



Automotive Component Manufacturers Association of India

**Minutes of 2nd Meeting of ACMA Executive Committee
Held on 19th November 2018; Hotel Courtyard by Marriott, Pune**

List of members present at the meeting is given at [Annexure-I](#).

President, ACMA Mr Ram Venkataramani welcomed the members present at the meeting and thanked ACMA Western Region for organising a very successful Golf Tournament and for hosting Dinner the previous evening.

Committee noted the overall Quality Certifications in ACMA Membership as:

Quality Certifications	Total no. as on 15 Nov 2018	Total no. as on 15 Nov'17
ISO 9001	687	696
TS 16949	541	596
ISO 14001	347	232
OHSAS 18001	224	191
JIPM	4	4
TPM	15	15
Deming Prize	14	14
Japan Quality Medal	5	5
Shingo Silver Medallion	2	2

Committee took a note of following key decisions taken at the Steering Committee meeting, held during the day.

1. Committee consented to CRISIL conducting Quarterly Forecast of Vehicle Industry Performance.
2. Sell ACMA's first office at Nagalraya, Janakpuri and look for additional space in Delhi / NCR
3. In-principle approval for ACMA Digital Aftermarket Catalogue and Point of Sale (POS) Platform Solutions by Tech Alliance (TecDoc+Pitzo)
4. Reviewed the functioning of ACMA Pillars.

Thereafter, the formal agenda was taken up for discussion.

No.	Agenda Item	Action Point
1.	Confirmation of Minutes Committee approved the minutes of the last meeting of the Executive Committee held on 5 th September 2018 at New Delhi.	

<p>2.</p>	<p>Interactive Session with Mr Pradeep Shrivastava, Executive Director, Bajaj Auto</p> <p>President, ACMA welcomed Mr Pradeep Shrivastava, Executive Director, Bajaj Auto and invited him to share his opinion on Future plans of Bajaj Auto and its expectations from the Suppliers especially in light of the imminent launch of several new products including EVs.</p> <p>Mr Shrivastava mentioned that the Quadricycles has received acceptance in India and all norms related to its weight, permissible emissions etc. has now been defined. He informed that the Quadricycle shall be available in both passenger and goods carrier segment. He informed that Quadricycle for Personal-use has started gaining momentum in Kerala.</p> <p>He also detailed the TPM journey at Bajaj Auto.</p> <p>On EV's, he revealed that Bajaj Auto awaits clear roadmap / policy framework from the Government, as followed in Scandinavian countries, before planning diversification to EVs.</p> <p>He appreciated ACMA in its initiative of imparting skills and mentoring to members through CoE and through various cluster programs and offered his support.</p> <p>President thanked Mr Shrivastava for a very candid interactive session and wished Quadricycles abundant success.</p>	
<p>2</p>	<p><u>State of Industry: Automotive Industry Performance & Forecast:</u></p> <p>To make a presentation on Automotive Industry Performance & Forecast, Committee welcomed Mr Nagarajan Narsimhan, Senior Director, CRISIL and Mr Hemal Thakkar, Associate Director.</p> <p>With a background of various Macroeconomic trends including rising fuel prices, positive rural demand, high cost of borrowing, positive freight demand, impact of</p>	

	<p>Insurance cost hike, following details on the Industry were shared.</p> <ul style="list-style-type: none"> • PVs: Growth momentum would continue during next fiscal year anticipating new model launches, pre-buying before implementation of BS-VI norms, during the last quarter of 2019. • 2-Wheelers incl. Mopeds, Scooter, Motor Cycles: Improved rural income and affordability with new launches are expected to accelerate demand of 2Ws. • CVs: LCVs with healthy replacement demand and MHCVs with Infrastructure push and Govt. housing plans are expected to show robust growth. • Tractors: the segment is expected to do well expecting normal monsoon, easy availability of finance to farmers and increasing use of tractors in non-agricultural work. <p>The detailed presentation with projections for various vehicle segments is attached as Annexure-II</p>	
<p>3</p>	<p><u>ACMA-SIAM Digital Transformation Roadmap: Presentation by AT Kearney, Consultants</u></p> <p>Committee noted that ACMA and SIAM had jointly initiated a Study on Industry 4.0 with AT Kearney – Consultants.</p> <p>To give an update on the study and methodology, the committee welcomed team AT Kearney.</p> <p>It was noted that the prime agenda of the study was to map the present status and ‘to-be state’ of Indian automotive industry, in context of digital transformation and to identify real (v/s hype) technologies and understand their relevant use and accordingly prepare a digital transformation roadmap across short, mid and long-term for its member partners i.e. OEMs and Component Manufacturers.</p> <p>Interactions with major OEMs (TML, M&M, Volvo Eicher, Daimler, BMW), ACMA members, Ministry Officials and financial institutions, revealed that industry players have started implementing digital technologies across select functions.</p> <p>Following was noted:</p>	

Emerging digital technologies has led to development of following new industrial capabilities.

