

IIF FOUNDRY NEWS BULLETIN



Mission – Zero Defect



Web-link to 67th IFC Promo Video:
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Industry Academia Interaction



From L to R: Mr. Shashi Kumar Jain, President-IIF, Dr. Naresh Grover, Dean-MRIIRS, Dr. Deewan D Lal Chopra ,Hon. Treasurer-IIF, Dr. Manoj Nayak, Head of Mech. Engineering-MRIIRS, Mr. A. K. Anand, Sr. Director-IIF

IIF team led by President, Mr Shashi Kumar Jain accompanied by Dr Deewan D Lal Chopra, Hony Treasurer & Mr. A K Anand, Sr. Director met Dr. Naresh Grover, Dean, Manav Rachna International Institute of Research and Studies (MRIIRS) & Dr. Manoj Nayak, Head of Mech. Engineering, MRIIRS & held detailed interaction to discuss various areas of mutual co-operation for the benefit of IIF members & the students.

IIF explained that foundry sector has evolved over last few decades & several new technologies are being used in various operations such as IT, Automation, Robotics, Virtual design, 3D printing etc. Foundries are increasingly focusing at environment, health and safety & providing good working condition gradually. Foundry being the core of manufacturing sector, will open up new job opportunities for younger generation in the coming years & will provide gainful employment and career growth opportunities for students.

Manav Rachna International Institute of Research and Studies (MRIIRS), a NAAC accredited 'A' grade university, is a continuum of excellence from the Career Institute of Technology and Management (CITM), and was granted 'Deemed-to be-University' Status under section 3 of the UGC Act 1956. Recently, the university has been awarded 5 Star QS rating for teaching, facilities & employability and an overall rating of 3 stars. It is a visible symbol of knowledge & experience providing high quality education in the fields of Engineering & Technology, Health & Applied Sciences, Management, Computer Applications, Hotel Management, International Programmes, Commerce, Humanities, Media, Architecture, Design and many more.

MRIIRS is dedicated and committed to train and equip its students with the latest knowledge and skills in the chosen fields in the backdrop of Indian ethos and values to enable them to face any global challenge with a view to transforming them into insightful, honourable and responsible citizens of this great country; and imbibe a work culture of theoretical and applied research leading to creation and dissemination of knowledge.

IIF explained that we can partner with the university & establish a New IIF Chapter in Faridabad to promote the various activities of interest to students, industry and Faculty. IIF has excellent infrastructure with 3 centres of excellence & lot of publication on Foundry technology which can be used for training the students. The faculty & students will have opportunity to participate in various

activities of IIF like technical seminars, conferences, foundry exhibitions, Works Visits and exposure to latest technologies and best practices in foundry industry.

The students and faculty members can also contribute their technical /research papers in the monthly Indian Foundry Journal. Students can also be trained by IIF as foundry trainers and they can promote training programmes such as Yogata Vikas in their spare time and get some compensation also.

Dean expressed willingness to collaborate with IIF and they are willing to offer their facilities for conducting various programmes in their premises. He also mentioned about similar collaboration with industry where the last 2 years, the industry provides training according to their needs & absorbs the students. IIF may also explore similar model for mutual benefit.

As such it was mutually agreed that during 2nd week of Sept. 2018, IIF will conduct awareness programme about IIF & its activities & on evolution of the foundry industry and its importance in manufacturing sector & global trends and providing gainful employment opportunities and career growth opportunities for students and also inaugurate a new IIF Faridabad Chapter with participation of Faculty members, student members and industry members. The exact date will be mutually finalized asap.

IIF in Media

The Pioneer, New Delhi, 01.08.2018



the pioneer

Boom of the Indian Foundry Sector

New Delhi

The Indian Foundry market that has been growing at the rate of 5-7% for the last few years and is expected to grow at 13-14% in the coming years as manufacturing is gradually picking up and several sectors have opened up new opportunities.

The more than \$19 billion Indian foundry industry is looking to double growth rates. India is the world's second-largest casting producer after China and ahead of USA, but revenue wise the value of castings produced in USA is approx 30 Billion USD as compared to USD 19 Billion in India, indicating that value addition is comparatively very low in India. While China accounts for 40% of the world's 105 million tonnes casting production, the U.S. and India each do between 11 and 12 million tonnes per year.

The industry expects the growth from the emerging opportunities from the agriculture, infrastructure, water pipes, wind turbines, automotive, railways, defense and oil & gas sectors, which will drive the future of the industry and also help in employment generation.

India continues to be the second largest producer of castings in the world at around 11.35 million tonnes but the industry is faced with a downturn in growth rate as demand slackens. Growth in the sector has been stagnant for the past few years but thanks to new national projects in infrastructure and defense there's optimism is in the air.

