

Economic Crisis has been an Accelerator for Change

- V Narasimhan

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A Post Graduate in Industrial Engineering from IIT, Madras, and Alumnus of INSEAD - FRANCE, he has served Brakes India for three decades in various functional areas and he is currently Executive Director – Foundry Division. He also serves in the Board of The Dunes Oman LLC, and Forge-2000.

A keen student of TQM, he successfully led Brakes India's challenge of the Deming Prize in 2003. An avid practitioner of TPM practices, he spearheaded the company to win TPM Excellence, Consistency and Special Awards from JIPM. Very much interested in learning and teaching and has been a visiting faculty for various premier Institutions besides publishing quite a few articles. His presentation on "Inclusive, Innovative and Sustainable Environmental Management System" was selected as the best paper in the World Foundry Congress at Harrogate, U.K in 2007. He initiated Green Manufacturing

in the Foundry Division which is now rated as a Green Company with Gold Rating by CII-Godrej Green Business Centre.

He is actively involved with Confederation of Indian Industry as Chairman of TPM Club India for five years and Chairman of the Manufacturing Competitiveness Committee of CII – Southern Region. He was a member of the Working Group on "Green Manufacturing" constituted by the Planning Commission for the Twelfth Five Year Plan. He has been nominated as an advisor to the Deming Prize Committee by the Union of Japanese Scientists & Engineers. He is the Chairman of the GreenCo Forum, Chennai Chapter of CII – Godrej Green Business Centre.

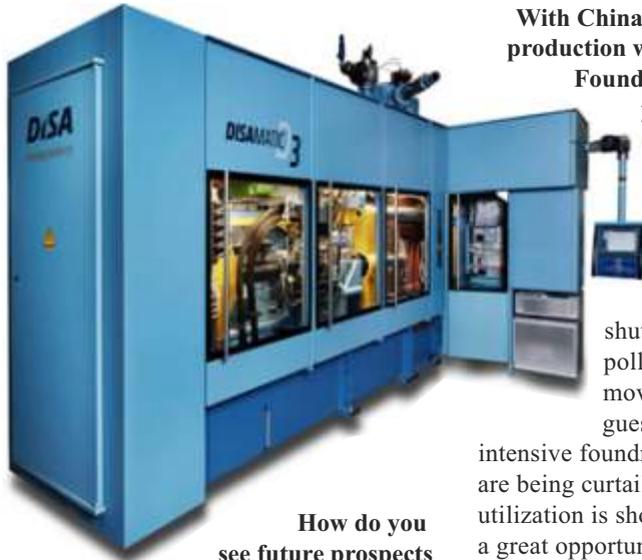
He is very much interested in Environmental Management & Corporate Social Responsibility and a very keen golfer and avid sports enthusiast.

Speaking to **Sushma Upadhyay** of **Metalworld**, he talks about the present and future status of foundry industry.

Excerpts

How do you see the present status of world foundry industry ?

We have entered a prolonged period of unprecedented turbulence and uncertainty which isn't simply a fallout from the great recession. The problems of global trade imbalances, unsustainably high levels of debt, and a severely damaged banking sector are not resolved and will take years to do so. While the long term growth story for India remains intact, the journey is unlikely to be smooth. Volatility across all economic parameters has shown a dramatic upswing in the recent years. The new normal is here to stay and we have to see this as "business as usual". The old sources of competitive advantage are no longer sufficient for success in this new normal.



How do you see future prospects of foundry industry ?

We will require changes across the organisation in how we do business. We need to inject optimism, discipline, agility and flexibility in the organization. We must create adaptive advantage as it will be the future source of competitive advantage. The economic crisis has been an accelerator for change. Industry is experiencing a dramatic transformation. Understanding the structure, the customers, the technology, the people and their skills and how they evolve is the key. We must not take our foot off the growth pedal: Growth opportunities have not dried up and we must keep our eyes open for growth opportunities, irrespective of the external mood. In the automotive industry, inefficient low volumes per platform are leading to reduction in number of platforms and common parts. Foundries will continue to gain importance.

Growth opportunities will depend on foundries' value addition. Cost cutting will play a significant future role. High investment will be needed by Foundries to participate in growth opportunities. Consolidation in the foundry industry will require clear positioning on competence and cost. Growth may not be due to the market but due to shifting value creation to the Foundries. Foundries will require to ensure end-to-end supply chain flexibility to build higher level of operational robustness and third generation Supply Chain Management.

With China leading the race in production where do you see Indian Foundry industry in coming years on global map ?

China has clearly stated that they will follow "Blue Sky Policy"- Environmental Protection. Recently a lot of foundries were shut down because of pollution. China is likely to move away from energy guessing and pollution intensive foundry industry. "Freebees" are being curtailed and very poor capacity utilization is showing up in China. This is a great opportunity for the Indian Foundry Industry.

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According to you what are the major concerning areas in the foundry industry which needs to be tackle for growth of foundry industry across globe and India specifically ?

Cost competitiveness, Automation, Environmental Management with concentration on Energy Management, Waste utilization, Water Management will be key thrust areas for our Foundry Industry to tackle for growth. Cheap

labour will have to become productive labour leading to overall cost competitiveness. Foundries will have to upgrade their Quality Management Systems as Quality and Delivery are taken for granted in the International market. Foundry Industry need to move closer to the biggest source of demand centers. Automotive Industry is progressing towards Electric vehicles which will cause a major disruption in the auto industry as the requirement of castings may go down drastically. The changes will be of 10X magnitude and the challenges will be posed to Foundries across the globe. Automotive sector consume 65% of the foundries' capacity.

Tell us about various activities of the Foundry industry and how it is providing assistance for the industry to grow.

Institute of Indian Foundrymen, an organization of about 70 years standing has expanded its horizon to improve the Foundry Industry in every which way. The organization is becoming very professional and addressing the challenges posed to the industry with new thrust areas such as Policy Advocacy with the Government, Academia and other Stakeholders. IIF has taken a very good initiative in skilling the Foundry Industry to tackle the future challenges.

According to you what are the measures being taken to increase the efficiency and reduce cost in the plant ?

Besides starting up, skilling up, it is also very essential to scale up the Operations. Indian Foundry Industry through the Member Companies will have to successfully measure up to global levels of growth. Automation in the most cumbersome operations like Fettling and Finishing is a must. Energy efficiency is rightfully gaining its importance. Modernizing the Foundries is resulting in aggressively increasing the productivity from the ridiculous to the sublime levels witnessed in the Western World. Green Manufacturing is an area which we are embracing to overcome the entry barriers. TQM and TPM practices are being embraced to achieve Manufacturing Excellence to close the gaps in Productivity, Quality, Cost, Delivery, Development and Morale.