



IIF FOUNDRY NEWS BULLETIN

Issue No. 197, Dated 20th September, 2016

65th IFC & IFEX 2017 - Kolkata



3-5 Feb • 2017
Eco Park • Kolkata • India

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IIF Meeting with Chairman, CPCB

A meeting with Chairman, Central Pollution Control Board, Shri S. P. Singh Parihar was held with The Institute of Indian Foundrymen (IIF) in Delhi on 19th Sept., 2016. IIF was represented by Ms. Sheela Bhide, Adviser, IIF & Mr. A. K. Anand, Director, IIF.

Detailed discussions were held to review the Notification of March 7, 2016 issued by CPCB regarding categorization of Foundry industry from RED to Orange. IIF had requested following amendments for clarifications of all concerned. In the foundry category, Induction Furnaces may be added without any cap on capacity under ORANGE category. Also steel & steel products may be amended to read as "Iron, Steel & their Products". These amendments were sought by IIF so that there is more clarity with all stakeholders including the Pollution control Boards.

Chairman, CPCB appreciated the points raised by IIF & assured that CPCB will certainly look into this & after due consideration will take necessary action for amendments.

IIF also discussed in details the proposal for study of waste sand for road construction & apprised Chairman, CPCB of the discussions held earlier by IIF with Director, Central Road Research of India (CRRI) & the proposal of CRRI for undertaking detailed study on samples drawn from various foundries before recommending guidelines for use of waste sand for road construction keeping in view the safety. Subsequently, formal proposal has also been submitted for the consideration & further perusal by CPCB as proposed by IIF. IIF was assured by Chairman that CPCB will review the proposal of IIF as it will help productive use of waste sand & also mitigate disposal problem.

Implementation of MSMED (Furnishing of Information) Rules, 2016 - Mandatory

IIF has received instructions from the Ministry of MSME vide their letter dt 9-9-2016 to advise all member MSME units to furnish the details about their units as per Micro, Small and Medium Enterprises Development (Furnishing of Information) Rules, 2016 notified by the Ministry vide Gazette Notification No. GSR 750(E) dated 29 July 2016.

It is mandatory for all MSME units to furnish the aforesaid information to Ministry of MSME.

The member MSMEs who have not provided the requisite information are requested once again to please comply with the requirement of Ministry of MSME.

The details can be furnished online at the following weblink
www.msmedatabank.in

IIF In-plant Training Programme "Yogyata Vikas"

Continuous training & skill development of employees is the key to success for any business. Training presents a prime opportunity to expand the knowledge base of your employees and allows you to strengthen those skills that each employee needs to attain a higher level of performance, better work safety practices and productivity & quality improvements.

The Institute of Indian Foundrymen (IIF) has been continuously striving to promote skill development in foundry sector. In one of its such key initiatives, IIF has launched the **"In plant training programme- YOGYATA VIKAS"** in Aug, 2016 at Hinduja Foundries, Coimbatore.

Given below are the salient points of this training programme:-

- In plant (door-step) training for foundry workmen conducted in 8 Indian languages (English, Tamil, Telugu, Bengali, Hindi, Marathi, Gujarati, Kannada).
- Training will be conducted at the Foundries
- Training dates are flexible at the convenience of Foundries.
- Trainers are experts from Foundry industry and fluent in respective native languages
- 10 Modules are prepared from Basic topics and even slides are translated in 7 Indian languages
- For IIF Members, Training Fee is Rs 10,000/- per day plus service tax. (Rs 11,500/- inclusive of service tax) & for Non-Members, Training Fee is Rs 15,000/- per day plus

service tax. (Rs 17,250/- inclusive of service tax)

- Expenses towards trainer's 2nd class A/C train/air travel fare (for outstation trainer), local conveyance, boarding & lodging will be borne by the foundry.
- Facilities and arrangements required for training to be provided by the foundry.
- Batch size of workmen per programme - 25 Max.