The country's 'Make in India' campaign - which predicts India to become the fastest growing economy - will require the foundry industry to grow three-fold in the next ten years to cater for other sectors.

The major challenges to achieve this are: lack of skilled manpower, good power supply at competitive rates, sand availability due to mining and environmental issues, and the short-term slowdown in demand which could hinder medium and longer term investment.

The foundry industry is not a sought after career choice and thus acquiring talent in this industry has been a challenge.

The perception on the foundry industry has to change and the industry needs to be profitable to pay higher wages. Companies need to upgrade the technology and make their foundries clean, non-polluting, and provide worker-friendly environments. India also needs to upgrade its technology, processes and response time for development of new products to have larger share in the global market. Cost of fuel and power in India is almost double that in China, Germany and even Turkey. The government has to address this problem to make India internationally competitive.

The Institute of Indian Foundrymen (IIF) is apex National industry body for Indian Foundry Industry (Metal Castings Industry). IIF is an active member of World Foundry Organization, CII, EEP, BRICS Foundry Forum, and Asia Foundry Forum & represents the Indian Foundry industry in various international events & forums.

IIF was set up in 1950 to promote education, research, training and development to Indian Foundrymen and to serve as a nodal point of reference between the consumers and suppliers of the Indian foundry industry on a global scale. With its Headquarters in Kolkata, IIF presently services the entire country through its 26 Chapters in all major cities including Mumbai, Chennai and Delhi.

IIF provides an excellent opportunity to domestic industry players from Equipment Manufacturers, Tools & Tackles Manufacturers, Material Suppliers, Technologists and Simulation Specialists come together on a single platform to exchange ideas, experiences and best practices in foundry management, discuss and deliberate on latest technologies and services of the industry, exposure to new business opportunities and influencing policy change.

The newly appointed President of the IIF, Mr. Shashi Kumar Jain said, "The Indian foundry industry has a tremendous scope and opportunities as the foundation to any manufacturing begins from a foundry. India stands a distant second behind China in the global market.

The arrival of MNCs has upped the ante for technological upgradation in the domestic market to match the industry standards. The Indian foundry industry faces severe shortage of manpower as it remains far from the top picks of the Indian youth. During the Foundry Development Council meeting one of the major decisions taken by Chairman, Foundry Development Council (Secretary DIPP) was formulation of Industrial Policy specific to Foundry Sector to promote sustainable growth for which, IIF shall submit proposed draft Policy to DIPP for its consideration."

The President of IIF continued to stress on the lack of manpower in the sector and summed up that the current growth of the industry could only be accredited to the ancillary growth.

As the competitors around the globe fight to stay successful, there is a strong need to add value and be a supplier of choice through innovation and maintaining flexibility whilst remaining efficient and competitive. The foundries producing components with a high knowledge content and skill base that are difficult to copy will continue to prosper and even those which invest in both technology and people will also set themselves apart. It will also be necessary to increase the numbers of highly skilled employees who can drive the company in new directions with greater ability.

Lighter weighing castings with a longer life span has continued to focus the mind of designers and cast metals engineers of the foundry industry, in all parts of the world. Pursuing this objective would require a continued high level of R&D expenditure and improved dialogue between practical foundry personnel, design engineers and OEM representatives as early an opportunity that is possible in the concept stage.

"The time of being just a reliable supplier is a thing of past. The consumers want much more now and foundries that embrace new ideas and concepts will be the ones that ensure the global foundry industry remains a crucial part of the supply chain with a prosperous future for many decades to come." The President concluded.

Vritmanas, Mum, 01.08.2018

यशस्वी जीवनासाठी शोधकृतीची गरज- डॉ. ए. वेलुमणी

मुंबई, गुळवार : सन्नता, कठोर परिश्रम, सचोटी बोलत होते. उद्योजकांनी आपल्या ग्राहकांना आणि शोधक वृत्तीच आपल्या यशस्वी जीवनास समाधान देण्याचा प्रयत्न करावे असे आवाहन करीत कारणभूत ठरते. याची जाणीव घ्या पिढीने सतत ठेवावी असे विचार प्रसिद्ध उद्योजक धारवरी के.अरचे व्यवस्थापकीय संचालक डॉ. ए. वेलुमणी यांनी कांदिवली येथील कार्यक्रमात बोलताना व्यक्त केले. इंडियन इन्स्टिट्यूट ऑफ फाऊंड्रीमेन (पश्चिम विभाग) आणि ठाकूर इंजिनियरिंग कॉलेज यांच्या संयुक्त विद्यमाने कांदिवली पूर्व येथील समता नगर मधील ठाकूर इंजिनियरिंग कॉलेजच्या सभागृह उपलब्ध आहेत याबाबत सविस्तर मार्गदर्शन केले. अग्रगण्य शिबिरात डॉ. वेलुमणी

नव्याचा हवास न घाता ग्राहकांना रास्त भावातच माल द्यावा. मात्र त्याचवेळी दर्बा उत्तम ठेवण्यावरही भर द्यावा. आपल्या व्यवसायात नवनविन बदल करण्याची शोधक वृत्ती ठेवली पाहिजे. नॅशनल कमिटी ऑफ टेक्निकल स्टडीजचे संचालक नेवाडकर यांनी धातू उद्योग क्षेत्रात अभियांत्रिकी अभियंत्यांना कोणत्या प्रकारच्या संधी उपलब्ध आहेत याबाबत सविस्तर मार्गदर्शन केले.

