



Focusing on Improving the Bottom Line of the Foundries

- **Amish Panchal**
President,
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picking up. The industry has grown overall by 5% as compared to last year in spite of several disruptions which impacted for a short while. The industry continues to be the second largest globally as per recent world casting census. China and India have registered growth. As per market reports India foundry market is to grow by more than 10% in 2017-2021.

Though the industry is hit by demonetization and the effect of GST is yet to come, still, there is a sense of positivity. With the opportunities, we are doubling the growth targets.

The raw material situation that has become critical in the past few weeks. Pollution control measures taken by the government in the neighboring countries have forced the complete closures of manufacturing plants for all major foundry raw materials - Ferro Alloys, Carbon, Furan, Phenol and other chemicals. This has resulted in steep rise ranging from 25-100% in the prices of these materials in just few days and it is increasing on daily basis. Apart from the increase, availability of many of the raw materials has become a real challenge. Considering the shortage of the raw materials from major exporting countries to India, domestic prices of these raw materials have also witnessed sharp increase.

The unpredictable nature of raw material costs has pushed many foundries to reconsider their pricing systems. It's been slow for foundries and their customers to accept the reality, but today, even quarterly fixed-price contracts have become simply too risky, if price variation in all the raw materials are not considered while fixing the prices.

Amish Panchal is the partner of Ahmedabad based Kastwel Foundries. He is associated with IIF for 24 years. He has been in the National Council for eight years making significant contribution to IIF and the industry. A Metallurgical Engineer with experience in diverse spheres of business and activities. Panchal has been serving IIF actively in various positions at the Chapter, Region and National levels for over a decade. He was Hon Secretary of IIF in 2013-14, Hon Treasurer in 2015-16 and Vice President in 2016-17.

Energetic and innovative, Amish Panchal has played important role in organising a no of IFC's held in Ahmedabad, Jaipur, Bangalore, Kolkata and Gandhinagar. Attended 22 IFC's so

far, he also participated in important international events like GIFA in Germany, Metallurgy and Metal China in China and the International Foundry Forum in Spain.

Panchal is also member of Ahmedabad Management Association, Gujarat Chamber of Commerce, and Centre for Foundry Education & Research (Ahmedabad) and Vatva Industries Association.

Speaking to **Metalworld**, Amish Panchal talks about the present and future of Foundry Industry on national and international level.

Excerpts

How is the Indian Foundry industry performing presently?

Indian Foundry Industry is gradually

In your opinion what are the problems that need to be tackled to give a boost to the foundry business?

The main challenges are skill development and infrastructure for training. The existing institutions like NIFFT, ITIs, Polytechnics need overhaul in terms of curriculum and infrastructure to suit present day needs. In past few decades the technology has seen tremendous change.

The second biggest challenge that industry is not getting right price of castings. The margins for the foundries are always a concern. With low margins, industry cannot plough back some of the profits in technology up gradation. There are few Govt. schemes to support technical up gradation, but these are insufficient.

Younger generation is not very enthusiastic to work in foundries as these are perceived to be having harsh working conditions and with pay packages not attractive enough compared to other industries. We as a industry have to workout a long term plan on to make industry strong enough so that it is able to give attractive salaries, incentives, good working conditions to attract young talent with required skill set.

Recently another uncertainty has emerged in the form of EV mobility. It will impact foundry sector substantially specially those dealing with castings for auto sector. It may not happen immediately but in next few years, there is distinct possibility of this happening substantially. Of course this will depend upon Govt. policy, consumer choices & related infrastructure required for EV mobility.

What are the present trends in foundry industry on national and international level?

Like other manufacturing industries, foundry industry is also catching up the concept of industry 4.0. Asset performance management, Process and quality improvement, Resource Optimization, Supply chain optimization are the major areas where many of the leading foundries are focusing.

Online data capturing for energy conservation, reducing downtime by intelligent predictive maintenance, improving life and optimum utilisation of the assets are some of the major area where foundries have started taking advantage of IT.

Use of additive manufacturing

technology for tooling development, faster development of components, small lots of cores and mould preparation is becoming more common with progressive foundries.

What are your views on technological up gradation in foundry industry?

The up gradation is not one time affair. It is continuous process. Life of each technology is limited. The key is to forces

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the change & adapt to the changing environment which is key to growth & survival. Those who are first to see & adopt the change will only survive.

Indian foundries cannot adopt overseas technology easily due to affordability and scale of operations. There is a huge scope of developing technologies suitable to Indian working conditions in all major area of foundries including environmental protection equipments for foundry industry to grow. Trade bodies like IIF, industry players along with R & D institutes have to collaborate to develop technologies.

Technologies which improves productivity, quality, cleaner working conditions are the ones which Indian foundries should look for.

What are the future plans of IIF ?

Improving the bottom line of the foundries by reducing rejections is the main focus for current year’s activity of IIF. We have launched Mission Zero Defect Campaign, to bring awareness and to strive near to zero rejections, yearly theme chosen is “Let’s Cast It Together – Mission Zero Defect”. Study Tours of leading foundries of India and abroad, Defects Clinics in all major IIF Chapters are planned.

• **Pricing Index Task Force** : To assist foundrymen during raw material price volatility, IIF will develop an index. To start with pricing index for green sand mechanized foundries will be developed. Task force will conduct workshop on cost calculations in all four regions.

• **Indian Foundry Apps** : To make availability of knowledge and world market on the figure tips to Indian Foundry Industry, three mobile applications are developed.

• **Foundry TechMate** : About 700 technical papers published in various publications of IIF can be searched with typing of Keyword.

• **Indian Casting Finder** : Indian foundries can upload their profile at a nominal cost to be found by the buyers of the castings across the world.

• **MatQuip Finder** : Foundries can search for the quality supplier of raw material and equipments by typing a key word. Foundry suppliers can upload their profile at a nominal cost.

“INDIAN FOUNDRY APPS” can be downloaded free from Google Play Store or from Apple Store.

• **Cast Your Future With Castings** : Industry-Academic Institute’s interaction programme to attract fresh engineers to the industry.

• **Foundry Excellence Workshop** : Series of five workshops at Pune, specially designed for next generation foundry leaders to chart growth path for their foundries.

• **Foundry Innovation & New Technology Summit** : Summit was conducted at New Delhi on 10th November where latest innovation and new technologies were presented.

• **Cast Source Meet** : Buyers- Sellers Meet will be conducted at Coimbatore on 6-7 April, 2018 where about 15-20 buyers will present their requirements.

• **Green Foundry Drive** : Energy Audits, Green Foundry Column, Urja Sanchay Project, Drawing and photo completion is planed under this drive.

• **Safe Foundry Drive** : Safety posters will be brought out during National Safety Week in March, 2018 and will be circulated.

With these activities we aim to make Indian foundry industry ready for brighter and better future.