Training modules available for In-Plant Training are given below:-

1. Basic Metallurgy of Grey & SG Iron
2. Basic Metallurgy of Steel Castings
3. Casting Defects in Grey Iron, SG Iron and their Remedies
4. Casting Defects in Steel Castings and their Remedies
5. No-bake Resin, CO₂ Sand System and Coatings
6. Melting Grey Iron, SG Iron & Steel in Cupola and Induction Furnace
7. Sand Quality & Testing
8. Cupola and its Operation
9. Mould-making Processes
10. Pattern-making and Methoding of Castings

Foundries are encouraged to come forward and take maximum advantage of this initiative of IIF.

Please feel free to contact Mr. Basant Kumar, Asst. Director, IIF Mob No. +91 8377923104 for any clarifications.

IIT requires PROJECT PERSONNEL

Indian Institute of Technology (Banaras Hindu University) Department of Metallurgical Engineering, Varanasi has invited applications for the post of **Project Personnel**, at a Fixed Stipend/Fellowship/Salary amount of Rs.14400 p. m. in a CARS Project entitled "Studies on Improvements in Stiffness of Aluminum Alloy Fibers" sanctioned up to one and half years.

The post is purely temporary and co-terminus with the project. The candidates should possess ITI-training (Foundry). The upper Age Limit is 30 Years (relaxable for 5 years for SC/ST/Physically Handicapped/ Female

candidates; in case of non-research positions, upper age limit may also be relaxed for the duration of earlier work in a project/ scheme subject to the Institute rules prevalent at that time. All things being equal, SC/ST candidates will be preferred as per GOI rules.

Essential Qualifications:

Intermediate Pass +5 years of Experience (In Foundry)

Or

ITI-training (Foundry) +3 years of experience (in Foundry)

Or

Diploma (Foundry) +1 Year Experience (Foundry)

Desirable qualifications

Any additional Experience as Foundrymen.

Interested candidates may send application on Plain paper giving Name, permanent and correspondence address, names of father and mother, telephone no. and e-mail address, details of educational career (starting from High School or equivalent) along with self-attested copies of all mark-sheets & certificates and details of any research or other experience etc., if any, at the following address:-

Dr. Rampada Manna,

The Principal Investigator,

Project No. R&D/CARS/ST/Met/16-17/04
Department of Metallurgical Engineering,
Indian Institute of Technology (BHU)
Varanasi - 221005

Overseas Query

Items	Company	Contact Details	Contact Person
Die Coatings for Centrifugal Casting Cast Iron Alloy Liners	Shah Sons Pakistan Pvt. Ltd.	8-C1A, Indl. Estate, Multan, Pakistan Mail.: iqbalha@yahoo.com Phone no: +92 61 6514073 Fax : +92 61 6539071	Mr. Mian Iqbal Hassan

Theme:
Casting Challenges -
Moulding Opportunities



**THE INSTITUTE
OF INDIAN
FOUNDRYMEN**



65th Indian Foundry Congress

**SAVE
THE
DATE**



Venue: Eco Park,
New Town, Rajarhat,
Kolkata, West Bengal,
India

- **Huge Venue**
- **15000 Visitors**
- **4 Parallel Halls**
- **250+ Exhibitors**
- **Cast Source - B2B Meetings**
- **Business Networking Opportunities**

New Town Eco Park is an urban park in Rajarhat, Kolkata. The park is situated on a 480 acres (190 ha) plot. The Eco park is located along the Major Arterial Road in Action Area - II of NewTown, Kolkata.