Vartahar, Mum, 01.08.2018

मार्गदर्शन शिबिर संपन्न

मुंबई, दि. १ - इंडियन इन्स्टिट्यूट ऑफ फाऊंड्रीमेन (पश्चिम विभाग) आणि ठाकूर इंजिनियरिंग कॉलेज यांच्या संयुक्त विद्यमाने कांदिवली पूर्व येथील समता नगर मधील ठाकूर इंजिनियरिंग कॉलेजच्या सभागृहात इंडियन इन्स्टिट्यूट ऑफ फाऊंड्रीमेनच्या पश्चिम विभागाचे सचिव सुरेश चव्हाण यांच्या अध्यक्षतेखाली अभियांत्रिकी विद्यार्थ्यांना मार्गदर्शन शिबिर संपन्न झाले. या प्रसंगी उद्योजक थायरो के.अरचे व्यवस्थापकीय संचालक डॉ. ए. वेलुमणी हे ही उपस्थित होते. नॅशनल कमिटी ऑफ टेक्निकल स्टडीजचे संचालक नेवाडकर यांनी धातू उद्योग क्षेत्रात अभियांत्रिकी अभियंत्यांना कोणत्या प्रकारच्या संधी उपलब्ध आहेत याबाबत सविस्तर मार्गदर्शन केले.

New IIF APP – Advertisement Opportunities

As you are well aware that a new IIF APP was launched on 7th July, 2018 during the 67th Annual General Meeting of IIF at Hotel Courtyard by Marriott, Agra.

IIF APP is a very comprehensive tool developed by IIF and shall be available on both Android and iOS based smart phones (at present it is available on Android and soon shall also be available on iOS). This APP can be used by any foundryman, IIF Members or Non IIF Members by registering themselves on the APP.

IIF APP Salient Features:-

1. Update on IIF Activities, Events across country
2. Access to Indian Foundry Journal online
3. Update your professional data
4. Networking through the APP
5. Upload your products to reach out to various buyers
6. Notification on who is interested in your product
7. Buy and sell old equipment

Advertisement Opportunities:-

Advertisement Option 1 (Limited to Max 5)

INR 2,00,000 + GST@18% for one year

- Banner display on the home page of APP as well on the page where your products are listed.
- Banner linked to your web page and your product catalog
- Youtube link for your products video

Advertisement Option 2 (Limited to Max 5)

INR 1,00,000 + GST@18% for one year

- Banner display where your products are listed.
- Banner linked to your web page

Advertisement Option 3

INR 25,000 + GST@18% for one year

- Banner display where your products are listed.

How it works:-

Through our intensive marketing, consumers will be driven towards our advertiser's products and on clicking the link provided below the product, will redirect them to the advertiser's product catalog and websites, hence aiding the advertiser in making a sale of their product.

Benefits to Advertisers:

1. Ease of doing business- It will become easier for you to do business, as all your products will be shown to the buyers together in one application, which means that the same consumer will be able to view more of your products at the same time. Instead of contacting the supplier and then asking for catalogs and product sheets, the consumer himself can view all the data whenever he requires. Not only this, the dealers of our advertiser's need not carry bulky material with them. While marketing they just have to open the APP and your total products are before the customer.
2. Reduced Costs for transaction of promotion with in
3. Hassle-Free - All the marketing and promotions will be taken care of by the application and apart from this all the application maintenance work will be done by the application itself and so the all the transactions that the advertiser has to go through will be hassle free.
4. Increased Profits: All the consumers will only have to visit one application to buy multiple products and thus increased consumer traffic would result in better sales of your products, which would mean more profit generation for the advertiser.

Special Offer:-

Since it is the first year, we offer 50% discount on the above mentioned Advertisement charges.

Those who will continue next year, 40% discount shall be provided.