- Connectivity & Computing Power: Industrial Internet i.e. connected industrial machinery
- Analytics & Intelligence: AI
- Human-Machine interface: Material handling, manufacturing and other supply chain activities
- Digital-Physical transformation: 3D printing industry

Considering enormous benefits, these capabilities have been globally accepted by many Organisations:

- 30-50% reduction in **total machine downtime**
- 3-5% increase in **overall productivity**
- 10-15% increase in **employee productivity**
- 10-40% **maintenance cost** reduction
- 20-50% reduction in **inventory holding costs**
- 20-50% reduction in **time to market** and new product introductions

It was noted that out of various technologies, the study will focus on following:

- Advanced Robotics
- AR / VR / Wearables
- APIs and Apps
- RFID / Sensors
- Blockchain
- IoT (Internet of Things)
- Digital payments
- Additive Manufacturing
- AI / ML / DL
- Advanced Analytics (AA)
- Robotic Process Automation

It was informed that a detailed report covering elements which are to be followed by organizations and specifically by departmental heads would be shared with ACMA.

Committee noted that to get feedback from membership, Regional Workshops shall be organized at Delhi, Pune, Chennai and inputs / suggestions there of shall be incorporated in the report.

	<p>The detailed presentation shared by Consultants is attached as Annexure-III.</p>	
<p>4.</p>	<p><u>Review of ToRs and Work Plan / Review of Pillar Activities</u></p> <p>Committee acknowledged the receipt of the Terms of Reference (ToRs) of each Pillar and MIS report, which had been circulated with Agenda.</p> <p>To share key events organised and planned, Pillar and sub-pillar Coordinators made brief presentation to the committee.</p> <p>President, ACMA invited committee members to share their insights on strengthening the pillar activities.</p> <p>Following was noted:</p> <p>Pillar-1 on Business Development: Sub-Pillar on Exports was majorly involved in Trade promotion activities, seeking government grants/ subsidies under market Access schemes.</p> <p>The sub-pillar would follow the directions from the recently concluded ACMA Globalization Study and target those countries with high export potential, and organise trade delegations and participation at major Auto Shows.</p> <p>Sub-Pillar on Domestic Business Development will continue its focus on strengthening ties with Domestic OEMs, to have more deep and personal insights. Plant Visit, Technology shows with MSIL, HMIL etc. planned last year, would be continued. It was noted that while the Western Region was organizing Technology Show with Eicher Motors, Northern Region was looking at two Technology shows with MSIL 1) focused on Tooling 2) focused on components for Electric Vehicles.</p> <p>Sub-Pillar on Domestic Aftermarket was preparing Tech-Doc, an electronic catalogue for aftermarket and also supporting ACMA Study on drafting guidelines for enforcement of standards to parts sold in aftermarket.</p> <p>Besides, to reduce Road Accidents, and spread awareness on Safety, a Walkathon – `1 crore step was initiated by Mr Ramashankar Pandey.</p>	

AutoServe in Chennai; North-East Expo; Safer Drives during ACMA Automechanika New Delhi are other initiatives which were planned by Aftermarket sub-pillar and CFT on Supply Chain.

CFT on Electric Mobility would continue its interface with SIAM Electric Mobility Forum to explore ways of supporting OEMs in EM domain and looking at taking delegation overseas.

It was noted that while FAME-II is awaited, ACMA had been continuing its engagement and interaction with various ministries with regard to enhancing import duty of components required for EVs and requesting for Technology Agnostic roadmap.

CFT on MSMEs: had recently taken a delegation to Spain.

CFT on Ram Materials was interfacing with Ministry of Consumer Affairs and Department of Industrial Policy & Promotion regarding Quality Order on Steel which mandates BIS Marking on all Steel Imports. As Industry imports huge amount of Steel, Members were seeking support of ACMA. It was noted that ACMA had submitted first set of representation and working on next set.

Pillar-2 on Government Advocacy, Regulations and Research would continue to increase its engagement with various ministries and government departments, to effectively represent the industry's views and opinion in matters pertaining to Trade Policy and Promotion, WTO, Monetary & Fiscal Policy, Technology, Taxation and all such issues, that impact the auto component sector.

The Sub-pillar on Regulations interfaces with Ministry of Road Transport and Highways (MoRTH) regularly and keeps ACMA members updated on all Regulatory changes. Committee noted that MoRTH was contemplating to mandate Advanced Emergency Braking System (AEBS), Electronic Stability Control (ESC) across all M and N vehicles, LED Lights across vehicle segment, Secondary/Endurance braking for Heavy Commercial vehicles, Auto Sensors especially in E-carts and E-Rickshaws.