**For Further Details,
Please Contact:**

IIF Center

335 Rajdanga Main Road, Kolkata 700107, India

Tel: + 91-3324424489/24427385

Email: secretariat65thifc@ifcindia.net, **Website:** www.indianfoundry.org

Approx Major Raw Material Prices

ITEMS	Price 11.09.2016 Rs./Kg (Incl. Excise)	Price 18.09.2016 Rs./Kg (Incl. Excise)
Pig Iron	29.0	30.0
Melting Steel Scrap	20.6	21.4
CRCA Scrap	24.5	25.5
Copper Ingot	372	375
Aluminum Ingot	136	136

News Headlines

- India Containerized Shredded Scrap import prices gain
- Indian Ferro Manganese & Ferro silicon prices inches up as supplies shrink
- India's Nalco raises aluminium production in April-June
- Chinese bismuth ingot market sees few transactions
- Chinese magnesium ingot prices stable with few deals concluded
- Chinese ferrosilicon prices up
- Taiwan Containerized Scrap import prices down to \$218 a ton
- Turkey mostly silent, but bookings soften scrap
- LME nickel: Prices slip as market eyes Indonesia
- US ferro-alloys: FeV, FeMo, SiMn, FeTi prices down

In the News

Hinduja Foundries to merge with Ashok Leyland

Commercial vehicle manufacturer Ashok Leyland has decided to merge loss-making Hinduja Foundries Ltd. (HFL) with it, subject to regulatory approvals and approvals from shareholders of both the companies.

The appointed date of merger has been kept as October 1, 2016. Ashok Leyland management expects the process to be completed by

March/April 2017.

As per the proposal, 100 equity shares of Rs.10 each fully paid of Hinduja Foundries will get 40 equity shares of Re.1 each fully paid of Ashok Leyland; 1,000 (2008 series) GDRs of Hinduja Foundries will get 133 equity shares of Re.1 each fully paid of Ashok Leyland, 1 (2016 series) GDRs of Hinduja Foundries will get 4,800 equity shares of Re.1 each fully paid of Ashok Leyland.

Briefing reporters, Gopal Mahadevan, Ashok Leyland Chief Financial Officer said: "HFL has been a critical supplier of castings to Ashok Leyland and 36 per cent of HFL revenues come from Ashok Leyland. After considering several options, we have come to a conclusion to merge it with us.

It will benefit all the stakeholders. In the short term, the losses will be subsumed into Ashok Leyland books, we will get tax benefits and there will be improvement in operation performance of HFL itself."

"We are the only OEM to have forging operations outside, while others had it internally. The merger will address several issues. It is going to be a win-win situation for both of us," he said.

For the 18-month period ended March 31, 2016, HFL had a loss of Rs.394 crore, including exceptional losses of Rs.136 crore. The company has an accumulated loss of about Rs.1,100 crore and debt of Rs.512 crore.

Ashok Leyland has invested Rs.321 crore in HFL by way of preferential shares and has an equity stake of 2.64 per cent. After the merger, Ashok Leyland expects to get tax benefit of 32 per cent to 34 per cent of HFL losses.

The promoters stake will increase by one per cent to 51.40 per cent.

"In the last two months, HFL reported EBITDA positive. And in the next two to three years, it can be turned positive. After the merger, HFL will be a division of Ashok Leyland.

It will be run independently and have its own management and governance board," he said.

Ferro Silicon Prices Down by INR 1,000/MT on Demand Weakness

Ferro silicon market lost its ground with prices easing on absence of buying interest, and increase in inventory with the producers.

Producers from Bhutan have lowered offers by INR 1,000/MT, due to weak demand with new deals concluding at INR 64,000/MT (ex-Bhutan). Prices have fallen as demand has failed to the supply. No export deals were heard as reportedly there is no demand at all from the international buyers.

"The market situation has been practically the same for a long time and prices have been stable since months. But, demand has been lacklustre for a while now," stated a producer from Bhutan. Similarly, Indian ferro silicon prices plunge down by INR 1,000/MT and now are being offered at INR 62,000/MT (Ex-Guwahati).

A Meghalaya based producer said, "It has been a very quiet few days. We cannot identify a clear direction for prices. Buying appetite has subsided. It's hard for a recovery to take place." SteelMint assessed that as end-user demand for ferro silicon has not picked up, prices are likely to be under pressure with production being constant.