Interested in advertising in IIF App, please write to fic@indianfoundry.org



**THE INSTITUTE
OF INDIAN
FOUNDRYMEN**

NORTHERN

R E G I O N

INVITATION TO CELEBRATE NATIONAL FOUNDRY DAY AT GURUGRAM ON 11TH AUGUST, 2018

Venue:-

**THE LEELA AMBIENCE GURUGRAM HOTEL &
RESIDENCES**

Ambience Island National Highway 8 Gurugram - 122 002

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OF INDIAN
FOUNDRYMEN**

NORTHERN

R E G I O N

**THE INSTITUTE OF INDIAN FOUNDRYMEN
NORTHERN REGION**

**Along with its Delhi, Jaipur & Agra Chapters
Cordially invites you to join us with your families
to celebrate**

National Foundry Day

WITH BEST COMPLIMENTS

K. L.Gupta
Chairman, IIF-NR

Salil Gupta
Chairman, Delhi Chapter

Gaurav Manakbhora
Chairman, Jaipur Chapter

Gaurav Agarwal
Chairman, Agra Chapter

Shwetang Garg
Hon. Secy., IIF-NR

Anurag Singh
Hon. Secy., Delhi Chapter

Sunit Bakliwal
Hon. Secy., Jaipur Chapter

Navneet Singhal
Hon. Secy., Agra Chapter

Programme

11th August, 2018 (Sat)

2:00 pm onward
Check-IN, Lunch

3:00 pm to 4:00 pm
Rest, leisure time
(All members staying in the Hotel
may please bring Photo-Id)

4:00 pm to 5:00 pm
NR & Chapters Council Meetings
Followed by High Tea

5:00 pm to 8:30 pm
Cake Cutting, Foundry Day
Celebrations, Games, Special
Events & Cultural Programmes

8:30 pm onward
Cocktails & Dinner

12th August, 2018 (Sun)
Breakfast -
Check Out - 12:00 noon

PARTICIPATION FEE

For Resident Participants
Rs. 6,000/- per room (Incl GST)
(on twin sharing basis)

*Rooms available on First-Come-First-
Served basis, subject to receipt of full
payment in advance before last date.*

For Non-Resident Participants
Rs. 3,000/- per person

(Incl. GST & Dinner only)

Last date for registrations

7th Aug, 2018

Payment has to be made either by

Cash / Cheque.

Cheque may be drawn in favour of

"The Institute of Indian

Foundrymen"

Payment may be deposited with:-

Mr. Shwetang Garg at Delhi or NR

Office at Tughlakabad Institutional

Area

M: 8010689591; 9205403011

Mr. Shwetang Garg at Agra

M: 9997949986

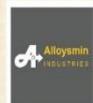
Mr. Gaurav Manakbhora at Jaipur

M: 9950997342

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**For bookings, please
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Jitender Gupta

M: 9205403011

Email:

[northern.region@indi](mailto:northern.region@indianfoundry.org)

anfoundry.org

Approx Major Raw Material Prices

ITEMS	Price 27.07.2018 Rs./Kg (Basic Price Excl GST)	Price 03.08.2018 Rs./Kg (Basic Price Excl GST)
	Pig Iron (Mum)	35.0
Melting Steel (Mum)	28.5	27.0
CRCA Scrap	34.0	34.0
Copper Ingot	473	468
Aluminum Ingot	166	167

News Headlines..

- Indian Brass, Copper Scrap prices drop; Copper Futures gain on weak Dollar
- Indian Nickel Scrap prices flat; Nickel Futures up 1.08 percent
- Indian buyers take wait-and-see attitude towards magnesium ingot market
- Indian Pig Iron price goes down
- Indian Ferro silicon price moves down further
- Chinese ferrosilicon export offers rise
- Chinese ferrotungsten price dips
- Russian MC ferromanganese prices firm
- Russian HC ferromanganese prices remain stable
- Taiwan's domestic scrap prices unchanged
- South Korean ferromolybdenum price decreases
- US scrap buying accelerates as weekend approaches

In the News..

Brakes India Plans ₹100-Crore Capacity Expansion in Andhra Pradesh Factory

Brakes India, a leading auto parts company of the TVS Group, plans to invest about ₹100 crore in expanding the capacity at its Naidupeta factory in Andhra Pradesh, which adopts a modern 'line concept' to produce castings.

"The line concept is a little different from what we have done in the past and enables us to produce slightly larger and more intricate castings. This line produces components for brake assemblies, turbo charger assemblies,

certain commercial vehicle structural and engine parts as well as new orders that we have on the anvil. The capacity is in the range of 12,000 tonnes per annum," Sriram Viji, Deputy Managing Director, Brakes India, told BusinessLine. The Naidupeta plant went on stream in March this year. The proposed capacity expansion will add 24,000 tonnes to the capacity.

The company has been investing in capacity addition, quality improvements and productivity enhancements on existing lines across foundry locations. "From a pure capacity perspective, we have invested over ₹300 crore in the past five years," said Viji. The company has added two new lines at the Jhagadia foundry in Gujarat, one line at Naidupeta and replaced one of the older lines in Sholinghur, Tamil Nadu.

