Indian Investment Casting Industry

By
Deepan M. Dave
DYNATECSALES
7th Kartar Road, Borivali (East),
Mumbai 400 066, India
Tel no : +91-22-28612404/05
Fax no : +91-22-28631952
E-mail : deepan@bom7.vsnl.net.in
Indian Economic Growth & Global Integration

• Key Drivers of Growth
  – Domestic
  – Services
  – Consumption

• Industrial production growth rate at 4.5 %
“Since 2010 India has world’s largest number of English Speakers”

“When 300 million Indians speak a word in a certain way, that will be the way to speak it”

Professor David Crystal
Cambridge Encyclopedia of the English Language
History of Investment Casting in India

Harappan Dancing Girl from 3500BC

Bees-Wax, Ant Hills Clay, River Bed Sand, Bronze Metal

Siva, Parvati and Nataraj from the 12th Century AD
Investment Casting Trends

• Indian Investment Casting Industry
  – Production was down for most foundries in 2013
  – Forecast is they would remain slow through 2014
  – Automotive parts casters heavily affected due to drop in car and truck sales
  – Business sluggish even for commercial castings
  – Appreciation of Indian Rupee posing challenges for Industry
  – Indian Economic growth slowest in a decade
Investment Casting Trends

• Types of Investment Casting Foundries
  – Aerospace/Defense
  – Automotive
  – General Engineering
INDIAN SALES of INVESTMENT CASTINGS

2013 Sales Forecast by Commodity

- **65%** Industrial Valves, Pumps, Impellers & Machinery Parts
- **28%** Automobile Parts
- **7%** Aerospace/Defense Industry Components

DYNATEC SALES MUMBAI, INDIA: deepan@bom7.vsnl.net.in
INDIAN MARKET by SECTOR

<table>
<thead>
<tr>
<th>Sector</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL SALES</td>
<td>450</td>
<td>350</td>
<td>300</td>
</tr>
<tr>
<td>Aerospace</td>
<td>50</td>
<td>30</td>
<td>20</td>
</tr>
<tr>
<td>Automotive</td>
<td>30</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>Commercial</td>
<td>200</td>
<td>100</td>
<td>150</td>
</tr>
<tr>
<td>Defense</td>
<td>100</td>
<td>50</td>
<td>70</td>
</tr>
</tbody>
</table>

DYNATECSALES MUMBAI, INDIA:
deepan@bom7.vsnl.net.in
AEROSPACE & DEFENSE

- Fast growing civil aviation industry
- Development in private sector manufacturing
- Emergence as an aerospace technology sourcing center.

Aerofoil castings made for a variety of gas turbine engines
**AUTOMOTIVE**

**Fully Machined, IC Auto Components:**
- Transmission parts (Gear shifting levers, Forks etc.)
- Engine Parts (Injector holding brackets, Pre-combustion chambers)

**Auto Customers:**
- Maruti Suzuki India
- Tata Motors
- Mahindra & Mahindra
- Bajaj Auto
- Ashok Leyland
- John Deere
- Swaraj Mazda etc.
INDUSTRIAL CASTINGS

• Almost 65% of Indian investment casting products are industrial type valves & pump bodies castings, power generation & general engineering components.

• Indian IC manufacturers able to produce castings which are finished & ready to assemble.

• Most casters have in house testing facilities/capabilities.
Advantages to Indian IC Market

• New & Very Large Domestic Market
• Economic Labor Costs Still Key Asset
• Dependable On-Time Suppliers with Consistent Quality and After Sales Service.
• Fully Machined, Ready to Assemble Parts
• Low Volume & Custom Parts Availability
• Large English speaking population
• New opportunities for infrastructure projects, automobile, power generation & aerospace
Concerns & Opportunities

• Manufacturing has fallen in 2012-13 due to sluggish economy & sales are down by approximately 13-14%
• Indian investment casters must add more high value products
• Conversion from other casting processes
• Appreciating Indian Rupee, rising energy costs, fuel, inflation & even labor costs are challenges
• 2013-14 business will be dependent on economic conditions, level of government spending, tax rates and regulations
• FDI restrictions of 50% for commercial business and 26% for defense & power generation
THANK YOU!