Will use global stimulus plans to boost exports

Commerce & Industry Minister Nirmala Sitharaman said the government will focus on strengthening domestic industry and look to boost exports by taking advantage of opportunities that stem from stimulus programmes implemented by major economies. She declined to comment on the impact of a stronger rupee on India's exports.

"It will be sensitive to comment on it at this stage," she told ET in an interview. The rupee has risen over 2.5 per cent in past six months, undermining India's export competitiveness amid sluggish global trade. On Thursday, the Centre refuted reports the commerce department had mooted rupee devaluation to push exports.

Sitharaman said the dip in India's exports was "no longer worrying" and that revival efforts

were under Commerce way. Exports dropped 15.5 per cent in FY16 but data released on Thursday showed August numbers were almost the same as last year. "We are watching very carefully various steps taken by major economies," she said. On retail, she said high-end fashion and luxury won't get the benefits given to high-tech products under the single-brand retail policy. Also, personal care items can't be sold in shops that come under the 100 per cent FDI in food marketing policy.

TAFE aims for 7% growth in its total sales for 2016

Privately held Amalgamations group firm Tractors & Farm Equipments (TAFE) has said that the industry would grow 8% CAGR for the next three years and it would better industry growth.

World's third largest tractor maker TAFE hopes to sell 1.55 lakh units (including exports) for the current year, up from 1.45 lakh units last year. The tractor maker, which makes and sells tractors under Massey Ferguson, Eicher and TAFE brand said that there were significant growth potential as farmers look for increased mechanization.

"We will see better than industry growth," TAFE's chairman and CEO, Mallika Srinivasan said. She launched a new 'Smart' series of Massey Ferguson tractors and premium compact utility tractors. She also said that two new product platforms under its Eicher brand.

Exports for TAFE will also rise, she said. From 18,000 to 20,000 units projected for the current fiscal, exports will increase to 32,000 units in 2018-19.

The company will be shipping out sizeable number of 100hp tractors to African market under TAFE brand.

She said with the new Smart series tractors the company will redefine customer experience with respect to productivity, efficiency and return on investments. By end of 12 months, the company hopes to sell around 10,000 units in Smart series.

Rupee trades higher at 66.86 against US dollar

The Indian rupee on Friday strengthened against the US dollar on improvement in trade deficit data. Gains in the local equity and Asian currencies markets also helped the home currency.

The rupee opened at 66.87 per dollar. At 9.12am, the home currency was trading at 66.86 per dollar, up 0.23% from its previous close of 67.03.

India's benchmark Sensex index rose 0.38% or 109.36 points to 28,522.25. So far this year, it has gained 9.1%. India's merchandise exports contracted by 0.3% from a year ago to \$21.5 billion in August, imports shrank 14.1% to \$29.2 billion. Trade deficit fell to \$7.67 billion against \$12.40 billion a year ago and \$7.76 billion a month ago.

The current account is likely to swing to a \$3.3 billion surplus in the April-June quarter, its first since 2007, according to the median of 10 economist estimates in a Bloomberg survey. The data is expected to be released by the Reserve Bank of India this month.

Asian currencies were trading higher after weak US data reduced the already low chance of an interest rate increase by the Federal Reserve at next week's meeting.

US August retail sales and manufacturing output fell more than expected, data released on Thursday showed. The lacklustre reports prompted the Atlanta Fed to lower its third-quarter gross domestic product estimate to a 3% annual rate, from 3.3% earlier, Reuters reported.

Taiwan dollar was up 0.66%, South Korean won 0.5%, Indonesian rupiah 0.47%, Malaysian ringgit 0.33%, Thai Baht 0.22%, Singapore dollar 0.11%, China renminbi 0.07%, Philippines peso 0.05%. The 10-year bond yield stood at 6.88%, from its Thursday's close of 6.883%. Bond yields and prices move in opposite directions.