"Globally, we see a steady and growing demand in the automotive segment. In India, growth has been especially strong. Orders have been extremely strong in the past few quarters due to various factors including high GDP growth, pent-up demand from loss of sales in early 2017 due to BS4 confusion, increase in construction activity and pre-buy from upcoming regulation changes such as BS6," said Viji.

He pointed out that the overall level of growth in the automotive sector is well beyond projections and that has led to a dearth of foundry capacity.

Many players have therefore already put in place, or looking to increase, capacity in the near term. But the foundry industry in general is a low profit margin business with many small players who face challenges in scaling up production, product development and quality, he added.

Brakes India is one of the largest exporters of automotive ductile iron castings. More than 50 per cent of the company's sales from Indian locations meet export requirements.

Over 90 per cent of the production in Oman is exported to Europe and North America. It has a total capacity of more than 160,000 tonnes of castings a year.

Source: thehindubusinessline.com

Rico Auto forays into 4-wheeler aftermarket components segment & weaving a strong three-pronged future growth strategy

Auto components maker Rico Auto today announced its foray into four-wheeler aftermarket segment, having established itself as a leading supplier of parts to various domestic and global firms.

The company, which had last year entered the two-wheeler aftermarket vertical, is targeting revenues of over Rs 100 crore from the aftermarket business by 2020.

Besides supplying auto parts directly to manufacturers, following its foray into the aftermarket segment, the company's components will now be available directly to consumers in case of repair or replacement of parts.

"This year we are targeting Rs 25-30 crore from the aftermarket segment. By 2020, we are aiming for over Rs 100 crore from the vertical," Rico Auto Industries Chairman Arvind Kapur told PTI.

The company has already established a network of 40 channel partners across the country for aftermarket segment and even set up a strong base in Sri Lanka and Nepal, he added. Rico started with 28 products for the aftermarket last year.

It already has added 250 more parts and aims to have over 400 products in both two-wheeler and four-wheeler components segment by end of the current fiscal.

The company is already an established player in the two-wheeler original equipment manufacturer (OEM) segment with supplies to major players like Hero MotoCorp, TVS Motor, HMSI and Bajaj Auto. Its four-wheeler components OEM partners include entities like Maruti Suzuki, BMW, Honda Cars, Toyota and Renault-Nissan.

Besides domestic players, Rico also caters to various export markets like the US, Europe, Japan and Latin America from 14 plants spread across the country. Kapur said the company is

targeting revenues of around Rs 2,000 crore by 2020. It reported a turnover of Rs 1,226 crore in 2017-18 and expects to close the current fiscal with revenues of over Rs 1,500 crore.

When asked about company's plans regarding capacity expansion, he added, "We are doubling capacity at Bawal (Haryana) and Chennai plants. We are looking to get into high technology products now." He added that the company is also eyeing defence sector going ahead.

Gurugram-based auto parts manufacturer Rico Auto Industries is weaving a strong three-pronged future growth strategy to achieve a Rs 2,000 crore turnover by 2020 from an expected Rs 1,500 crore revenue in FY18-19. To reach this target the company is expected to invest over Rs 400 crore in the next three years.

Rico Auto is one of the few Indian component makers who has already bagged an order worth about Rs 1,200 crore from electric vehicle manufacturers, while it is also beefing up its presence in the aftermarket by expanding to both two-wheeler and four-wheeler segments.

"We launched products in two-wheeler aftermarket last year and received a good response so we are launching products in four-wheeler segment. We expect to get rs 100 crore from this segment," Arvind Kapur, chairman, Rico Auto Industries told ET Auto.

Additionally, it aims to strengthen its exports and grab a revenue share to the tune of 40 percent of the total revenue in the next two years. It is also venturing into defence in a big way.

A leading supplier to Maruti Suzuki and Hero MotoCorp, Rico claims to have got a strong order book of Rs 4,800 crore which it has received in the last one and a half years.

We launched products in two-wheeler aftermarket last year and received a good response so we are launching products in four-wheeler segment. We expect to get rs 100 crore from this segment.

"We have a very good order, last year we bagged Rs 2,600 crore order while in the first

half of this financial year we have already got a order of Rs 2,100 crore. Some of these orders will start this year while some will begin next year," Kapur said.

He adds that these all new orders will annually contribute on an average Rs 800 crore to the total turnover initially, which will further be enhanced during the peak year.

Talking about electric vehicle component supply, Arvind informed that the company has already started development of the prototypes. It will supply housings to the EV makers.

"Currently, the supply to EV makers will take about 10 years but this is conservative approach. We expect to get additional orders in the due course," Arvind said. Apparently, Rico Auto has bagged orders from the overseas players and none of the India EV makers has given any order so far.