Regions would continue to heighten their interface with respective State Government offices covering subjects

of Labour, Power, Infrastructure and other matters relevant to Industry.

It was noted that Northern Region has already prepared a position paper on Haryana and another one on Punjab was getting prepared.

Committee appreciated that Western Region had submitted memorandum and representation to the Industry Secretary, Ahmedabad during the Labour unrest in Gujarat. SIAM supported in making representations and the matter was resolved.

Further, to update committee on US-China trade war and emerging opportunities for India, a presentation was shared at the meeting. Same is enclosed as **Annexure-IV**.

Pillar-3 on Education, Skilling and Leadership Development: The pillar includes ACT clusters for Membership and OEMs, ACMA Awards, ACoE, YBLF and HR.

Details of following clusters were shared:

- ACT- HERO MotoCorp 1st Phase cluster program successfully completed for 52 companies in Sep 2018
- ACT- Hero MotoCorp 2nd Phase for 27 companies started from Aug 2018
- ACT- Hero MotoCorp 3rd Phase for Advance Cluster with 29 Companies planned from Oct 2018
- ACT NPD Foundation Cluster 2 culminated on 1st Nov 2018 at Chennai & ACT- NPD Foundation cluster 3 and ACT NPD Bridge cluster 1 launched on 1st Nov 2018 at Chennai.
- ACT Low Cost Automation cluster 1 launched 22nd Oct 2018 at Ace, Sonipat.
- ACT-ZED Cluster 2 will get culminated in Jan 2019.
- ACT NPD Design 1 will get culminated in Mar 2019
- ACMA- UNIDO Next phase for INR 24 Cr for 3 years project is approved. 1st grant of INR 6 Cr received. Around 11 Clusters with 100 companies will be launched

Committee noted that the 1st Training program on Automaton was organized at ACoE in Sept-2018, after commissioning of Mechatronics lab, however regular

training programs shall be organized at ACoE from Jan-2019 onwards.

An update on activities organised by all regions, HR and YBLF was also shared.

Committee advised that CoE should also cover new skills such as New Softwares, Robotics, usage of electronics - Big data etc.

ASDC: It was briefed that ASDC has gone through a transformation and has been re-structured under leadership of Mr Raman Kumar Sharma, Honda Cars India and Mr F R Singhvi, Sansera.

Pillar-4 on JVs/ TA was aimed to facilitate inorganic growth in the industry.

Committee noted that to enhance knowledge of membership, Conferences on leveraging partnership to access technology and expanding footprints globally, with real life case studies, shall be Pillar's agenda.

Match making Expos with automotive nations like Japan, Germany, UK, South Korea for JV/ Collaboration/ Partnership will be planned.

A Mentorship Group from large tier 1 companies who have existing JVs/ TA shall be created, to help the SMEs and clarify their doubts with respect to JVs, TA and M&As

A Global Summit with participation of Associations of Component Manufacturers to provide insights into future trend and a networking platform for industry leaders shall be organized.

A mechanism/ Deal tracker to share update on M&A, JVs/ TA's, domestically and globally shall be published on a periodic basis.

Pillar-5 on Media Interface would continue to promote ACMA as the apex organization of Automotive components and showcase its initiatives through all media sources and social sites.

The presentations on each pillar is enclosed as **Annexure-V**

<p>5.</p> <p>A.</p>	<p>Membership Matters:</p> <p>New Membership Applications:</p> <p>The committee approved the membership of following companies.</p> <p>Ordinary Membership:</p> <ol style="list-style-type: none"> 1. Pearl Engineering Co., New Delhi (NR) 2. Vijayshree Autocom Ltd., Jharkhand (ER) 3. Brite Polytech Pvt. Ltd., Howrah (ER) 4. Nikam Iron Sintered Products Pvt Ltd, Kolhapur (WR) 5. Ehara Industries, Mumbai (WR) 6. Visteon Electronics India Private Limited, Kanchipuram (SR) 7. Radhey Autotech, Jodhpur (NR) <p>Affiliate Membership</p> <ol style="list-style-type: none"> 8. Indian Foundry Organization, Faridabad, (NR) <p>Associate Membership</p> <ol style="list-style-type: none"> 9. Safexpress Pvt. Ltd., New Delhi (NR) 	
<p>6.</p>	<p><u>Date of next meeting:</u></p> <p>President mentioned that the next meeting i.e. the 3rd meeting of the Executive Committee 2018-19 is scheduled to be held on Tuesday - January 22, 2018 in Chennai.</p> <p>He advised secretariat to communicate the exact details of meeting, in due course.</p>	

There being no other matter, the President called the meeting to a close.

The meeting ended with a vote of thanks to the Chair.

Ram Venkataramani
President

Vinnie Mehta
Director General