The rupee is down 1.1% till date this year, while foreign institutional investors have bought \$6.24 billion in equity and sold \$564 million in debt markets. The dollar index, which measures

the US currency's strength against major currencies, was trading at 95.298, up 0.01% from its previous close of 95.288.
Source : livemint.com

Tata Motors focuses on cargo vehicles to drive growth

Tata Motors today said it is focusing on cargo vehicles, including tippers, even as the medium and heavy commercial segment grew by just 3 per cent in April-August. "Medium and heavy commercial vehicles (M&HCVs) in the first five months (of the current fiscal) saw almost a flat growth, a very negligible 2.5-3 per cent. And this growth is triggered by tippers used in construction, mining and irrigation projects," Rajesh Kaul, Business Head, Medium & Heavy Trucks, Tata Motors, said today.

"Tippers witnessed a growth of 40-42 per cent growth in this period... looking at the current scenario, the tippers segment will further grow because of the fact that a lot more has to happen on infrastructure, construction, irrigation, mining, and post monsoon, the tipper industry will further grow."

The company is focusing on both cargo and tippers. Cargo, which is two-thirds of the industry, had "actually degrown" while the tippers segment has grown by 40 per cent. Talking about the industry, he said around 80,000 units were sold in April-August, of which 19,000 were tippers.

Asked about the company's performance, he said Tata Motors saw a flat growth during April-August and sold around 43,000 units. Meanwhile, Tata Motors has showcased here over 40 different products - from haulage to construction related key technologies and services.

It has also launched its new SIGMA range of medium and HCVs, which will be shortly be available across Haryana, Himachal Pradesh and Punjab. An initiative for trucking customers and their families, a 2-day truck world expo is being held, offering Tata Motors and its partners communicative and promotional opportunities about its products and solutions, "all under one roof" - a first-of-its-kind comprehensive purchase experience by a commercial vehicle brand, he said. CHS ARD

Tata Metaliks raising capacity to cash in on growing urbanisation

Tata Metaliks counter has been buzzing for quite some time after it increased capacity for value-added product ductile pipes to grab 11-12 per cent market share.

Speaking to BTVi, Managing Director of Tata Metaliks, Sanjiv Paul, says the move to raise capacity for ductile pipes comes in the wake of growing urbanisation and the need for basic infrastructure of water and waste water. However, a sharp spurt in metallurgical coal prices from \$120-130 per tonne to \$200 will crimp margins, he warned.

We have recently added around 60-65 tonnes of capacity. This will take our capacity from 100,000 tonne of ductile iron pipe two years ago to 200,000 tonne that will take the market share to around 11-12 per cent. So we are looking to ramp up the value added product. Normally, we used to produce big iron for hot metal. So this is a value added product in that value chain. We are looking to increase the percentage of value added product, said Mr. Sanjiv Paul.

International News..

MPG Closing Brillion Foundry, two weeks after buying it

Metaldyne Performance Group Inc. issued a shutdown notice for Brillion Iron Works, the Wisconsin foundry it purchased for \$14 million less than two weeks ago. "A severe downturn in the heavy truck, mining, agriculture and industrial markets is forcing the foundry industry to consolidate production into fewer facilities," stated MPG president and COO Doug Grimm. "This was a difficult decision that impacts Brillion's dedicated and skilled workforce. Where feasible, we hope to relocate as many employees as possible to other MPG locations."

Brillion's products are gray iron and ductile iron castings, ranging from thin-walled to complex heavy-sectioned parts for manufacturers of light and commercial vehicle, agricultural, construction and mining equipment, and other industrial markets.

At the time of that purchase, MPG issued a statement that noted the Brillion operation would complement MPG's casting business and capacity. "MPG has completed 10 acquisitions over the past decade and we have successfully integrated all of them," stated George Thanopoulos, CEO. "Our customers are very supportive of this bolt-on transaction given our successful history of acquisitions and the current depressed state of the industrial and heavy truck markets."

