities.

Domestic demand for high quality particle is already strong enough to receive at least 80% of our production capacity and we foresee exporting the remaining 10-20%, mainly to Gulf and Asian countries.

## Does your company have any plans to manufacture 'green' or 'eco-friendly' boards? Do you see a significant market for these products in India?

We have plans to manufacture *only* green and eco-friendly products. Our management is focused on its social responsibility towards the environment. Many of our clients are also looking to export finished products made from our boards to Western countries where they will have to meet the standards of the importing countries, so they are eagerly awaiting our boards.

## India has many laws and regulations which affect the industry. In your view, are they appropriate? Do these restrictions benefit the industry, or would it be desirable to change any of them?

Laws and regulations are always for the betterment of the country. There are some laws which may need to be reviewed in the present scenario, one of them being that the government must utilise and allot its huge dry land for plantation purposes. The Central and various State Governments need to have a common stand on this for it to be really effective. This will increase green cover in the country, along with meeting industry requirements for raw materials. This will also help save a lot of our valuable foreign exchange, among other things which are being utilised for import of these materials.