The leading braking and clutch manufacturer is focusing on both ICE and EVs. He expects that globally only 25 percent of vehicles could become EV by 2030 and it may exceed to 30 percent by 2040.

Some sources suggest that the component maker is almost on verge of signing a joint venture with a Taiwan-based leading CVT manufacturer HZ Manufacturing. However, on asking about it, while declined to comment or confirm Arvind said:

"We are looking at all the opportunities and we don't comment of market speculation," he said. Yet, he agreed that the company is keen on leveraging the opportunity that fast growing scooter segment is offering.

"The company is going to manufacture CVT for scooters and they will be signing a the joint venture agreement very soon," a person privy to the matter informed ETAuto.

The source further added that Rico Auto will hold 51 percent stake while Z H will command 49 percent stake in the new joint venture. The joint venture may be announced by next month.

Setco Auto to invest INR 140 crore in the foundry business

Economic Times reported that Gujarat-based commercial vehicle clutch manufacturer Setco Automotive is planning to invest INR 140 crore in the next two years in foundry business. This is the part of INR 200 cr investment announced earlier this year.

The foundry business is being expanded to meet the local demand and international exports. As a strategic shift, the company has beefed up its focus on international market and aftermarket.

Mr Udit Sheth, Vice Chairman, Setco Automotive Limited said that "In phase one we invested in the land, power, process and people. We will now increase the capacity which will meet our local demand and as well as exports.

It is one of our strategic investments as every year, we used to lose INR 10 crore - INR 15 crore of the top line to procure quality casting." This is in line with company's focus towards backward integration.

The company claims to have worked very hard to reduce the dependence on OEM sales by increasing aftermarket business. Now aftermarket contributes almost 50 percent to its total revenue.

Source : ECONOMIC TIMES

Finance Ministry may approve INR 4,000 crore subsidy for FAME II

Economic Times reported that the finance ministry is likely to approve a subsidy outlay of nearly INR 4,000 crore for the second phase of FAME India scheme to promote electric and hybrid vehicles.

The heavy industry ministry had sought over INR 12,200 crore in financial support to implement the scheme over the next five years. The second phase of the scheme is expected to entail subsidy only for electric buses and setting up of charging infrastructure for all categories of vehicles.

At present, the incentive is being offered on purchase of strong hybrid and electric cars, two-wheelers and three-wheelers under FAME India I.

As per the scheme, depending on technology, battery operated scooters and motorcycles are also eligible for incentives ranging between INR 1,800 to INR 29,000, while in three-wheelers it is between INR 3,300 and INR 61,000. The Cabinet is expected to consider the second phase of the scheme for approval in a fortnight, said the government officials.

The subsidy allocation was decided at a meeting between the Expenditure Secretary and his counterpart from the heavy industry ministry held here yesterday.

At present, automotive manufacturers claim the incentive from the government at the end of each month.

With an aim to promote eco-friendly vehicles, the government had launched the Faster Adoption and Manufacturing of Hybrid and Electric vehicles in India (FAME India) scheme in 2015.

The ongoing pilot phase of the scheme was earlier extended till September this year or until its second phase is approved.

Source : ECONOMIC TIMES

ACMA calls for uniform 18% GST for auto components

The Automotive Component Manufacturers Association of India (ACMA) has reiterated the need to have a uniform 18 per cent GST rate across sector, saying the high rates on some components have led to "flourishing grey operations in the aftermarket".

Currently, about 60 per cent of the auto components attract 18 per cent GST rate, while the rest, majority of which are two-wheelers and tractor components, attract 28 per cent.

Stating that the auto component sector needs to be encouraged with supportive government policies to support changing customer needs, ACMA President Nirmal Minda said one of the key demands of the industry has been a

uniform 18 per cent GST rate across the auto component sector. "A benign rate of 18 per cent will not only ensure better compliance, but will also ensure a larger tax base," he added.

The Indian auto components industry touched USD 51.2 billion (Rs 3.45 lakh crore) for the first time in the financial year 2017-18, registering a growth of 18.3 per cent.

Highlighting the technological changes that the auto industry is undergoing, Minda said there is a critical need for creating a fund to support indigenous R&D and technology creation in the component industry as also for technology acquisition from other parts of the world. Further, with regard to emphasis on moving to electric vehicles, he called for a well defined road map for the industry players.

"A well defined, technology agnostic road-map with clear responsibilities of each stakeholder will go a long way in ensuring a smooth roll out as also leading to creation of a local supply base for the same," Minda said.

While the exports of auto components grew by 23.9 per cent to Rs 90,571 crore (USD 13.5 billion) in FY18, imports increased by 17.8 per cent to Rs 1,06,672 crore (USD 15.9 billion). The aftermarket scaled by 9.8 per cent to Rs 61,601 crore (USD 9.2 billion) in the previous fiscal year.