Now, the decision has been made to cease molding and melting operations during the fourth quarter of this year. Ongoing Brillion work orders will be transferred to MPG foundries in Browntown, WI and Reedsburg, WI; St. Cloud, MN; Iron Mountain, MI; and New Castle, IN.

Brillion Iron Works has 293 hourly and 49 salaried employees. In its announcement, MPG stated that transfers to positions at other locations would be offered to Brillion employees, "as opportunities exist."

MPG was formed in 2014 by a private-equity group, American Securities LLC, which established a single holding company for two forging organizations (Metaldyne, HHI) and a large automotive foundry group (Grede Holdings.) Each of those entities also included a number of legacy brands. Its products are gray, ductile and austempered ductile iron castings, forgings, and finish machined parts for automotive, commercial vehicle, and industrial markets.

In August, MPG consolidated all its brands under a single label, which are organized according to process and market focus (e.g., MPG Casting Technologies, MPG Forming Technologies, etc.)

Government Schemes

Bank Credit Facilitation Scheme - NSIC

To meet the credit requirements of MSME units NSIC has entered into a Memorandum of Understanding with various Nationalized and Private Sector Banks. Through syndication with these banks, NSIC arranges for credit support (fund or non fund based limits) from banks without any cost to MSMEs.

Furthermore the MSMEs can upgrade their competence in terms of business and technologies by getting rated through independent, renowned and professional rating agencies empanelled with NSIC.

The empanelled rating agencies are CRISIL, ONICRA, SMERA-D&B, CARE, India Ratings, BRICKWORK and ICRA. The MSE's which get rated under NSIC-Performance and Credit Rating Scheme not only has a liberty to get rated from any one of rating agencies of its preference but it also invariably increases their creditability in business and help them in getting timely credit from banks at liberal rates of interest.

All documentations pertaining to completion and submission of a credit proposal to banks shall be undertaken by NSIC thereby saving cost and time to MSME.

To send in your loan enquiries, please contact at the below given addresses hobts@nsic.co.in

For more details please click on the link <http://www.nsic.co.in/bankfaci.asp>

Notifications/ Circulars

Ministry of Commerce & Industry, Dept. of Commerce, DGFT

Policy Circular No. 02/2015-2020 Dt. Sep 15, 2016

Issuance of Free Sale & Commerce Certificate to Merchant Exporters-reg.

http://dgft.gov.in/Exim/2000/CIR/CIR16/pc02_2017.pdf

Ministry of Commerce & Industry, Dept. of Commerce, DGFT

Trade Notice No. 16/2016 Dt. Sep 14, 2016

Guidelines for Issuance of Duty Credit Scrips under Incremental Export Incentivisation Scheme (IEIS) for Quarterly period (01.01.2013 to 31.03.2013) in pursuance of Trade Notice 04 dated 05.05.2016.

<http://dgft.gov.in/Exim/2000/TN/TN16/TN1616.pdf>

Ministry of Finance, Dept. of Revenue, CBEC Notification No. 121/2016 - Customs (N.T.)

Dated Sep 15, 2016

Rate of exchange of conversion of the foreign currency with effect from 16th Sept., 2016

<http://www.cbec.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2016/cs-nt2016/cstnt121-2016.pdf>

Upcoming Domestic Events

	65th IFC and IFEX 2017 From.: 3rd to 5th February, 2017 Venue: Eco Park, Kolkata URL: https://www.youtube.com/watch?v=WqQFQS4qFDc
	3rd International Exhibition & Conference On Steel Industry 20th - 22nd April, 2017 Mumbai Exhibition Center, Mumbai, India http://www.indiasteelexpo.in/

Upcoming International Events

	From.: 14th to 17th March, 2017 Venue: GAUTENG, SOUTH AFRICA URL: http://metalcastingconference.co.za/
	From.: 21st to 24th June, 2017 Venue: Verona, Italy URL: http://www.metef.com/ENG/home.asp#

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