



# Casting Industry in UAE Stable



**S.K. AHUJA**

**S**atyendra Kumar Ahuja did his Bachelor of Engineering Hons. (Mech), Govt College Jabalpur, India. He has about 52 years of experience in the field of Foundry Industry. Of the many assignments, he worked as a Foundry Engineer at Heavy Engineering Corp Ranchi India: - 1987 Works Manager and Head, Indian Smelting and Refining, Thane, India; CEO, Nitin Castings Limited, Bombay India; Consultant to four large Cement plants and five foundries in India and in 1994 -set up the foundry in Fujairah Free Zone as investor and Managing Director exporting product to 26 countries in the world

He did six of training in Indian Oxygen plant Calcutta welding engineer (1963); six months at

Chittaranjan Locomotive Works as foundry engineer (1963) and Executive development programs and civil defense (1967)

Of the many achievements to his credit he set up one foundry in Abu Dhabi and one in Dubai under his consultancy. He was awarded Foundryman of the year award in 2001 by Institute of Indian Foundrymen affiliated with World Foundry Congress and also Awarded credential of Foundry award by Fujairah Free Zone

Ahuja has so far travelled to 55 countries around the world for business promotion and involved in foundry up-gradations. He has published 20 papers in foundry journals on upgradation of foundry technology.

Speaking to **Sanjay Singh,**

**Associate Editor of Metalworld,** SK Ahuja says that establishing industry in Gulf countries is very simple if the documents are proper. There are specific rules for set up of any industry and once the authorities are convinced, the rest of the process is very fast. There are several advantages if the manufacturing set up is established in Free zones of UAE. Excerpts

**Q Can you give briefly describe the activities of your company?**

Quality Castings Limited primarily produces high alloy steel castings. We have a worldwide established name in the field of wear and heat resistant castings. Foundry supplies to more than 25 countries around the world and has been a sole supplier to some of the reputed OEM of Western world.

The Foundry has a capacity to produce 15000 tons a year. Foundry has also separate divisions for non-ferrous and investment castings.

**Q How is the casting industry performing in the UAE and generally in the Middle East?**

Casting industry in UAE is generally stable. In the modern world where economies of all the countries of the world are interconnected, the financial meltdown of western world has affected the market world over.

Though there was a slight dip in UAE GDP in the year 2015 but overall UAE is able to manage the average GDP growth rate of above 4% while Gulf countries GDP is hovering around 3% due to continued low prices of oil and gas products. Thus we can say that GCC countries have been able to sustain their market in the present situation.

However, the markets have tremendous potential to grow once

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the world economic cycle show some stability and oil products are reasonably priced.

**Q Apart from the UAE, which are the other emerging market for casting products?**

Apart from the UAE and Western countries other upcoming markets are north and western African countries like Kenya, Zambia, Ghana, Ivory Coast, Liberia, Mali, Nigeria, Senegal, Sierra Leone, Kenya which is growing at a faster rate compared to other nations in African continent.

Similarly some Latin American countries should be on your watch list.

**Q What is the estimated total size of casting products produced**



**in the Middle East in terms of value and volume?**

The UAE market is estimated around 2000 tons while GCC market is estimated around 6000 tons per month. Middle East is a big area and due to current unrest in some of Middle Eastern countries, it is difficult to uncertain the market volume.

**Q One of the biggest market for casting product is the oil and gas sector. How do you see this segment of market growing?**

This sector is not expected to grow in near future because of the decision by OPEC to cut the oil production. Oil producing companies are not looking for any expansion at the moment however, their maintenance requirement is expected to continue.

**Q What is the biggest advantage does the foundry sector in the Middle East have over other countries?**

Establishing industry in gulf countries is very simple if the documents are proper. There are specific rules for set up of any industry and once the authorities are convinced, the rest of the process is very fast. There are several advantages if the manufacturing set up is established in Free zones of UAE.

Here one can have 100% ownership without having a local partner. No import or export duties. no corporate tax for 50 years. No personal income tax. No restriction of capital repartition. No currency restrictions. No restriction for bringing foreign employees. Bank finance is available at international banking norms.