In the fast lane new draft GST return form seeks to provide relief to exporters

The export community has consistently faced issues with GST and to make life easier, the Government has proposed simplification in the new return filing process.

The entire return filing process is supposed to undergo a change with only one monthly return for taxpayers. Return filing dates will also be staggered based on the turnover of the taxpayer which will be calculated based on the reported turnover in the last year, which is 2017-18, annualized for the full year.

It will be possible for the taxpayer to check on the common portal whether he falls in the category of a small taxpayer and a newly registered taxpayer will be classified on the

basis of self-declaration of the estimated turnover. The due date for filing of return by a large taxpayer shall be 20th of the next month.

For the export community, some specific changes have been proposed. The table for export of goods in return would contain details of the Shipping Bill (S/B) also. The registered person can either fill this information at the time of filing the return or after filing the return at his option.

Filing the details of the Shipping bill in the return at a later date will not be considered as filing of an amendment return. A separate facility for uploading shipping bill details at a later date will be provided to the exporters.

Once the information of S/B is completed, the entire data will be transmitted to the ICEGATE (IT system of Customs administration). Subsequent amendments in export/Shipping Bill table will also be carried out through a separate facility on the common portal and not through the process of filing of amendment return. There would thus be a special facility for the exporters. This amended data would also be transmitted to

Till data starts flowing online from ICEGATE or SEZ online in the input tax credit of the return, credit on imports and supplies from SEZ will be availed on self-declaration basis.

The current system has faced issues and created delays in refunds for exporters. One of the reasons for delay can be attributed to data-transmission gaps between GSTN and Customs EDI system. Others included mismatches in the amount of IGST paid on export goods between GSTR-1 and GSTR-3B as declared by taxpayers.

The new features will also come along with the function of profiling the taxpayer. There are many kinds of supplies which can be made under GST and also there are many types of inputs using which input tax credit can be availed.

Most of the taxpayers have only a few types of supplies to make and few types of inputs to report. Therefore, a questionnaire will be used to profile the taxpayer and only such part of return will be shown to him which is relevant to

his profile. For example, an exporter would be asked questions regarding his trade and based on it, only the parts that an exporter needs to fill will be shown in the return form.

To liquidate pending GST refunds, the Central Board of Indirect Taxes and Customs (CBIC) has recently concluded the third refund fortnight from July 16, 2018 to July 31, 2018. Till July 31, 2018, the total GST refunds disposed by Centre and States were to the tune of Rs 54,378 crore.

The Government on its part has asked exporters to ensure that the correct procedure of filing returns, give accurate information in Shipping Bill and submit RFD01A application forms to the jurisdictional formations to ensure quick disbursement of their GST refund claims.

Indian Auto Component Industry rose 18% to breach \$50bn for the first time in FY18

The Indian auto components industry registered a growth of 18.3 per cent to Rs 3.45 lakh crore (USD 51.2 billion) for the first time in the financial year 2017-18. In the fiscal year 2016-17, the industry had a turnover of Rs 2.92 lakh crore, Automotive Component Manufacturers Association of India (ACMA) said in a statement.

Exports of auto components grew by 23.9 per cent to Rs. 90,571 crore (USD 13.5 billion) from Rs. 73,128 crore (USD 10.9 billion) in 2016-17. Europe accounted for 34 per cent of exports followed by North America and Asia, with 28 per cent and 25 per cent respectively.

The key export items included drive transmission & steering, engine components, Body/Chassis, Suspension & Braking etc. Imports of auto components increased by 17.8 per cent to Rs 1,06,672 crore (USD 15.9 billion) in 2017-2018 from Rs 90,571 crore (USD 13.5 billion) in 2016-2017, according to the statement.

Asia accounted for 60 per cent of imports followed by Europe and North America, with 30 per cent and 8 per cent respectively.

Vinnie Mehta, Director General, ACMA said, "The year gone by witnessed an upswing in the overall performance of the vehicle industry, despite it facing several regulatory challenges."

He further said the component industry, in tandem, posted an encouraging performance with significant growth.

The aftermarket scaled by 9.8 per cent to Rs 61,601 crore (USD 9.2 billion) in the previous fiscal year. It stood at Rs 56, 096 (USD 8.4 billion) in the fiscal year 2016-17.

"The dynamics of the automotive market is undergoing a significant transformation as the industry strives to become compliant to various regulations related to emissions, safety and environment, including the transition from BSIV to BSVI," said Nirmal Minda, President, ACMA.

International News..

