



## Press Release

### **21<sup>st</sup> AGM of Indian Fan Manufacturers Association**

**30th September 2021**

## **Fan industry seeks policy support to make India a manufacturing hub for energy-efficient fans**

- *Industry looks forward to embracing sustainable and energy efficient technology and ensuring effective implementation of BEE Star Labelling Requirements*
- *GST rate reduction from 18% to 5% on fans can provide working capital cushion to invest in capacity expansion and energy efficient technology*
- *Aligning with the vision of Atmanirbhar Bharat, IFMA is focused on accelerating growth & sustainability in the new normal towards self-reliant Fans Industry*

**New Delhi, September 30th, 2021:** The Indian Fan Manufacturers Association (IFMA) held a Phygital press conference on its 21<sup>st</sup> Annual General Meeting & conference on “**New Era of Fan Industry – Towards a sustainable & Energy Efficient Technology**”.

Aligning with the insight and vision of ‘Atmanirbhar Bharat’, the conference focused on building competitiveness, accelerating growth and sustainability for fan manufacturers in India. IFMA intends to make fans a promptly accessible commodity for everyone by increasing grassroots level penetration, especially in rural India. Aligned with the ‘Atmanirbhar Bharat’ mission, the manufacturing capacity for ceiling fans in the country today is close to 100% localized.

With vision of building competitiveness and sustainability for fan manufacturers in India, the session highlighted the need for adoption of energy-efficient to optimize the power consumption in Indian households and how with the necessary policy support such as reduction in GST rate from 18% to 5% can accelerate this adoption in order to compliance to energy efficiency norms which has a cost implication of 25-30%. Reduction in GST slabs will not only help the fan industry to invest into the capacity expansion, but also in adaption of new technologies.

Addressing the conference, **Mr. Ravindra Singh Negi President-Electrical Consumer Durables at Havells and Chairman at IFMA** said, “*In an average consumer household, fans contribute close to 25% of the total annual power consumption of appliances which is the highest amongst*

*all home appliances. 50% of the current energy consumption for fans could be saved just by designing and installing more energy efficient fans and introducing better control strategies. Hence, it is necessary for fan manufactures to invest in capacity expansion and energy efficient technology.”*

*A reduction in GST rate can provide much needed working capital cushion and incentivize the industry in developing new fans as per the energy efficiency norms. With the necessary policy support, the industry looks forward to embracing sustainable and energy efficient technology and ensuring effective implementation of BEE Star Labelling Requirements”*

**Mr. Atul Jain, Executive Vice President at Orient Electric and Immediate Past Chairman at IFMA** cited, *“India is a huge market for fans and one can imagine the amount of energy savings and cost savings it can bring to the consumers and the country. At IFMA, we are working closely with the member companies to promote energy efficient fans. We are we are ever willing to work with the Government in furthering its policies and initiatives in building a comprehensive ecosystem that supports mass scalability and commercial viability of production of fans.”*

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The session also focused on key success strategies, the roadmap for making India a hub for manufacturing energy efficient fans and the key policy support required to realize this vision. Additionally, the session deliberated on how emerging trends in energy efficiency and consumer dynamics can present immense opportunities for Indian fan manufacturers to expand their global footprint.

The conference was also addressed by Mr. Rakesh Khanna, MD & CEO, Orient Electric, Mr Vipul Sabharwal MD Luminous Technologies Ltd, Mr Shantanu Khosla MD Crompton Greaves and other key officials.

#### **About Indian Fan Manufacturers Association (IFMA):**

IFMA represents the electrical fans industry with members like Orient Electric Ltd, Havells India Ltd, Crompton Greaves Consumer Electricals Ltd, Bajaj Electricals Ltd, Usha International Ltd, Panasonic Life Solutions India Pvt Ltd, Luminous Power Technologies Pvt Ltd, Surya Roshni Ltd, Metro Ortem Ltd, Vardhman Industries, Vishva Electrotech Ltd etc. As an industry, IFMA represents over 500+ fan and component manufacturing entities, having a distribution network of more than 150000+ retail outlets.

Fans being one of the essential items for the masses (a basic commodity with the highest level of penetration of ~74 % households across India) and employ over 10 lakh people (directly and indirectly) and thus touch the lives of almost 100 crore citizens of India, especially in rural India. Fan industry is amongst the most *Atmanirbhar* Industries in India, as more than 98% of ceiling fans are manufactured in India today.

**Dated 30 September 2021**