DAE-IL CORP BUILDS AUTO PARTS MANUFACTURING PLANT IN MURRAY, KENTUCKY

South Korea's DAE-IL Corp. started construction on a \$50 million, 120-job automotive parts plant in Murray, Kentucky. Company leaders expect the 295,000 square-foot plant, being built in the Murray-West Industrial Park, to open in May 2019. Employees at the new facility will manufacture automotive transmission gears.

"We are very happy and excited to be in Murray. We would like to thank everyone that has played a part in this," said DAE-IL President & CEO Johnny Kim. "They have made us feel very welcomed here. We look forward to a long, successful partnership with the community."

Founded in 1976 and headquartered in Ulsan, South Korea, DAE-IL Corp. manufactures and sells powertrain parts for automotive, heavy equipment and motorcycles. Its products include gears, car transmission and engine parts, heavy equipment products, such as transaxles, drive axles and transmission and excavator products, and motorcycle transmission and engine products. The

company's primary export markets include the US, China, Europe and Japan.

To encourage the investment and job growth in the community, the Kentucky Economic Development Finance Authority in December 2017 preliminarily approved the company for tax incentives up to \$3 million through the Kentucky Business Investment program. The performance-based incentive allows a company to keep a portion of its investment over the agreement term through corporate income tax credits and wage assessments by meeting job and investment targets.

"We are grateful for DAE-IL's decision to build its first United States manufacturing facility here in the commonwealth, and we congratulate them on starting construction in Murray," Governor Matt Bevin said. "Kentucky has a proven track record of successfully attracting and integrating businesses into our economy, and our relationship with another South Korean company set the stage for this opportunity. DAE-IL's significant investment will create great jobs for citizens of Calloway County and West Kentucky, and we are confident that they will thrive and grow in the commonwealth."

DAE-IL joins four other South Korean owned companies in Kentucky, which already employ about 400 people. The state's automotive industry includes 522 facilities employing more than 100,000 people. Kentucky's gateway position between the automotive hotbeds of the US Midwest and South make it a top location for parts production, component manufacturing and vehicle assembly.

Source: areadevelopment.com

Government Schemes

Scheme for enabling Manufacturing Sector to be competitive through Quality Management Standards & Quality Technology Tools (QMS/QTT)

OBJECTIVE

The main objective of the scheme is to sensitize and encourage MSEs to adopt latest QMS and QTT and to keep a watch on sectoral developments by undertaking the stated activities.

This component of the scheme of National Manufacturing Competitiveness Programme (NMCP) envisages Micro & Small Enterprises to understand and adopt the latest Quality Management Standards (QMS) and Quality Technology Tools (QTTs) so as to become more competitive and produce better quality products at competitive prices.

The adoption of these tools will enable MSEs to achieve:

- (i) Efficient use of resources.
- (ii) Improvement in product quality.
- (iii) Reduction in rejection and re-work in the course of manufacturing.
- (iv) Reduction in building up inventory at the various stages in the form of raw materials, work-in-progress, finished components, finished products, etc.

This will also enable the MSEs to enter into or strengthen their position in the export market.

For more details, please visit the following web-link

<http://www.dcmsme.gov.in/schemes/QMSOTT10.pdf>

Notifications/ Circulars

Ministry of Finance, Department of Revenue, CBITC

Notification No. 31/2018- (CT) dt 06.08.18
Seeks to lay down the special procedure for completing migration of taxpayers who received provisional IDs but could not complete the migration process.

<http://www.cbic.gov.in/resources/htdocs-cbec/gst/Notification-31-2018-central-tax-English.pdf;jsessionid=8C55C039E7A21F7364ADF9E453659074>

Ministry of Finance, Department of Revenue, CBITC

Notification No. 22/2018- (CTR) dt 06.08.18
Seeks to exempt payment of tax under section 9(4) of the CGST Act, 2017 till 30.09.2019

<http://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-22-2018-cgst-rate-english.pdf;jsessionid=3196A2BB456784213A16679A014504C6>

**Ministry of Finance,
Department of Revenue, CBITC**
Exchange Rates Notification No.67/2018-
Custom (NT) dated 02.08.2018
<http://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt67-2018.pdf>

Upcoming Indian Events

	<p>ALUCAST-2018 06 - 08 Dec., 2018 Delhi/ NCR, India http://www.alucast2016.com/</p>
	<p>67th Indian Foundry Congress 18-20 January 2019 India Expo Mart, Gr. Noida http://www.ifcindia.net/</p>

Upcoming International Events

	<p>The Bright World of Metals 2019 25 - 29 June Düsseldorf/Germany 14th International Foundry Trade Fair with Technical Forum</p>
	<p>INTERNATIONAL FOUNDRY FAIR 2018 01. OCTOBER 2018 to 05. OCTOBER 2018 BRNO EXHIBITION CENTRE, Czech Republic</p>

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